



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
REGULAR MEETING
OCTOBER 7, 2015

A regular meeting of the Bay Area Air Quality Management District Board of Directors will be held in the 7th 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 9:45 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.

BOARD OF DIRECTORS REGULAR MEETING AGENDA

WEDNESDAY
OCTOBER 7, 2015
9:45 A.M.

BOARD ROOM
7TH FLOOR

CALL TO ORDER

Chairperson, Carole Groom

1. **Opening Comments**
Roll Call
Pledge of Allegiance

The Chair shall call the meeting to order and make opening comments. The Clerk of the Boards shall take roll of the Board members. The Chair shall lead the Pledge of Allegiance.

PUBLIC COMMENT ON NON-AGENDA MATTERS

2. **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.

COMMENDATIONS/PROCLAMATIONS/AWARDS

3. *The Board of Directors will recognize outgoing Advisory Council Chairperson Liza Lutzker and Advisory Council Members Jessica Range, Jonathan Cherry, Sam Altshuler, Ana Alvarez, Robert Bornstein, Harold Brazil, Stan Hayes, Frank Imhof, Kraig Kurucz, Rick Marshall, Bruce Mast, Sarat Mayer, Timothy O'Connor, Laura Tam for their service, leadership and dedication to protecting air quality in the Bay Area.*

CONSENT CALENDAR (ITEMS 4 – 8)

Staff/Phone (415) 749-

4. Minutes of the Board of Directors Meeting of September 2, 2015 **Clerk of the Boards/5073**

The Board of Directors will consider approving the draft minutes of the Board of Directors Meeting of September 2, 2015.

5. Board Communications Received from September 2, 2015 through October 6, 2015
J. Broadbent/5052
jbroadbent@baaqmd.gov

A copy of communications directed to the Board of Directors received by the Air District from September 2, 2015 through October 6, 2015, if any, will be at each Board Member's place.

6. Air District Personnel on Out-of-State Business Travel
J. Broadbent/5052
jbroadbent@baaqmd.gov

In accordance with 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.

7. Notice of Violations Issued and Settlements in Excess of \$10,000 in the Month of August 2015
B. Bunger/4920
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 August 2015.

8. Set a Public Hearing for October 21, 2015 to Consider Adoption of Proposed Amendments to Regulation 6; Rule 3: Wood Burning Devices and Adoption of a Negative Declaration pursuant to the California Environmental Quality Act (CEQA)
J. Broadbent/5052
jbroadbent@baaqmd.gov

At the October 21, 2015, meeting, the Board of Directors will consider adoption of proposed amendments to Regulation 6; Rule 3: Wood Burning Devices and Adoption of a Negative Declaration pursuant to the California Environmental Quality Act (CEQA).

COMMITTEE REPORTS

9. Report of the **Climate Protection Committee** Meeting of September 17, 2015
CHAIR: J. Pepper
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Community Choice Aggregation

1) None; receive and file.

B) Air District Activities to Monitor, Analyze and Reduce Methane Emissions

1) None; receive and file.

C) Summary of Key California Climate Legislation in 2015

1) None; receive and file.

10. Report of the **Stationary Source Committee** Meeting of September 21, 2015

CHAIR: J. Gioia

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Refinery Strategy Update

1) None; receive and file.

11. Report of the **Ad Hoc Building Oversight Committee** Meeting of September 23, 2015

CHAIR: C. Groom

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Bay Area Metro Center – 375 Beale Street – Project Status Report – September 2015

1) None; receive and file.

B) Update on the Proposed Shared Services Organization (SSO)

1) None; receive and file.

C) Update on Design and Financing of New Information Technology (IT) Infrastructure

1) None; receive and file.

D) Update on Parking for Air District Operations

1) None; receive and file.

12. Report of the **Executive Committee** Meeting of September 23, 2015

CHAIR: C. Groom

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Hearing Board Quarterly Report – April through June 2015

1) None; receive and file.

B) Candidate Recommendations for the Advisory Council

1) *Appointment of the following candidates to the Advisory Council (AC):*

*Severin Borenstein;
Tam Dudoc;
Robert Harley;
Michael Kleinman;
Tim Lipman; and
Jane CS Long*

C) Community Grant Program Guidelines

1) *Approve the Fiscal Year Ending (FYE) 2016 Community Grant Program Guidelines*

D) Update on Ozone in the Bay Area

1) *None; receive and file.*

13. Report of the **Mobile Source Committee** Meeting of September 24, 2015

CHAIR: S. Haggerty

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Projects and Contracts with Proposed Grant Awards over \$100,000

- 1) *Approve Carl Moyer Program (CMP) and Transportation Fund for Clean Air (TFCA) projects with proposed grant awards over \$100,000 as shown in Attachment 1 to the Committee staff memorandum.*
- 2) *Authorize the Executive Officer/Air Pollution Control Officer (APCO) to enter into agreements for the recommended projects.*

B) Participation in Year Five of the I-Bond Program

- 1) *Adopt a resolution in support of the Air District's application for Year 5 I-Bond program funding.*
- 2) *Authorize the Executive Officer / APCO to enter into agreements with the California Air Resources Board (ARB) related to the acceptance of the I-Bond funding.*
- 3) *Authorize the Executive Officer/APCO to appropriate I-Bond Program funding and to enter into agreements with eligible applicants for projects ranked and approved by the ARB.*

C) Allocation to Support GGRF Projects

- 1) *Adopt a resolution in support of the Air District's application for ARB Low Carbon Transportation GGRF;*
- 2) *Allocate up to \$4.65 million in TFCA funding as match for GGRF projects using a project cost-effectiveness of \$500,000 per ton of emissions reduced;*
- 3) *Authorize the Executive Officer/APCO to enter into agreements with the ARB and partners related to the acceptance of GGRF funds; and*
- 4) *Authorize the Executive Officer/APCO to appropriate GGRF funds and to enter into agreements with project participants.*

PRESENTATIONS

14. ADVISORY COUNCIL REPORT ON URBAN HEAT ISLAND IMPACTS

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Advisory Council will provide a report on Urban Heat Island impacts on energy use, climate, air pollution, greenhouse gases and health.

15. ADVISORY COUNCIL SUMMARY OF PAST ACTIVITIES

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Advisory Council will provide a summary of the Council's past activities.

CLOSED SESSION

16. 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):

Valero Refining Company – California v. Bay Area AQMD, et al., San Francisco County Superior Court, Case No. CPF-15-514407

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. S213478

17. **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: 435 Bryant Street, San Francisco, CA

Air District Negotiators: Jack P. Broadbent, Executive Officer/APCO
Damian Breen, Deputy Air Pollution Control Officer
Tom Christian, Cushman & Wakefield
Aaron Whitelock, Cushman & Wakefield

Negotiating Parties: Postcard Properties, Inc.
Colliers International

Under Negotiation: Price and Terms

OPEN SESSION

18. **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.

19. **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

20. **Report of the Executive Officer/APCO**

21. **Chairperson's Report**

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

Wednesday, October 21, 2015, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

23. **Adjournment**

The Board meeting shall be adjourned by the Board Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
939 ELLIS STREET, SAN FRANCISCO, CA 94109
mmartinez@baaqmd.gov

(415) 749-5016
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the “Members of the Board of Directors” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Board meeting. Any correspondence received after that time will be presented to the Board at the following 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 Clerk’s Office should be given in a timely manner, 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 District’s offices 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

OCTOBER 2015

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	7	9:45 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	19	9:30 a.m.	Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	19	10:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	21	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	22	9:30 a.m.	Board Room
Board of Directors Public Engagement Committee <i>(Meets at the Call of the Chair)</i>	Monday	26	9:30 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	28	9:30 a.m.	Board Room

NOVEMBER 2015

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	4	9:45 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	16	9:30 a.m.	Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	16	10:30 a.m.	Board Room
Board of Directors Nominating Committee <i>(At the Call of the Chair)</i>	Wednesday	18	9:30 a.m.	Room 716
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	18	9:45 a.m.	Board Room
Board of Directors Climate Protection Committee <i>(Meets 3rd Thursday of every other Month)</i>	Thursday	19	9:30 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	25	9:30 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	26	9:30 a.m.	Board Room

DECEMBER 2015

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	2	9:45 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	16	9:45 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	21	9:30 a.m.	Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	21	10:30 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	23	9:30 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	24	9:30 a.m.	Board Room

MM – 9/28/15 (11:38 a.m.)

G/Board/ExecutiveOffice/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 23, 2015

Re: Minutes of the Board of Directors Meeting of September 2, 2015

RECOMMENDED ACTION

Approve the attached draft minutes of the Board of Directors (Board) Meeting of September 2, 2015.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board Meeting of September 2, 2015.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

Attachment: Draft Minutes of the Board Meeting of September 2, 2015

AGENDA: 4 – ATTACHMENT

Draft Minutes - Board of Directors Regular Meeting of September 2, 2015

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

Board of Directors Regular Meeting
Wednesday, September 2, 2015

DRAFT MINUTES

Note: Audio and video recordings of the meeting are available on the website of the Bay Area Air Quality Management District at <http://www.baaqmd.gov/about-the-air-district/board-of-directors/resolutionsagendasminutes>.

1. **CALL TO ORDER:** Chairperson Carole Groom called the meeting to order at 9:50 a.m.

Opening Comments: None.

Roll Call:

Present: Chairperson Carole Groom; and Directors John Avalos, Tom Bates, David J. Canepa, Cindy Chavez, Margaret Fujioka, John Gioia, Scott Haggerty, David Hudson, Roger Kim (on behalf of Edwin Lee), Nate Miley, Karen Mitchoff, Jan Pepper, Katie Rice, Mark Ross, Rod Sinks, Jim Spring, Brad Wagenknecht and Shirlee Zane.

Absent: Vice-Chairperson Eric Mar; Secretary Liz Kniss; and Director Teresa Barrett.

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

2. **PUBLIC COMMENT ON NON-AGENDA MATTERS:**

NOTED PRESENT: Directors Haggerty, Ross and Zane were noted present at 9:52 a.m.

Roger Lin, Communities for a Better Environment, addressed the Board of Directors (Board) to request an update on the expected release date of draft proposed rules 12-15 and 12-16 and assurances from staff that there will be adequate time for public review.

Nick Despota, Sunflower Alliance, addressed the Board in support of imposing enforceable numeric caps on refinery emissions and to express concern about proposed refinery projects expected to utilize dirtier crude stocks, the status of draft proposed rules 12-15 and 12-16, and whether there will be adequate time for public review of the same.

3. **COMMENDATIONS / PROCLAMATIONS / AWARDS:**

NOTED PRESENT: Director Miley was noted present at 9:56 a.m.

Director Miley recognized Brenda Cabral, Supervising Air Quality Engineer, who completed the milestone of 25 years of service with the Air District during this first half of the calendar year. Ms. Cabral addressed the Board in appreciation.

Director Canepa recognized Amir Fanai, Principal Air Quality Engineer, who completed the milestone of 25 years of service with the Air District during this first half of the calendar year. Mr. Fanai addressed the Board in appreciation.

Director Zane recognized Robert Franicevich, Supervising Air Quality Instrument Specialist, who completed the milestone of 25 years of service with the Air District during this first half of the calendar year. Mr. Franicevich addressed the Board in appreciation.

Director Zane recognized Phil Martien, Air Quality Engineering Manager, who completed the milestone of 25 years of service with the Air District during this first half of the calendar year. Dr. Martien addressed the Board in appreciation.

NOTED PRESENT: Director Fujioka was noted present at 10:09 a.m.

Director Mitchoff recognized Frank Nakhai, Air Quality Inspector, who completed the milestone of 25 years of service with the Air District during this first half of the calendar year. Mr. Nakhai addressed the Board in appreciation.

Director Miley recognized Jean Roggenkamp, Deputy Executive Officer, who completed the milestone of 30 years of service with the Air District during this first half of the calendar year. Ms. Roggenkamp addressed the Board in appreciation.

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), announced the appointment of Ms. Roggenkamp to the position of Deputy Executive Officer.

Rex Sanders, Director of the Executive and Administrative Resources Division, recognized David Bartley, David Brunelle, Peter Calimeris, David Farr, William Hammel, Liberty Mahinay, Dharam Singh, Joseph Slamovich, Garry Smith, and John Swanson, Jr., in absentia, for their completion of milestone years of service with the Air District during this first half of the calendar year.

CONSENT CALENDAR (ITEMS 4 – 12)

- 4. Minutes of the Special Board Meeting of July 29, 2015;**
- 5. Board Communications Received from July 29, 2015 through September 1, 2015;**
- 6. Air District Personnel on Out-of-State Business Travel;**
- 7. Quarterly Report of California Air Resources Board Representative – Honorable John Gioia;**
- 8. Quarterly Report of Executive Office and Division Activities for the Months of April 2015 – June 2015;**
- 9. Notice of Violations Issued and Settlements in Excess of \$10,000 in the Month of July 2015;**
- 10. Allocation of Funding for the Prescott-Joseph Center Breathmobile Mobile Asthma Clinic;**

11. **Authorize the Executive Officer/APCO to Extend Existing Contracts for Security Services; and**
12. **Request for Authorization to Place Bids on Real Estate up to \$3 Million to Secure Parking for Operational Needs at 375 Beale Street.**

Board Action:

Director Hudson made a motion to approve Consent Calendar Items 4 through 12, inclusive.

Board Comments:

At the request of Director Chavez, Agenda Items #8, Quarterly Report of Executive Office and Division Activities for the Months of April 2015 – June 2015, and #9, Notice of Violations Issued and Settlements in Excess of \$10,000 in the Month of July 2015, were removed from the consent calendar for consideration.

Public Comments: No requests received.

Board Action (continued):

Director Hudson made an amended motion, seconded by Director Haggerty, to approve Consent Calendar Items 4 through 7, inclusive, and 10 through 12, inclusive; and the motion carried by the following vote of the Board:

AYES: Avalos, Bates, Canepa, Chavez, Fujioka, Gioia, Groom, Haggerty, Hudson, Kim, Miley, Mitchoff, Pepper, Rice, Ross, Sinks, Spring, Wagenknecht and Zane.
NOES: None.
ABSTAIN: None.
ABSENT: Barrett, Kniss and Mar.

8. **Quarterly Report of Executive Office and Division Activities for the Months of April 2015 – June 2015**

Board Comments:

The Board and staff discussed the extent of Air District authority over rail freight and related emissions, accident prevention efforts, and accident response planning; Air District support lent to the City of Benicia on a related project; the encouragement of the federal government by a number of air districts to impose the strictest possible rules on these freight cars; and about the intersection of various federal agencies' authorities in this realm.

Public Comments: No requests received.

Board Action:

Director Chavez made a motion to approve Consent Calendar Item 8 and the motion carried by the following vote of the Board:

AYES: Avalos, Bates, Canepa, Chavez, Fujioka, Gioia, Groom, Haggerty, Hudson, Kim, Miley, Mitchoff, Pepper, Rice, Ross, Sinks, Spring, Wagenknecht and Zane.
NOES: None.
ABSTAIN: None.
ABSENT: Barrett, Kniss and Mar.

9. Notice of Violations Issued and Settlements in Excess of \$10,000 in the Month of July 2015

Board Comments:

The Board and staff discussed the current compliance status of Zero Waste Energy Development Company, LLC.

Public Comments: No requests received.

Board Action:

Director Chavez made a motion, seconded by Director Hudson, to approve Consent Calendar Item 9; and the motion carried by the following vote of the Board:

AYES: Avalos, Bates, Canepa, Chavez, Fujioka, Gioia, Groom, Haggerty, Hudson, Kim, Miley, Mitchoff, Pepper, Rice, Ross, Sinks, Spring, Wagenknecht and Zane.
NOES: None.
ABSTAIN: None.
ABSENT: Barrett, Kniss and Mar.

PRESENTATION

13. Status of Regulation 6, Rule 3: Wood Burning Devices Rule Development and Wood Stove and Fireplace Replacement Incentive Program

Mr. Broadbent introduced the topic and Tracy Lee, Air Quality Specialist in the Compliance and Enforcement Division, who gave the initial staff presentation *Wood Smoke Reduction Strategy: Proposed Amendments to Regulation 6, Rule 3: Wood Burning Devices & Heating Device Upgrade Incentive Program*, through slide #10, *Regulation 6, Rule 3 Proposed Effective Dates*, including rule amendment timeline; wood smoke reduction strategies; estimated fine particulate matter reductions; and a summary of proposed amendments.

Ms. Lee introduced Wayne Kino, Director of the Compliance and Enforcement Division, who gave the remainder of the staff presentation, including an overview of and program timeline for the incentive program; incentive program funding; photographic examples of various devices; incentive program funding categories; program administration proposal; and wood smoke reduction strategy discussion items.

Board Comments:

The Board and staff discussed the amount of incentive funding dedicated to low-income households in high wood smoke impacted areas; the effective date of the proposal requiring installation of an alternate form of heat that does not burn wood in rental properties in natural gas service areas, what types of properties would be subject, and which geographic areas have the highest total number of units affected; the viability of administering the incentive program funding in-house; whether \$3 million is adequate for the 1,600 households identified and whether those 1,600 households will make an impact in the region or whether more resources should be dedicated; clarification regarding the trigger event for the fireplace or chimney remodel provision; whether someone with an old electric heater would be eligible for the incentive program; the history of the current level of proposed incentive funding; the staff plan to track the results of the program to better determine the appropriate funding level; the ineligibility of fireplaces as the sole source of heat for rental properties under State landlord-tenant law; a suggestion to add an incentive for duct analysis and repair; whether heating devices are included and eligible under property-assessed clean energy (PACE) programs; details regarding the particulate matter contribution of wood smoke; the staff plan for outreach to and prioritization of low-income households for the incentive program; who makes determinations regarding the applicability or appropriate use of PACE program funding; how staff came to propose \$15,000 as the trigger amount for the fireplace and chimney remodel provision; the viability of changing the fireplace and chimney remodel trigger event to only “a remodel costing \$50,000 or more” and how many households would likely be impacted; the need to better emphasize the existence and use of heat pumps; concern about the impact on the already-difficult rental market of requiring potentially widespread rental remodels; a suggested program administration cost cap of 5%; support on the Board for investment in marketing and outreach, incentivizing devices that do not burn wood, and real estate and rental disclosures; whether the enhanced funding allocation should instead be used to target trouble geographic areas without natural gas service instead of low-income households; why staff has focused on “rental properties in natural gas service areas;” Board concern about an administrative cost of 13%; a general lack of Board support for incentivizing the purchase of any wood-burning devices; a desire to include a requirement for an electric heater in high wood smoke impact areas; a request for information regarding the operational cost of heat pumps as compared to traditional home heating methods; what “program administration” entails for this incentive program; a review of action proposed today and staff plans for the future; the need to prioritize low-income households in trouble areas; lack of support for incentivizing affluent households; a desire to see this program return to Air District control after the initial phase is complete; the possibility of having permitting fees waived by each of the counties; the value of quantifying and contextualizing Air District efforts and the eventual outcome sought; how the Air District intends to realistically enforce the newly proposed “visible emissions limitation;” general Board support for incentivizing only non-wood-burning devices; and where the proposed funds would be transferred from to support the program.

Public Comments:

Kaitly Rosengren, Hearth, Patio & Barbeque Association (HPBA) Pacific, addressed the Board in opposition to requiring the removal of wood-burning devices and to encourage a strong outreach effort in support of the program.

Laura Fultz, American Lung Association (ALA), addressed the Board in support of the proposed revisions, citing a letter from ALA and a number of other organizations, dated September 1, 2015; in

opposition to the incentivizing of any wood burning devices; and to encourage enhanced enforcement daily to make the Bay Area a leader relative to State standards.

Margaret Pearce, 350 San Francisco, addressed the Board in support of the proposals generally and in opposition to incentivizing wood and gas burning heating devices.

Tracey Gant, Families for Clean Air (FCA), addressed the Board in support of the proposals and with a call for a decrease in wood smoke levels.

Susan Goldsborough, FCA, addressed the Board in support of 100% subsidies of heat pumps for low-income households with wood burning devices as the sole source of heat and in opposition to any incentivizing of wood burning devices.

Jed Holtzman, 350 Bay Area, addressed the Board in support of prioritizing the installation of electric heat pumps and in opposition to devices which emit particulate matter or strong greenhouse gas elements, including natural gas.

Ayse Gursoz, Breathe California, addressed the Board in support of the proposals and of prioritizing lower-income households.

John Cranch, HPBH, addressed the Board to suggest that heat pumps are not popular on the market and that any Air District campaign to incentivize retrofits include an extensive door-to-door outreach campaign.

Ken Mandelbaum addressed the Board in opposition to incentivizing wood burning devices and to suggest that 2020 stoves may be cleaner than their predecessors but are worse than the alternatives and will have a marginal impact, at best, on regional air quality.

Board Comments (continued):

The Board and staff discussed the action item today relative to the set of devices currently included in the incentivizing program and a strong urging among some Board members to avoid the incentivizing of wood burning devices.

Board Action:

Director Bates made a motion, seconded by Director Hudson, to allocate funds for the Wood Stove and Fireplace Replacement Incentive Program and amended the Fiscal Year Ending 2016 Budget in the amount of \$3 million by transferring these monies from Designated and Undesignated Reserves to Program 402.

Board Comments (continued):

The Board and staff discussed the need for more information and deliberation about the program details at future meetings; direction from the Board regarding incentives and their likely impact on staff's regulatory proposal and the exemption; the desire for a white paper on the proposed program and the impact expected by low-income households; a concern that the proposal will hurt the very low-income households it purports to assist; the importance of education as a component of the

program; the viability of fully subsidizing electric heaters; the fireplace disclosure language in use in Marin County; the viability of the Air District further incentivizing remodels by paying the permit fees to cities and counties that refuse to waive them outright; whether Air District wood smoke fines are in need of reconsideration; a request for a side-by-side comparison of the installation and operational cost of all the home heating methods being discussed; the importance of providing for personal choice in the program in order to encourage participation and cooperation; and the possibility of obtaining commitments from heating device manufacturers to rebate the products required or offered through the program.

Board Action (continued):

The motion carried by the following vote of the Board:

AYES: Bates, Canepa, Chavez, Fujioka, Gioia, Groom, Hudson, Kim, Mitchoff, Pepper, Rice, Ross, Sinks, Spering, Wagenknecht and Zane.
NOES: None.
ABSTAIN: None.
ABSENT: Avalos, Barrett, Haggerty, Kniss, Mar and Miley.

14. Existing Litigation (Government Code Section 54956.9(a))

Chairperson Groom postponed this agenda item in the interest of time.

15. PUBLIC COMMENT ON NON-AGENDA MATTERS: No requests received.

16. BOARD MEMBERS' COMMENTS:

The Board and staff discussed the scheduling conflict for many of the Board members on September 16, 2015; the desire for more advance notice of and explanations for meeting cancellations; the scope of the wood smoke issue for neighbors of those who burn wood habitually; and a request for clarification regarding commerce and rail authorities.

OTHER BUSINESS

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

18. Chairperson's Report: None.

19. Time and Place of Next Meeting

Wednesday, October 7, 2015, Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

20. Adjournment: The Board meeting adjourned at 12:33 p.m.

Sean Gallagher
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 25, 2015

Re: Board Communications Received from September 2, 2015, through October 6, 2015

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from September 2, 2015, through October 6, 2015, if any, will be at each Board Member's place at the October 7, 2015, Board meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Vanessa Johnson
Reviewed by: Maricela Martinez

BAY AREA AIR QUALITY MANGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 8, 2015

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 of District personnel who have traveled on out-of-state business.

The report covers the out-of-state business travel for the month of August 2015. The monthly out-of-state business travel report is presented in the month following travel completion.

DISCUSSION

No out-of-state business travel activities occurred in the month of August 2015.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Stephanie Osaze
Reviewed by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 28, 2015

Re: Notices of Violation Issued and Settlements in Excess of \$10,000 August 2015

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. Bunger

Attachment 7A: Notices of Violations Issued

NOTICES OF VIOLATION ISSUED

The following Notice(s) of Violation were issued in August 2015:

Alameda						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Owens-Brockway Glass Container Inc	A0030	Oakland	A52536A	8/5/15	6-1-302	RCA# 06T53/06T54 had opacity > 30% > 6min/hr. Dev 4152
P. W. Stephens Environmental, Inc.	L6230	Fremont	A53284A	8/25/15	11-2-401.5	Not starting on notified start date
Russell City Energy Co, LLC	B8136	Hayward	A50217A	8/13/15	2-1-307	excess NH3 (A/C PC 23763), late reporting
Russell City Energy Co, LLC	B8136	Hayward	A50217B	8/13/15	1-522	excess NH3 (A/C PC 23763), late reporting

Contra Costa						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Chevron Products Company	A0010	Richmond	A53872A	8/28/15	8-8-313.2	No inspections or inspection records for all WW collection system components at the Long Wharf
Chevron Products Company	A0010	Richmond	A53872B	8/28/15	8-8-505	No inspections or inspection records for all WW collection system components at the Long Wharf
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A53843A	8/11/15	8-5-306	PVV on TANK 223 not gas tight
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A54213A	8/4/15	2-6-307	06T99: SRU, SO2 > 300 ppm; SO2 > 300ppm/12-hr avg

Tesoro Refining & Marketing Company LLC	B2758	Martinez	A54214A	8/4/15	2-6-307	06U22: F-55/56, NOx > 175 lb/24-hr avg
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A54215A	8/4/15	8-5-304	8-5-304.4 Product found on roof of TK-642. Dev# 4218
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A54216A	8/4/15	12-12-405	Notification of 5/19 flaring event not sent. Dev # 4281
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A54217A	8/18/15	8-5-328	Tk-691 degassing notification not sent. Dev. #4245
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A54218A	8/18/15	8-5-307	Tk-327 hatch fugitive leak > 500ppm. Dev. #4259
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A55529A	8/25/15	8-8-302.3	Hatches leaking >500ppm after 7 day repair
USS-POSCO Industries	A2371	Pittsburg	A54068A	8/14/15	2-6-307	Failed Source Test

San Mateo						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Buri Buri Elementary School	X4223	South San Francisco	A53966A	8/5/15	6-1-301	9 Minutes exceeding Ringlemann 1 Standard.

Sonoma						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
City of Santa Rosa Wastewater Treatment	A1403	Santa Rosa	A53742A	8/5/15	2-6-307	Failed source test
City of Santa Rosa Wastewater Treatment	A1403	Santa Rosa	A53743A	8/5/15	2-6-307	Failed source test

SETTLEMENTS FOR \$10,000 OR MORE REACHED

There were 6 settlement(s) for \$10,000 or more completed in August 2015.

- 1) On August 3, 2015, the District reached settlement with Equilon Enterprises LLC d/b/a Shell Oil Products US for \$55,000, regarding the allegations contained in the following 6 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A52647A	3/6/14	2/18/14	8-8-302	8-8-302.6 Late repair on leaking API PVV
A52648A	4/1/14	2/18/14	2-6-307	NOx excess #06P04 D#3551
A52649A	4/9/14	2/6/14	6-1-302	COB #1 opacity E06N92 D#3845
A53777A	7/2/14	5/23/14	9-2-301	E06P94 HCU upset led to LOP flaring
A53978A	10/29/14	7/29/14	10	CO excess >500 ppm 40CFR60.103(a)
A53981A	1/7/15	12/18/14	8-5-307	8-5-307.3 PRV leak >500 ppm

- 2) On August 4, 2015, the District reached settlement with Chevron U.S.A, Inc. for \$146,000, regarding the allegations contained in the following 22 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A52451A	9/24/13	1/1/11	8-5-328.1	Tank de-gassing contractors using incorrect calibration gas concentrations (not per EPA Method 21)
A53181A	11/21/13	8/10/13	2-6-307	Dev #3659, PC #8869.2, 40CFR60.482-10(c), 40CFR61.242-11(c), Monitor temp <1565 F, Episode 06L43
A53181B	11/21/13	8/10/13	10	Dev #3659, PC #8869.2, 40CFR60.482-10(c), 40CFR61.242-11(c), Monitor temp <1565 F, Episode 06L43
A53182A	11/25/13	7/19/13	2-6-307	Condition F. Late Title V Deviation reporting after issuance of NOV #A52449
A53183A	11/25/13	8/10/13	10	Episode #06L48, V-701 Fuel gas H2S Excess, 40 CFR 60.104(a)(1)

A53184A	4/17/14	10/3/12	10	Dev#3417, Violation of 40 CFR 60 Subpart J 60.104(a)(1)
A53184B	4/17/14	10/3/12	2-6-307	Dev#3417, Violation of 40 CFR 60 Subpart J 60.104(a)(1)
A53185A	4/17/14	12/7/13	10	Dev #3777, Episode #06N23, H2S CEM Excess, Violation of 40 CFR Subpart J 60.104 (a)(1)
A53186A	4/17/14	6/10/08	2-6-307	Enforcement Referral, PC# 21232.9, more than 2 Source Tests >200 ppm @ 3% O2, no CEM installed
A53187A	4/17/14	6/18/08	10	Consent decree audit in June 2013 findings
A53187B	4/17/14	6/18/08	8-18-401	8-18-401.2 Consent decree audit in June 2013 findings
A53187C	4/17/14	6/18/08	8-18-402.1	Consent decree audit in June 2013 findings
A53188A	4/17/14	8/26/13	9-10-305	Dev #3674, Episode #06L71, CO CEM Excess
A53189A	4/17/14	5/2/13	10	2-6-307 (standard cond. F) Dev #3567, Violation of 40 CFR 60 Subpart J 60.104 (a)(1)
A53189B	4/17/14	5/2/13	2-6-307	2-6-307 (standard cond. F) Dev #3567, Violation of 40 CFR 60 Subpart J 60.104 (a)(1)
A53190A	6/11/14	7/17/13	2-6-307	Dev #3623, Flaring in violation of 40 CFR 60 Subpart J (60.104(a)(1))
A53190B	6/11/14	7/17/13	10	Dev #3623, Flaring in violation of 40 CFR 60 Subpart J (60.104(a)(1))
A53191A	6/11/14	7/24/13	2-6-307	Dev #3642, Flaring in violation of 40 CFR 60 Subpart J (60.104 (a)(1))
A53191B	6/11/14	7/24/13	10	Dev #3642, Flaring in violation of 40 CFR 60 Subpart J (60.104 (a)(1))
A53192A	6/11/14	9/29/13	2-6-307	Dev #3709, Flaring in violation of 40 CFR 60 Subpart J (60.104 (a)(1))
A53192B	6/11/14	9/29/13	10	Dev #3709, Flaring in violation of 40 CFR 60 Subpart J (60.104 (a)(1))
A53193A	6/11/14	10/19/13	2-6-307	Dev #3724, Flaring in violation of 40 CFR 60 Subpart J (60.104 (a)(1))
A53193B	6/11/14	10/19/13	10	Dev #3724, Flaring in violation of 40 CFR 60 Subpart J (60.104 (a)(1))
A53194A	6/11/14	11/20/13	2-6-307	Dev #3775, Flaring in violation of 40 CFR 60 Subpart J (60.104 (a)(1))
A53194B	6/11/14	11/20/13	10	Dev #3709, Flaring in violation of 40 CFR 60 Subpart J (60.104 (a)(1))

A53254A	6/19/14	2/8/14	10	Flaring not due to SU/SD/Malf, vent gas H2S >230 mg/dscf 40 CFR 60 subpart J (60.104 (a))
A53254B	6/19/14	2/8/14	2-6-307	Flaring not due to SU/SD/Malf, vent gas H2S >230 mg/dscf 40 CFR 60 subpart J (60.104 (a))
A53255A	6/19/14	2/8/14	12-11-502.3	12-11-502.3.1(a) Two (2) flaring samples missed per Reg. 12-11
A53853A	10/9/14	2/21/14	2-6-307	Dev #3865, 40 CFR 60 subpart J (60.104 (a)(1))
A53853B	10/9/14	2/21/14	10	Dev #3865, 40 CFR 60 subpart J (60.104 (a)(1))
A53854A	10/9/14	2/27/14	2-6-307	Dev #3870, 40 CFR 60 subpart J (60.104 (a)(1))
A53854B	10/9/14	2/27/14	10	Dev #3870, 40 CFR 60 subpart J (60.104 (a)(1))
A53855A	11/18/14	1/23/14	2-6-307	Dev #3827, 40 CFR 60 Subpart J (60.104 (a)(1))
A53855B	11/18/14	1/23/14	10	Dev #3827, 40 CFR 60 Subpart J (60.104 (a)(1))
A53856A	11/18/14	4/14/14	2-6-307	Dev #3897, 40 CFR 60 Subpart J (60.104 (a)(1))
A53856B	11/18/14	4/14/14	10	Dev #3897, 40 CFR 60 Subpart J (60.104 (a)(1))
A53860A	12/9/14	3/27/14	2-6-307	Dev# 3885, 40CFR60 subpart J (60.104(a)(1))
A53860B	12/9/14	3/24/14	10	Dev# 3885, 40CFR60 subpart J (60.104(a)(1))

3) On August 4, 2015, the District reached settlement with Tesoro Refining & Marketing Company for \$4,000,000, regarding the allegations contained in the following 4 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A52495A	5/1/13	4/7/07	8-8-313	Failed to minimize, inspect, control.
A52495B	5/1/13	4/7/07	2-6-307	Failed to minimize, inspect, control.
A52500A	6/27/13	7/1/07	8-18-401	no tags/monitorings/late reporting
A52500B	6/27/13	7/1/07	2-6-307	no tags/monitorings/late reporting

A52500C	6/27/13	7/1/07	8-18-402	no tags/monitorings/late reporting
A52501A	6/25/13	4/7/07	8-8-313	No control on bypass line from V-8. Continuing NOV from A52495.
A52501B	6/25/13	4/7/07	2-6-307	No control on bypass line from V-8. Continuing NOV from A52495.
A53132A	9/24/13	4/7/07	8-8-313	No control on bypass from V-8. Continuing NOV from A52495.
A53132B	9/24/13	4/7/07	2-6-307	No control on bypass from V-8. Continuing NOV from A52495.

- 4) On August 6, 2015, the District reached settlement with BoDean Company Inc. for \$40,000, regarding the allegations contained in the following 2 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A52503A	7/12/12	6/25/12	6-1-301	excess visible emissions - asphalt load out (under batch tower)
A52504A	9/14/12	7/23/12	1-301	Confirmed complaints

- 5) On August 31, 2015, the District reached settlement with NRG Marsh Landing LLC for \$10,000, regarding the allegations contained in the following 1 Notice of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A54056A	10/24/14	12/11/13	2-1-307	Failure to meet NOx permit condition

- 6) On August 31, 2015, the District reached settlement with Chevron U.S.A. Inc. for \$11,000, regarding the allegations contained in the following 2 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A52965A	11/25/13	12/1/03	11-12	Failure to monitor cargo trucks carrying Transmix per method 21. Dev 3366 & 3373
A52965B	11/25/13	12/1/03	2-6-307	Failure to monitor cargo trucks carrying Transmix per method 21. Dev 3366 & 3373
A53852A	10/9/14	10/17/13	8-18-304	8-18-304.2 Dev #3725, flange leak not fixed w/in 24 hrs

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 28, 2015

Re: Set a Public Hearing for October 21, 2015 to Consider Adoption of Proposed Amendments to Regulation 6; Rule 3: Wood-Burning Devices, and Adoption of a Negative Declaration pursuant to the California Environmental Quality Act (CEQA)

RECOMMENDED ACTION

Set a Public Hearing for October 21, 2015 to consider adoption of proposed amendments to Regulation 6; Rule 3: Wood-Burning Devices and adoption of a Negative Declaration pursuant to the California Environmental Quality Act (CEQA).

BACKGROUND

The Bay Area Air Quality Management District (Air District) proposes amendments to Regulation 6; Rule 3: Wood-Burning Devices to protect Bay Area residents from the public health impacts of fine particulates generated from burning wood or solid fuels as a source of primary or supplemental heat, or for ambiance. Wood-burning devices include fireplaces, fire pits, wood stoves, pellet stoves, and any other wood-fired heating device. There are an estimated 1.4 million fireplaces and wood-burning devices in the Bay Area; and in the winter, more than 30% of PM_{2.5} air pollution is attributed to wood burning. Although Regulation 6; Rule 3 has successfully reduced wintertime PM_{2.5} emissions regionally by about 2,660 tons per year (tpy), wood smoke continues to cause unhealthy air, to exceed the PM_{2.5} federal health standard, and negatively impact local air quality.

DISCUSSION

The United States Environmental Protection Agency (EPA) under the authority of the Clean Air Act (42 U.S.C. 7401 et seq.), established the National Ambient Air Quality Standards (NAAQS) to protect human health with a margin of safety from adverse health impacts due to exposure to air pollution. The proposed amendments to Regulation 6; Rule 3 would help to achieve state and federal ambient air quality standards for PM_{2.5} in the Bay Area. It is estimated that the Air District's proposed amendments would reduce PM_{2.5} emissions by 321 tpy and further improve local and regional air quality in the Bay Area.

The proposed amendments to the rule will address the following:

- Restrict availability of the “sole source of heat” exemption by requiring that residences seeking to use the exemption to replace or upgrade any existing non-certified wood-burning device or fireplace to an EPA-certified wood-burning device, and register that EPA-certified device with the Air District;
- Provide a temporary exemption for non-functional, permanently installed heaters;
- Provide an exemption for loss of natural gas and/or electric power;
- Adopt EPA emission requirements for the manufacturing, sale or resale of wood-burning devices;
- Require a proactive and informative disclosure describing the negative health impacts of PM_{2.5} when selling, leasing, or renting properties with a wood-burning device;
- Require rental properties in natural gas service areas to have a permanently installed form of heat that does not burn solid fuel;
- Limit installations in new building construction to only non-wood-burning devices;
- Require the replacement of an existing uncertified wood-burning device with a clean burning device if a fireplace or chimney remodel exceeds \$15,000 and requires a building permit; and
- Further restrict visible emissions from wood-burning devices to be consistent with other sources of visible emissions addressed by Regulation 6, Rule 1: General Requirements.

Potential environmental impacts from the proposed rule amendments were reviewed by the Air District’s environmental consultant, Environmental Audit, Inc. An evaluation of the proposed amendments conclude that there would be no significant adverse environmental impact, and as a result, staff proposes the adoption of a California Environmental Quality Act (CEQA) Negative Declaration. A socioeconomic analysis on the proposed rule amendments was conducted by Bay Area Economics. The findings of that analysis indicate there are no significant economic impacts resulting from changes on the household, landlord or renters to transition to cleaner heating options; however with strengthened rule requirements that further reduce wood burning by 20% in the Bay Area, there may be a significant economic burden to small businesses selling wood.

RULE DEVELOPMENT PROCESS

In preparing these proposed amendments, Air District staff reviewed similar regulations in other air districts and consulted with interested stakeholders such as the Hearth, Patio and Barbecue Association; Bay Area Realtor Associations; California Apartment Association; American Lung Association; Families for Clean Air; and any interested members of the general public. Nine public workshops were conducted in March and April 2015 to discuss the proposed amendments to the rule and comments from those meetings have been incorporated into this draft proposal. An interim set of proposed amendments and staff report were sent to interested parties in late August, and additional comments were incorporated into the proposed amendments to Regulation 6; Rule 3.

A public hearing notice; proposed amendments to Regulation 6, Rule 3; the CEQA initial study and Negative Declaration; a socioeconomic analysis; and a staff report are available by request and have been posted on the Air District's website at <http://www.baaqmd.gov/rules-and-compliance/rule-development/meetings-and-public-hearings>.

BUDGET CONSIDERATIONS/FINANCIAL IMPACTS

Implementation of the real estate disclosure, requirements for new construction, rental property requirements in natural gas service areas, and fireplace/chimney remodel provisions will require incremental Air District resources for outreach to the affected parties. The registration program for EPA certified wood-burning devices can be developed with existing computer programs and is likely to require additional staffing resources during initial registration, but a reduction in overall staffing resources is expected in the long term.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Tracy Lee
Reviewed by: Wayne Kino

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

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

Date: September 23, 2015

Re: Report of the Climate Protection Committee Meeting of September 17, 2015

RECOMMENDED ACTION

The Climate Protection Committee (Committee) received only informational items and has no recommendations of approval by the Board of Directors.

BACKGROUND

The Committee met on Thursday, September 17, 2015, and received the following reports:

- A) Community Choice Aggregation;
- B) Air District Activities to Monitor, Analyze and Reduce Methane Emissions; and
- C) Summary of Key California Climate Legislation in 2015.

Chairperson Jan Pepper will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None.
- B) Enhanced methane monitoring activities required resources that were included in the Fiscal Year Ending (FYE) 2015 budget, with additional resources allocated in the current FYE 2016 budget.
- C) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

Attachment 9A: 09/17/15 – Climate Protection Committee Meeting Agenda #4
Attachment 9B: 09/17/15 – Climate Protection Committee Meeting Agenda #5
Attachment 9C: 09/17/15 – Climate Protection Committee Meeting Agenda #6

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Jan Pepper and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 2, 2015

Re: Community Choice Aggregation

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In 2002, the California State Legislature passed Assembly Bill 117, which enabled Community Choice Aggregation (CCA) in California. CCA is a system that allows local governments to aggregate the buying power of electricity customers in their jurisdiction, and directly purchase and/or generate power for their communities. The CCA model works in partnership with existing utilities, which continue to deliver power over their transmission and distribution systems, maintain the grid, provide consolidated billing and other customer services. By providing greater local control over energy sourcing in the production of electricity, CCAs can result in a reduction in the carbon content of the electricity used in communities.

In 2007, the Air District awarded a Climate Protection Grant to Marin County to assess and consider implementation of a CCA program in Marin, including developing business and implementation plans, forming a joint power authority, and providing outreach and briefings to Marin County local governments. The Air District also awarded a Climate Protection Grant to the Sonoma-based Climate Protection Campaign to conduct preliminary research for establishing a CCA program in Sonoma County. Today, the Marin CCA program, Marin Clean Energy, serves over 100,000 customers with over 50% renewable energy. The cities of Richmond, Benicia, El Cerrito and San Pablo, as well as unincorporated Napa County, have all joined Marin Clean Energy. Sonoma County's program, Sonoma Clean Power, serves nearly 47,000 customers with 36% renewable power.

DISCUSSION

Staff from the Local Energy Aggregation Network (LEAN Energy) will provide the Committee with an overview of how CCA programs work, the status of development and participation in CCA programs in the Bay Area and results to date. The presentation will also address the potential for CCA programs to reduce GHG emissions in the Bay Area and potential role(s) for the Air District in facilitating participation.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Abby Young
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Jan Pepper and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 3, 2015

Re: Air District Activities to Monitor, Analyze and Reduce Methane Emissions

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Methane is an important greenhouse gas (GHG) that contributes to the Bay Area's regional GHG emissions inventory. In the Bay Area, major sources of methane include leakage from the decomposition of waste from landfills and wastewater treatment facilities, livestock, natural gas distribution systems, and oil and gas wells. Methane has a Global Warming Potential (GWP) more than 30 times that of carbon dioxide, which means that methane is much more effective at trapping heat than carbon dioxide. Because of this high GWP and its short atmospheric lifespan (about 12 years), reducing methane emissions today can have an immediate beneficial impact on global warming.

Since 2006, the Air District has maintained a regional GHG emissions inventory, which includes methane. The Air District's emissions inventory, consistent with state and federal inventories, calculates emissions based on analysis of specific source categories (e.g., "fugitive" leaks at landfills or natural gas lines). A growing number of recent studies have indicated that there may be a disparity between such source-based estimates of methane and levels of methane detected in the ambient air. The results of these studies indicate that the Air District's inventory may significantly underestimate methane emissions. This disparity is consistent with findings at the state and national level, and work is underway to resolve this disparity and better understand which methane sources should be the focus of reduction efforts.

The Air District began measuring ambient methane levels in 1980 as part of a measurement network focused primarily on ozone precursors, or non-methane hydrocarbons. An enhanced measurement network with greater precision instruments, focused on tracking methane trends and sources, is currently under development and will begin collecting data this fall. This enhanced monitoring network, the first of its kind in the nation, will provide much needed information on methane and will also provide precise measurements of carbon dioxide to help the Air District track regional progress toward meeting GHG goals. In addition, Air District staff is currently collaborating with researchers at the Lawrence Berkeley National Laboratory to

refine and improve methane estimates in the regional emissions inventory. Outcomes of these efforts will inform Air District climate policies and programs, and also may be useful to emissions inventory work and policy development being done at other air districts, and at the state and national levels.

DISCUSSION

Several elements of the Air District's 10-Point Climate Action Work Program address methane emissions and are reflected in current work efforts. Staff will provide the Committee with an overview of the Air District's efforts to date and future plans to monitor methane levels, enhance the Air District's methane emissions inventory, and identify the major sources of methane in the Bay Area. The presentation will review rule-making efforts and other activities underway to control methane emissions.

BUDGET CONSIDERATION / FINANCIAL IMPACT

Enhanced methane monitoring activities required resources that were included in the Fiscal Year Ending (FYE) 2015 budget, with additional resources allocated in the current FYE 2016 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Phil Martien
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Jan Pepper and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 8, 2015

Re: Summary of Key California Climate Legislation in 2015

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In 2015, the California State Legislature debated a number of significant climate change issues. These have included what mandates after 2020 are appropriate for reductions in greenhouse gas emissions and petroleum use, and increases to renewable power and buildings' energy efficiency. The expenditure of cap-and-trade revenues has also been the focus of much discussion at the Capitol.

At the time this memorandum is being drafted, these topics remain unresolved, and are arguably the most hotly debated issues the Legislature is grappling with prior to its adjournment on September 11, 2015. Air District staff will brief the Committee on the fate of the most important climate change bills, including Senate Bill (SB) 32 and SB 350.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Tom Addison
Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 23, 2015

Re: Report of the Stationary Source Committee Meeting of September 21, 2015

RECOMMENDED ACTION

The Stationary Source Committee (Committee) received only informational items and has no recommendations of approval by the Board of Directors.

BACKGROUND

The Committee met on Monday, September 21, 2015, and received the report Refinery Strategy Update.

The Chair of the Committee requested that materials presented at the committee meeting, as well as additional materials, be included in this report of the committee. The requested items are attached along with the Committee Agenda Item #4.

Chairperson John Gioia will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher

Reviewed by: Maricela Martinez

Attachment 10A: 09/21/15 - Stationary Source Committee Meeting Agenda #4

Attachment 10B: 09/21/15 - Stationary Source Committee Refinery Strategy PowerPoint
Presentation

Attachment 10C: Letter from Mr. Richard Corey, Executive Officer, California Air Resources
Board

Attachment 10D: Refinery Strategy Overview

Attachment 10E: Purpose and Intent of Maximum Cost Effectiveness Thresholds in Regulation
12: Rule 16

Attachment 10F: Refinery Strategy Timeline

Attachment 10G: Concerns about setting numeric caps at Current Levels

Attachment 10H: Refinery GHG's, Gasoline Consumption and GHG targets

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson John Gioia and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 8, 2015

Re: Refinery Strategy Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On October 17, 2012, the Board of Directors approved staff's *Work Plan for Action Items Related to Accidental Releases from Industrial Facilities* that included, among the key actions, the development of a new rule that would apply to Bay Area petroleum refineries. Initially, staff developed Regulation 12, Rule 15 to collect information regarding refinery operations and put in place limits to increases in refinery emissions. During rule development, it was determined that two regulations were needed to better address data collection and limitation of refinery emissions increases. As a result, staff focused Regulation 12, Rule 15 on data collection and developed a new rule, Regulation 12, Rule 16, to limit increases in refinery emissions that focused on both criteria and toxic pollutants.

In order to address concerns heard during public comment regarding Regulation 12, Rules 15 and 16, the Board of Directors adopted Resolution Number 2014-07, directing staff to develop a strategy for specific rulemaking to meet the goal of reducing refinery emissions by 20% by 2020, or as much as feasible. Staff developed the Refinery Emissions Reduction Strategy to outline rule making actions that would reduce refinery emissions by 20% by 2020, or as much as feasible, and is now in the first phase of that process, proposing four rules that are expected to reduce refinery emissions by approximately 15%. A second phase of rulemaking is already in development to achieve the desired goal of reducing emissions by 20% by 2020, or as much as feasible.

One of the directions of Resolution Number 2014-7 was for staff to identify additional feasible measures to achieve best practices at refineries to ensure continuous improvement towards minimizing emissions. Staff is developing amendments to the Air District permitting rules to address this goal. The changes to permitting rules will require that New Source Review (NSR) requirements be applied in two new ways: 1) when crude oil characteristics change outside of current operating parameters and 2) to expand the evaluation of GHG emissions in permitting

actions. These actions will ensure that best emissions reduction techniques are used to reduce overall emissions, including GHG at additional Bay Area facilities, over time.

The rulemaking actions described above can be considered an overall Refinery Strategy that addresses concerns regarding emissions of criteria pollutants, toxic air contaminants and GHG from refineries.

DISCUSSION

At the September 21, 2015, Stationary Source Committee meeting, staff will provide a report on proposed regulations, including how the proposals respond to comments received. Open house workshops on the proposed regulations are underway, in Martinez, (September 15), Benicia, (September 17), and Richmond, (September 28). The proposed regulations are scheduled for a public hearing by the Board of Directors in December of 2015. These regulations are:

- Regulation 12, Rule 15 - designed to gather data about refinery emissions and track them over time.
- Regulation 12, Rule 16 - designed to limit refinery emissions and the associated health risk caused by those emissions.
- The first phase of the Refinery Emission Reduction Strategy - four proposed rules that are expected to achieve a 15% reduction in emissions from refineries. The four rules are:
 - Regulation 6, Rule 5: Fluid Catalytic Cracking Units
 - Regulation 9, Rule 14: Petroleum Coke Calcining
 - Regulation 8, Rule 18: Equipment Leaks
 - Regulation 11, Rule 10: Cooling Towers

Staff will also briefly discuss future actions currently in development to ensure refinery emission reduction goals are met and continuous improvement towards minimizing refinery emissions is achieved. These future actions are expected to be heard by the Board of Directors in 2016. They include:

- The second phase of the Refinery Emission Reduction Strategy - expected to achieve or exceed the stated goal of reducing overall refinery emissions by 20% by 2020, or as much as feasible. These rules include:
 - Regulation 6, Rule 5: Fluid Catalytic Cracking Unit (additional requirements)
 - Regulation 9, Rule 1: Sulfur Dioxide
 - Regulation 9, Rule 9: Stationary Gas Turbines
 - Investigation of further study measures that include wastewater, marine vessel operations and refinery boilers, steam generators and process heaters, as time and resources allow

- Proposed amendments to permitting requirements applying NSR protocols – expected to address potential crude oil characteristic changes and the potential for increased emissions as well as incorporation of GHG emissions into permitting actions.

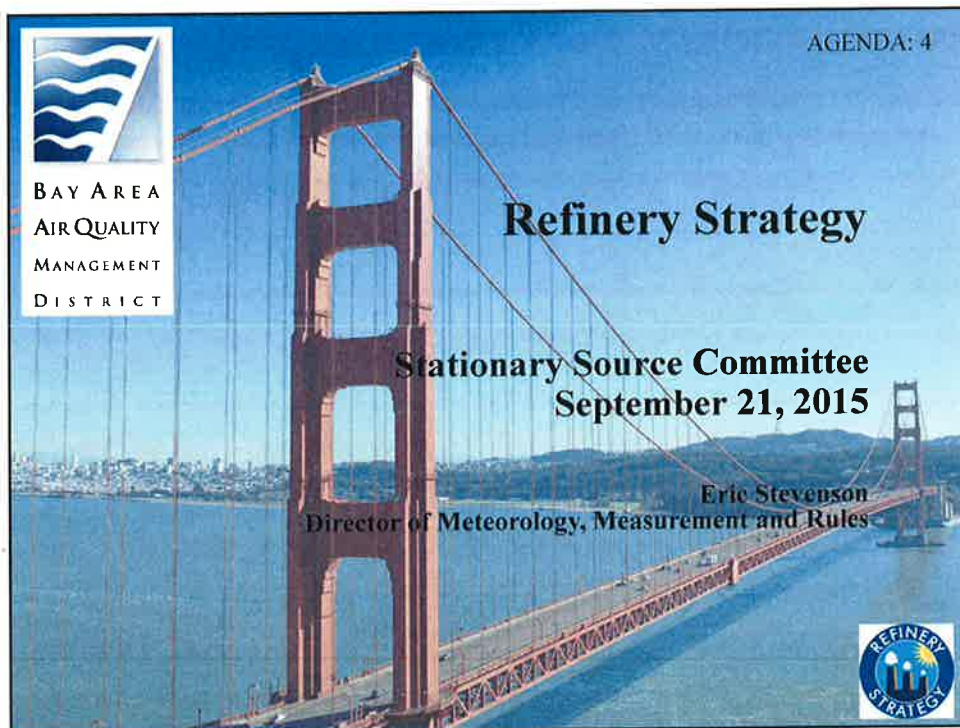
BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None. Staff intends to propose a new fee schedule in order to recover the Air District's costs of implementing new and amended rules developed in the overall Refinery Strategy.

Respectfully,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Eric Stevenson
Reviewed by: Jean Roggenkamp



AGENDA: 4

Refinery Strategy

Stationary Source Committee
September 21, 2015

Eric Stevenson
Director of Meteorology, Measurement and Rules


BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

REFINERY STRATEGY



Overview

- Development of Overall Refinery Strategy
- Goals
- Elements
 - Reduce harmful emissions
 - Continuous monitoring
 - Limit pollution & protect health
 - Ensure Best Practices
- Goals Achieved and Comments addressed
- Next steps



2



Development of the Overall Refinery Strategy

- Regulatory Concept paper **(2012)**
- Industrial Facility Accidental Releases Work Plan **(2012)**
- Reg. 12, Rule 15 development **(2013 to the present)**
- Reg. 12, Rule 16 development **(Oct. 2014 to present)**
- Resolution Addressing Emissions from Bay Area Refineries **(Oct. 2014)**
- Refinery Emission Reduction Strategy **(Dec. 2014 to present)**
- Changes to permitting requirements **(mid 2016)**



3

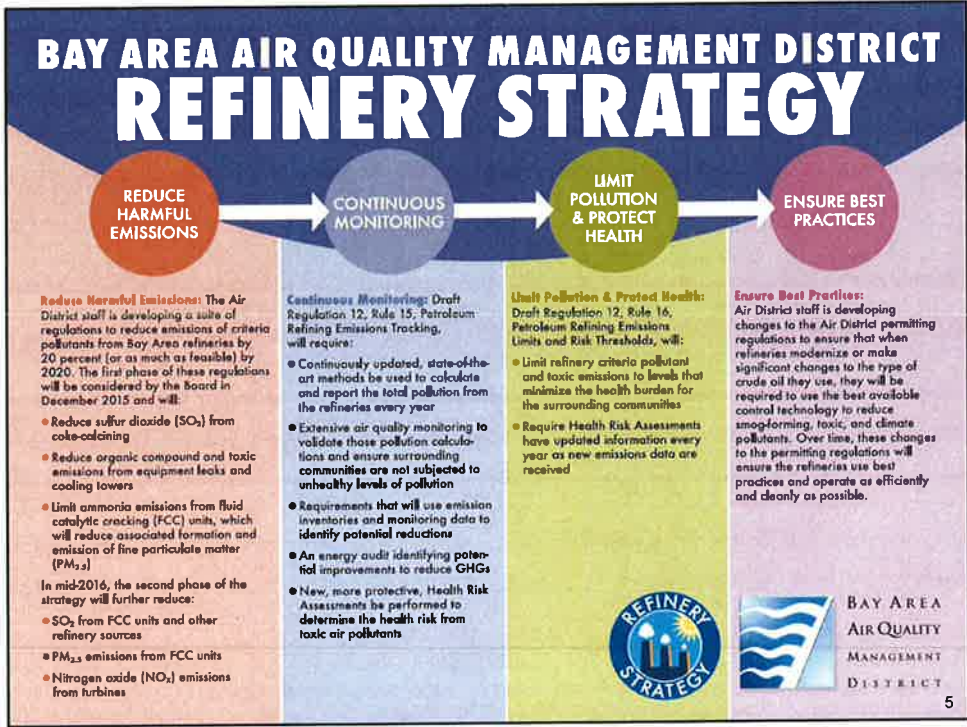


Goals of the Refinery Strategy

- Reduce harmful emissions both regionally and within nearby communities
- Perform monitoring to measure impacts and identify potential opportunities to reduce emissions
- Limit emissions and protect health
- Ensure refinery operation changes will not increase health burden and ensure best practices over time




4



Reduce Harmful Emissions

- 20% criteria pollutant reductions by 2020
 - Includes four specific refinery emission reduction regulations
 - Additional rulemaking is underway
- 20% reduction in risk by 2020
 - 12-16 sets total risk at 25 in 1 million
 - 12-15 HRA and additional monitoring requirements will aid in identifying sources for further reductions

6




Reduce Harmful Emissions - Phase I

Title	Pollutant(s)	Amount Reduced	Projected Completion
Rule 9-14: Petroleum Coke Calcining	SO ₂	645 tons/year (tpy)	Winter 2015
Rule 6-5: Fluid Catalytic Cracking Units	Ammonia, PM	TBD	Winter 2015
Rule 8-18: Equipment Leaks	VOC, toxics, methane	1,227 tpy	Winter 2015
Rule 11-10: Cooling Towers	VOC, toxics, methane	514 tpy	Winter 2015

Total Reductions for 2015: **2,386 tons per year or 15%** of total refinery criteria pollutant emissions.

Phase II rulemaking planned for 2016 likely to exceed goal of 20% reductions by 2020.

7



Reduce Harmful Emissions – Phase II

Title	Pollutant(s)	Amount Reduced	Projected Completion
Rule 6-5: Fluid Catalytic Cracking Units (Part 2)	SO ₂ PM _{2.5}	600 tpy* 200 tpy*	Spring 2016
Rule 9-1: Refinery Fuel Gas, Sulfur Plant, Acid Plants	SO ₂	800 tpy	Spring 2016
Rule 9-9: Stationary Gas Turbines	NO _x	250 tpy	Spring 2016

*Estimated – Additional testing and evaluation need to confirm emission reductions

Total Reductions for Phase II: **1,850 tons per year or 12%** of total refinery criteria pollutant emissions.

Combined emission reductions estimated to be **27%** of refinery criteria pollutant emissions.

8



Continuous Monitoring

Regulation 12, Rule 15 Elements

- Annual emissions inventories to determine emissions and identify potential areas of improvement
- Fence line and community monitoring systems to measure air quality
- Crude oil composition characteristics
- Health Risk Assessments (HRAs)
- Energy audits



9



Regulation 12, Rule 15 Tie-ins to Future Actions

- Additional crude oil composition characteristics ties into permitting actions
- Energy efficiency audit to investigate additional GHG reductions



10



Limit Pollution and Protect Health

Regulation 12, Rule 16

- Risk limit - 25 in 1 million using HRA required in 12-15
 - Future rule changes will likely incorporate this limit for all Bay Area facilities
 - Update information yearly to ensure changes don't negatively impact health
- Implement criteria pollutant limits based on Potential To Emit (PTE) and National Ambient Air Quality Standards (NAAQS)



11




Ensure Best Practices

- Crude slate modifications trigger permitting review
 - Engineering review of criteria pollutants, GHG and TACs
- Best Available Control Technology (BACT) for criteria pollutants, GHG and TACs
 - New Source Review for all affected systems




12




Precedent Setting Actions

- Fence-line and community monitoring required
- Updated HRA using latest methods
- Limits and reduces criteria pollutants
- Limits overall risk
- Identifies energy efficiency improvement opportunities
- Requires for engineering review for crude slate changes
- Reduces methane emissions from refineries
- Addresses GHG in permit review




13




Goals Achieved

- Risk and criteria pollutants limits set and emissions information collected
- Systems set in place to measure progress and identify areas for possible improvement
- Emissions will be reduced by 15% in Phase I
- Phase II will further reduce emissions to achieve 20% reduction goal




14



Goals Achieved (continued)

- Address impacts “looking forward”
 - Changes to crude slate require permit review
 - Increases in criteria pollutant, GHG and/or TAC emissions trigger BACT
 - Incorporate best practices through permitting process
 - Use energy efficiency information to identify potential GHG reductions


15



Issue Submitted by CBE and other Groups

“Direct Air District Staff to develop, for Board consideration in proposed Rule 12-16, enforceable numeric limits on criteria, toxic, and greenhouse gas air pollutant emissions.”

16




Addressing Issues: Criteria Pollutants

Issue: Cap criteria pollutants at actual emissions with a defined buffer

Staff Approach:

- Limit refineries emissions at permitted capacity.
- Refineries will be required to demonstrate compliance with applicable federal health standards for PM_{2.5} and SO₂.
- Refineries will be required to reduce allowable emissions if they cannot show compliance with federal air quality standards.

17



Addressing Issues: Toxic Air Contaminants

Issue: Cap each toxic pollutant at current levels

Staff Approach:

- Propose to take risk based approach and lower limits using latest science on risk.
- Consider the relative toxicity of the contaminants and the distance between emission point and neighboring community.
- Based on proven regulatory approach utilized throughout California.

18



Addressing Issues: GHG

Issue: Establish Local GHG Caps

Staff Approach:

- Refinery sector GHG emissions are already capped and required to decline under AB 32.
- Staff recommends addressing GHG emissions through Air District permitting rules to ensure best practices.
- Staff recommends tracking refinery GHG emissions and energy efficiency in preparation for future rulemaking

19




ARB Perspective on Local GHG Cap

“...a local cap on Bay Area refinery emissions, which are already regulated by California’s Cap-and-Trade Program, would not provide any additional GHG emissions reductions beyond the statewide cap.”

- Additional potential consequences of Bay Area GHG cap:
 - Will not provide statewide GHG emission reductions
 - Increase GHG emissions outside the Bay Area
 - Increase the cost of statewide GHG emission reductions
 - Shift business activity outside the Bay Area


Letter from Richard Corey , ARB Executive Officer, to Jack Broadbent dated September 17, 2015

20




Regulatory Program to Reduce GHG from Stationary Sources

- Expand GHG evaluation in permitting program
- Require BACT in New Source Review to limit GHG increases
- Develop regulatory proposals to limit short-lived climate pollutants
- Investigate and pursue areas for additional action to reduce GHG



21



Next Steps

- Open house workshops underway in Martinez, Benicia and Richmond
- Bring 12-15 and 12-16 to the Board for consideration in December
- Bring new and modified regulations in the Phase I of the 20% reduction by 2020 package to the Board for consideration in December
- Continue rule development and enact changes to permitting regulations and additional items in Phase II of the 20% by 2020 package
- Bring Phase II and permitting rules to Board for consideration in early 2016

22



Air Resources Board



Matthew Rodriguez
Secretary for
Environmental Protection

Mary D. Nichols, Chair
1001 I Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov

Edmund G. Brown Jr.
Governor

September 17, 2015

Mr. Jack Broadbent
Chief Executive Officer
Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

Dear Mr. Broadbent:

Thank you for our recent conversations regarding the Bay Area Air Quality Management District's (BAAQMD) consideration of a cap on greenhouse gas (GHG) emissions from Bay Area refineries. As we discussed, a local cap on Bay Area refinery emissions, which are already regulated by California's Cap-and-Trade Program, would not provide any additional GHG emissions reductions beyond the statewide cap.

California GHG emissions are limited by the statewide cap, so a local cap on Bay Area refinery emissions will have no effect on overall GHG emissions. Any emissions reductions from a Bay Area refinery cap would likely be compensated by emissions increases (also called emissions leakage) in other parts of the State. This emissions leakage would likely be associated with shifts in business activity outside the Bay Area.

The California Cap-and-Trade Program recognizes the global nature of GHG emissions and achieves the least costly emissions reductions from the State, independent of location or economic sector. Local measures singularly focused on reducing GHGs can disrupt the efficiency and increase costs of the Cap-and-Trade Program by forcing reductions where they may not be most cost-effective. But, as I noted when I addressed the Board, there may be other situations in which additional local action is appropriate and effective (e.g., achieving additional reductions in emissions of criteria and toxic pollutants). I want to amplify the perspective that I provided on measures with the sole purpose of reducing GHG emissions from individual facilities. A local limit on GHG emissions at Bay Area refineries or other facilities subject to the Cap-and-Trade Program could have the following undesirable consequences:

- Failing to reduce statewide GHG emissions,
- Increasing GHG emissions outside of the local jurisdiction,
- Increasing the cost of statewide GHG emission reductions, and
- Shifting business activity to outside of the local jurisdiction.

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.

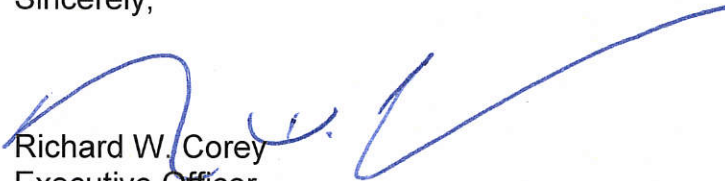
California Environmental Protection Agency

Mr. Jack Broadbent
September 17, 2015
Page 2

There are several means by which BAAQMD can reduce GHGs in a manner that complements Air Resources Board (ARB) programs, including adopting incentives and measures to mitigate use of high global warming potential GHGs, implementing the Sustainable Communities Strategy and Refrigerant Management Program, and supporting actions that advance energy efficiency in buildings, low-emitting vehicle fleets, and waste reduction. ARB encourages local and regional actions in these areas as the most effective and efficient means of reducing global GHG emissions.

ARB and BAAQMD have common goals of preserving healthy air quality and reducing criteria pollutant, toxic, and GHG emissions, and we appreciate our longstanding partnership working toward these shared objectives. If you have questions regarding these issues, please contact Floyd V. Vergara, Chief, Industrial Strategies Division, at (916) 324-0356 or via email at Floyd.Vergara@arb.ca.gov.

Sincerely,



Richard W. Corey
Executive Officer

cc: Floyd V. Vergara, Esq., P.E.
Chief, Industrial Strategies Division

BAY AREA AIR QUALITY MANAGEMENT DISTRICT REFINERY STRATEGY

REDUCE HARMFUL EMISSIONS

Reduce Harmful Emissions: The Air District staff is developing a suite of regulations to reduce emissions of criteria pollutants from Bay Area refineries by 20 percent (or as much as feasible) by 2020. The first phase of these regulations will be considered by the Board in December 2015 and will:

- Reduce sulfur dioxide (SO₂) from coke-calcining
- Reduce organic compound and toxic emissions from equipment leaks and cooling towers
- Limit ammonia emissions from fluid catalytic cracking (FCC) units, which will reduce associated formation and emission of fine particulate matter (PM_{2.5})

In mid-2016, the second phase of the strategy will further reduce:

- SO₂ from FCC units and other refinery sources
- PM_{2.5} emissions from FCC units
- Nitrogen oxide (NO_x) emissions from turbines

CONTINUOUS MONITORING

Continuous Monitoring: Draft Regulation 12, Rule 15, Petroleum Refining Emissions Tracking, will require:

- Continuously updated, state-of-the-art methods be used to calculate and report the total pollution from the refineries every year
- Extensive air quality monitoring to validate those pollution calculations and ensure surrounding communities are not subjected to unhealthy levels of pollution
- Requirements that will use emission inventories and monitoring data to identify potential reductions
- An energy audit identifying potential improvements to reduce GHGs
- New, more protective, Health Risk Assessments be performed to determine the health risk from toxic air pollutants

LIMIT POLLUTION & PROTECT HEALTH

Limit Pollution & Protect Health: Draft Regulation 12, Rule 16, Petroleum Refining Emissions Limits and Risk Thresholds, will:

- Limit refinery criteria pollutant and toxic emissions to levels that minimize the health burden for the surrounding communities
- Require Health Risk Assessments have updated information every year as new emissions data are received

ENSURE BEST PRACTICES

Ensure Best Practices:

Air District staff is developing changes to the Air District permitting regulations to ensure that when refineries modernize or make significant changes to the type of crude oil they use, they will be required to use the best available control technology to reduce smog-forming, toxic, and climate pollutants. Over time, these changes to the permitting regulations will ensure the refineries use best practices and operate as efficiently and cleanly as possible.



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DISTRICT

Purpose and Intent of Maximum Cost Effectiveness Thresholds in 12-16

Draft Rule 12-16 includes a table setting maximum cost effectiveness thresholds for emission reduction measures that may be triggered by a refinery's failure to demonstrate compliance with the National Ambient Air Quality Standards (NAAQS) for PM_{2.5} or SO₂. There were a number of questions about these thresholds at the Stationary Source Committee meeting on September 21st. This document is intended to address those questions.

The California Health and Safety Code (H&SC) requires the Board of Directors to "actively consider . . . the range of probable costs, including costs to industry" and "the availability and cost-effectiveness of alternatives to the rule" (H&SC 40728.5). This consideration must be part of the Board's evaluation of the rule.

Cost-effectiveness is interpreted to mean the following: How many dollars must industry spend each year in order to reduce a certain amount of emissions? It is expressed in dollars per ton of emissions. For example, a control device that costs \$5 million in initial costs and \$1 million/year in operational cost would have a total annual cost of approximately \$1.5 million/year. Staff calculates the total annual cost by amortizing the initial costs over the expected lifetime of the equipment and adding that to the expected annual operational costs. This total annual cost is divided by the emission reductions (in tons per year) to calculate the cost-effectiveness in dollars per ton. If the example control device reduced emissions by 100 tons per year, the cost effectiveness would be \$15,000/ton.

Under Rule 12-16, refineries may be required to reduce emissions in order to ensure that they do not cause an exceedance of the NAAQS. Since we do not know exactly what emission reductions measures could result from this requirement, the rule sets some maximum cost-effectiveness thresholds enabling staff to analyze various scenarios for control measures. This enables staff to provide the Board with the economic information they need to consider when evaluating the costs and benefits of the rule. The most recent public draft of 12-16 set the following maximum thresholds:

Pollutant	Max. Cost-Effectiveness
SO ₂	35,000 \$/ton
PM _{2.5}	50,000 \$/ton

It is entirely the Board's discretion to determine the appropriate balance between the costs and benefits of the rules. Staff developed these draft maximum cost-effectiveness thresholds by reviewing past Board direction on costs and benefits, by examining the typical costs of controls on new equipment, and by considering the health impacts of the pollutants. Staff also compared these maximum cost-effectiveness thresholds with example control measures that may be required under 12-16 to make sure that reasonable measures would not be eliminated by being deemed "too costly."

Refinery Strategy Timeline

Quarter	Monitoring & Limitation Rules	Emission Reduction Rules	Cumulative Benefit of Emission Reduction Rules [%] ¹
Q1 2016			
Q2 2016		<ul style="list-style-type: none"> Reduced toxic and reactive organic emissions from cooling towers. (11-10) 	3%
Q3 2016	<ul style="list-style-type: none"> Petroleum Refinery Emissions Profile (PREP) submitted to Air District 2015 Ongoing annual inventory submitted Public comment on source-specific and plant-wide limits on PM_{2.5} and SO₂ 		
Q4 2016	<ul style="list-style-type: none"> Public comment on PREP Final action on PREP APCO determines source specific and plant-wide limits on PM_{2.5} and SO₂ 	<ul style="list-style-type: none"> Reduced ammonia and PM emissions from fluid catalytic cracking units (FCCUs) (6-5, phase 1) 	5% ²
Q1 2017	<ul style="list-style-type: none"> Final PREP posted Public comment on 2015 annual inventory Final 2015 inventory posted Health Risk Assessment (HRA) protocol submitted 	<ul style="list-style-type: none"> Begin phase in of reduced toxic, reactive gas and methane emissions from expanded inspection and maintenance of equipment leaks (8-18) 	7%

¹ Some of these emissions benefits are for rules in the early stages of development. These emission reduction estimates will change as the rule develops. The current estimate shows a 27% overall reduction, that is probably an overestimate. Staff remains confident that the rules will meet the Board's goal of 20% reduction by 2020.

² This assumes that Phase 1 of Rule 6-5 reduces condensable particulate matter emissions from Fluid Catalytic Cracking Units by 50%.

Q2 2017	<ul style="list-style-type: none"> Demonstration of compliance with air quality standards for PM_{2.5} and SO₂ by modeling or begin monitoring to show compliance. 		8%
Q3 2017	<ul style="list-style-type: none"> Public comment on HRA protocol 	<ul style="list-style-type: none"> Reduced toxic, PM_{2.5} and black carbon emissions from diesel backup generators³ (backup generator rule planned for Board consideration Q3 2016) 	10%
Q4 2017	<ul style="list-style-type: none"> Final action on HRA protocol 	<ul style="list-style-type: none"> Full reductions achieved from expanded inspection and maintenance of equipment leaks (8-18) 	12%
Q1 2018	<ul style="list-style-type: none"> HRA submitted to Air District 		
Q2 2018	<ul style="list-style-type: none"> PM_{2.5} or SO₂ reduction plan submitted if needed 		
Q3 2018	<ul style="list-style-type: none"> Public review of PM_{2.5} or SO₂ reduction plan Public comment on HRA Final action on HRA 	<ul style="list-style-type: none"> Reduced SO₂ emissions from FCCUs (6-5, phase 2)⁴ 	16%
Q4 2018	<ul style="list-style-type: none"> Final PM_{2.5} or SO₂ reduction plan requires reductions within 2 years 	<ul style="list-style-type: none"> SO₂ reductions from one kiln at coke calciner (9-14) 	20%
Q1 2019	<ul style="list-style-type: none"> Toxic risk reduction plan submitted 		

³ Backup generators have small annual emissions but, significant cancer risk. The overall emissions reduction from this rule will be small, but the reduction in cancer risk is expected to be significant.

⁴ This presumes that PM emissions from FCCUs are substantially reduced by ammonia injection optimization in phase 1 of the implementation of 6-5 and that the SO₂ reductions are from additive injection into the FCCU. If Phase 1 is not fully successful in reducing PM emissions and wet scrubbers are required, those will likely not go on line until after 2020, due to the extensive engineering and construction time. Even if this were the case, staff expects to meet the 20% by 2020 goal due to other measures.

Q2 2019	<ul style="list-style-type: none"> Public review of toxic risk reduction plan 	<ul style="list-style-type: none"> SO₂ reductions from acid plants (9-1) 	22%
Q3 2019	<ul style="list-style-type: none"> Final toxic risk reduction plan requires emission reductions within 5 years⁵ 	<ul style="list-style-type: none"> NO_x reductions from gas turbines (9-9) 	23%
Q4 2019		<ul style="list-style-type: none"> SO₂ reductions from both kilns at coke calciner (9-14) 	25%
Q1 2020			
Q2 2020		<ul style="list-style-type: none"> SO₂ reductions from refinery fuel gas, sulfur recovery units (9-1) 	27%

⁵ In accordance with AB2588, this may be extended to 10 years if the APCO determines that it is not technically feasible or places an unreasonable economic burden on the facility. The APCO can require reductions to be made more quickly, if it is feasible.

Concerns about Setting Numeric Caps at Current Levels

At the Stationary Source Committee meeting on September 21st, the Committee and the public asked for more details regarding Staff's concern about setting numeric caps at current emission levels. This document is intended to provide those details.

Proposed 12-16 would impose a refinery-wide emissions cap based on the summation of current potential to emit (PTE) levels for all sources. This cap is essentially equal to the maximum emissions of which the refinery is legally and/or physically capable. Some commenters believed that a more stringent cap should be imposed, and advocated for inclusion of refinery-wide caps set below PTE and much closer to current actual emissions. The commenters have referred to these as "enforceable numeric caps." In support of this position, the commenters have argued that the Air District has "broad authority" to regulate emissions from stationary sources within its jurisdiction and that such authority could include numeric caps.

The Air District agrees that its legislative authority is broad enough to establish emission caps like those suggested by the commenters. However, any such action must be supported by a factual record that establishes, for any given emissions cap level, a rational relationship between that level and one or more legislative goals. Moreover, the burden of showing this relationship is arguably higher when the emissions cap level would reduce a refinery's ability to emit below what it is currently legally allowed (ie., its current PTE). For the more "traditional" source-category specific rules adopted by the Air District, the relationship to legislative goals is established through the planning process, and each rule is analyzed from the standpoint of technical feasibility, cost-effectiveness, and other ways that allow the Air District to make the necessary factual findings. The Refinery Emissions Reductions Rules are based on this traditional approach to regulation.

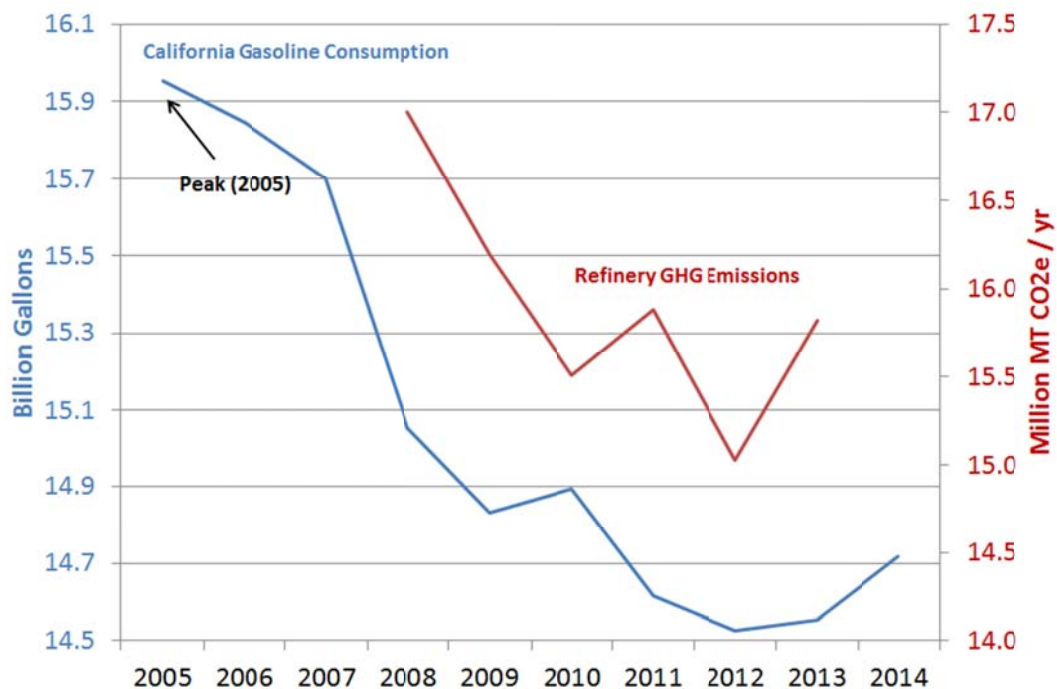
12-16, and in particular the PTE cap proposed therein, represent a different approach, but one that is nevertheless tied to a legislative purpose through the NAAQS demonstration and through the use of Emission Reduction Plans to analyze technical feasibility and cost-effectiveness on a source-specific level if reductions are required. This approach allows the Air District to make the necessary findings for capping emissions at levels representing a refinery's current capacity to emit.

To limit refinery-wide emissions to any particular level of actual emissions, the Air District would face a higher burden to show both a rational relationship to a legislative goal and a nexus between the emission level chosen and achieving that goal. The commenters suggesting "enforceable numeric limits" have not suggested how such a record could be established, and it is the opinion of the Air District that support for such a record does not currently exist.

Refinery GHGs, Gasoline Consumption, GHG Targets

At the September 21st Stationary Source Committee meeting, the Committee asked for some context on Bay Area refinery emissions with respect to the statewide greenhouse gas (GHG) emission reduction goals in the Air Resources Board Scoping Report. In response to this request, staff provides the following summary data.

- AB32 sets a target of lowering statewide GHG emissions to 1990 levels by 2020. This target is about 20% lower than current emissions.
- Refinery GHG emissions are 16% of Bay Area emissions. Use of petroleum products accounts for 38.1% of emissions. Together, they make up over ½ of Bay Area GHG emissions. (See Greenhouse Gas Emissions by Sector)
- Refinery GHG emissions are strongly correlated with gasoline demand.



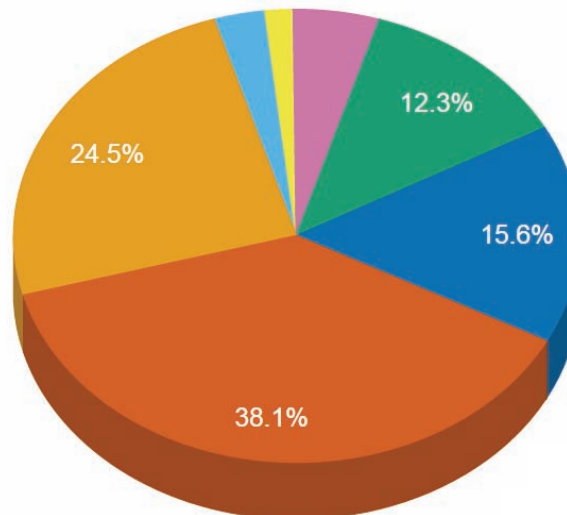
- Both gasoline consumption and refinery GHG emissions dropped approximately 10% between 2005 and 2011.
- Gasoline consumption in California was low in 2011, 2012 and 2013 but increased in 2014 and continues to increase in 2015.
- There are no proven CO₂ scrubbers or capture devices. The only feasible way to reduce CO₂ emissions from the refineries is to improve their efficiency and/or reduce their production.
- Setting limits on GHG emissions based on 2011-2013 data, as proposed by Communities for a Better Environment (CBE), could have the effect of constraining refinery production to the unusually low levels experienced in the recent recession. This may have negative consequences for consumers.

Greenhouse Gas Emissions by Sector 2015 - San Francisco Bay Area



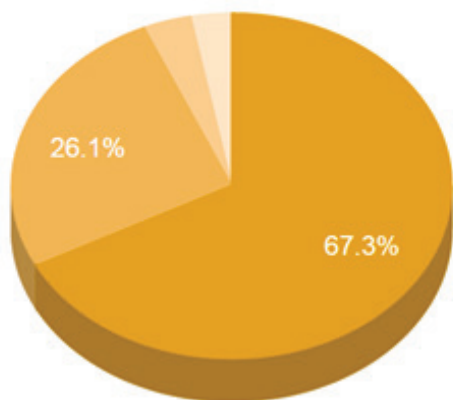
BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

Total GHG Emissions
81 MMTCO₂e
(Million metric tons of Carbon Dioxide equivalent)



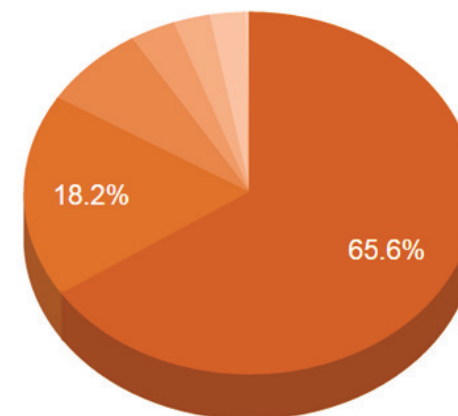
- High GWP Gases
- Agriculture + Farming
- Recycling + Waste
- Commercial + Residential
- Electricity + Cogeneration
- Transportation
- Industrial

Industrial



- Oil Refineries
 - General Fuel Usage*
 - Fugitive and Process Emissions (3.5%)
 - Cement Plants (3%)
- * Boilers, dryers, heaters, etc.

Transportation



- Passenger Cars/Trucks
- Heavy Duty Trucks
- Aviation (7.5%)
- Industrial Equipment (3.2%)
- Ships and Boats (2.6%)
- Buses and Motorhomes and Motorcycles (2.6%)
- Locomotives (0.3%)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

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

Date: September 23, 2015

Re: Report of the Ad Hoc Building Oversight Committee Meeting of September 23, 2015

RECOMMENDED ACTION

The Ad Hoc Building Oversight Committee (Committee) received only informational items and has no recommendations of approval by the Board of Directors.

BACKGROUND

The Committee met on Wednesday, September 23, 2015, and received the following reports:

- A) Bay Area Metro Center – 375 Beale Street – Project Status Report – September 2015;
- B) Update on the Proposed Shared Services Organization (SSO);
- C) Update on Design and Financing of New Information Technology (IT) Infrastructure; and
- D) Update on Parking for Air District Operations.

Chairperson Carole Groom will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None.
- B) SSO and 375 Beale Street Condominium Costs were included in programs 709 and 707 of the Fiscal Year Ending (FYE) 2016 Budget. The proposed costs of the SSO fall within the project costs in these accounts.
- C) The recommended financing option would necessitate transferring \$1 million from undesignated reserves into Program 726 in the FYE 2016 budget but would allow the Air District to continue the practice of paying fixed annualized costs for IT infrastructure.
- D) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

Attachment 11A: 09/23/15 – Ad Hoc Building Committee Meeting Agenda #4
Attachment 11B: 09/23/15 – Ad Hoc Building Committee Meeting Agenda #5
Attachment 11C: 09/23/15 – Ad Hoc Building Committee Meeting Agenda #6
Attachment 11D: 09/23/15 – Ad Hoc Building Committee Meeting Agenda #7

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Ad Hoc Building Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 8, 2015

Re: Bay Area Metro Center - 375 Beale Street – Project Status Report- September 2015

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Bay Area Air Quality Management District (Air District) is currently scheduled to relocate its operations to the newly named Bay Area Metro Center located at 375 Beale Street in the first quarter of 2016.

Construction of the Bay Area Metro Center began in January, 2013, with excavation, foundation strengthening, and demolition of the interior of the building including the atrium demolition that concluded in January, 2014. The framing of offices and installation of utilities work began in July, 2014, and is continuing on Levels 1, 2, 6, 7 and 8.

DISCUSSION

Construction

Since the Drug Enforcement Agency vacated the building, construction work has continued to progress rapidly on Levels 1, 2, 6, 7, and 8 at the Bay Area Metro Center. The critical item for move-in to the Bay Area Metro Center is the data center build-out completion date. The Bay Area Headquarters Authority (BAHA) estimates that the data center will be turned over to the Air District's IT group on October 1, 2015 to begin infrastructure buildout. Additionally, the construction manager at McCarthy Building Companies, Inc. (McCarthy) has prepared a revised build out schedule that shows the substantial completion of agency space on December 17, 2015.

Recent construction photos are included in Attachment A.

Furniture Procurement

The ordering of furniture for workstations and private offices is in process following the issuance of purchase orders by BAHA to contractor, Hogue Knoll, for the 6th and 7th floors. The ordering

includes: frosted glass for workstations and a kit to install sit/stand desks. Subsequent orders will include: custom bench seating, seating (task, guest, conference, etc.), conference room tables; the Level 8 executive suites; and furniture for public spaces, ancillary rooms, and teaming areas.

Staff are also working with move contractor, ReloConnect, to identify existing furniture that can be reused at the Bay Area Metro Center (e.g., existing conference room chairs, conference room tables).

Move Coordination

In preparation for the agencies relocating to the new building, a request for proposals (RFP) for movers, was issued on August 25, 2015. A mandatory proposers walk through was held at both the Air District and Metropolitan Transportation Commission/Association of Bay Area Governments buildings on August 31, 2015. The due date for submittal of proposals is Friday, September 11, 2015.

The Ad Hoc Building Oversight Committee will receive additional updates on the project at its September 23, 2015, meeting. The items to be covered will include an update on construction; naming of conference rooms; furniture procurement; and move coordination.

BUDGET CONSIDERATION

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Okpalaugo
Reviewed by: Damian Breen

Attachment A: Construction Photos

Figure 1: Exterior painting of the front of the building in progress



Figure 2: Level 1: Painting of the exterior with installation of exterior framing/glass



Figure 3: Level 1 - Painting of the Board room is complete; installation of wood ceiling finishes in progress



Figure 4: Level 6 - Completion of private offices and conference room build outs and painting



Figure 5: Level 6 - Installation of wood ceiling detail



Figure 6: View from roof of atrium skylight – installation of wood framing and atrium glass enclosure



BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Ad Hoc Building Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 8, 2015

Re: Update on the Proposed Shared Services Organization

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Air District is currently scheduled to relocate its operations to the new Bay Area Metro Center located at 375 Beale Street in the first quarter of 2016.

The vision for the Bay Area Metro Center includes the sharing of business operations and technology solutions among the Bay Area Air Quality Management District (Air District), Metropolitan Transportation Commission (MTC), and Association of Bay Area Governments (ABAG), at move in to improve co-operation and efficiency. In order to accomplish these and other goals in advance of the move into the Bay Area Metro Center, the 375 Beale Committee was formed. This committee is comprised of the Executive Directors/Officer from the Air District, MTC, and ABAG, (the Agencies) and has been structured to be able to make binding decisions in advance of creating the 375 Beale Street Condominium Corporation.

The 375 Beale Committee identified approximately 30 business operations and technology solutions the Agencies were interested in sharing. It then engaged consultants, Accenture, to study models and principles for the Agencies to work together in these areas now and in the future. As part of this report, staff will remind the Ad Hoc Building Oversight Committee (the Committee) of the services targeted for sharing; the concept of a shared services organization (SSO); and the model for sharing services. Air District staff will also update the Committee on the proposed budget and staffing for the SSO, and the ongoing work between the agencies on service level agreements and business rules for shared services.

DISCUSSION

One of the key principles behind the move to the Bay Area Metro Center is, that by co-locating, the Agencies will look to reduce costs, improve efficiency and co-operation by sharing equipment, operations, supplies, etc., where it makes sense. In order to take the first steps towards this type of sharing, staff from the business and IT groups at the Agencies worked together to recommend 30 separate areas where it was believed that cooperation could lead to

improved efficiencies and cost savings. These areas are split into business and IT functions, and are as follows:

Table 1 - Business and IT Operations identified for sharing by the Agencies

Business Operations	IT Operations
<p>General Services</p> <ol style="list-style-type: none"> 1) Receptionist/Visitor Management 2) Secured Card Access 3) Conference Room Scheduling 4) Conference Room Setup/Equipment 5) Copy/Print Services 6) Pantries and Supply Rooms 7) Shuttle Services 8) Fleet Management 9) Wellness Center 10) Agency Mail Distribution/Processing <p>Building Services</p> <ol style="list-style-type: none"> 1) Building Management with Agency Liaisons 2) Building Security with Agency Liaisons 3) Secured Mail Delivery Room 4) Bike Racks 5) Retail Food Vendors 	<p>Office Productivity</p> <ol style="list-style-type: none"> 1) Email 2) Calendaring/Meeting Scheduling 3) Conference Room Scheduling 4) Visitor Scheduling and Management 5) Video Conferencing 6) Webcasting 7) Conference Room Audio/Visual Support Systems 8) Printers/Copiers <p>IT Infrastructure</p> <ol style="list-style-type: none"> 1) Electronic File Storage and Information Collaboration Services 2) Telephone Systems 3) Converged Network, Cabling, and Components 4) Wireless (Wi-Fi) network 5) Internet Connectivity 6) Server Rooms 7) IDF Rooms

Having identified these services as being likely candidates for sharing, questions arose as to: how these services would actually operate in practice; how would they be organized and governed; and how would they be structured so that any model used for sharing now could be scaled to larger portions of the Agencies operations in the future. In order to address these questions, the 375 Beale Street Committee hired consultancy firm, Accenture, because of its extensive experience in setting up shared services for both private and public entities.

The Shared Services Organization Concept

Based on its analysis, Accenture recommended that the Agencies explore the concept of a Shared Services Organization (SSO). The idea of a SSO is that it operates independently from the functions of the individual agencies, freeing them up to focus on their core missions. SSO acts as a service provider to each agency via agreements that describe the levels of service required for each of the services being shared. While the concept is simple, the governance and rules around the levels of service and operation of the SSO take time to put in place and need to be well thought out to be effective.

Models for an SSO

In order to determine what SSO structure would work best for the Agencies, Accenture and staff examined a number of different organizational models for this type of entity including:

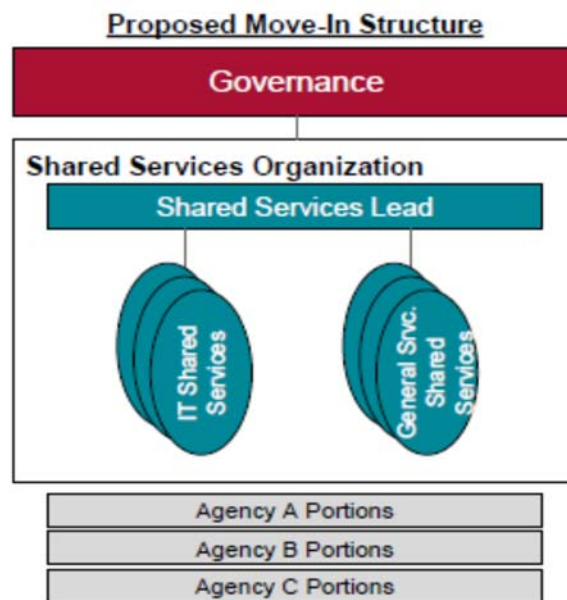
- A fully centralized SSO organization staffed with contractors to perform all of the shared services;
- A hybrid model that included the maximum number of Agency staff to perform SSO duties with limited contractor backup; and
- A hybrid model where individual Agencies are responsible for portions of the SSO functions with limited contractor back up and a small number of centralized functions.

Analysis of these models was further complicated by:

- The relationships each of the agencies have with their workforce, for example both the Air District and ABAG have bargaining units and labor contracts, where MTC has neither;
- Agency chains of command and reporting structures; and
- The fact that some of these functionalities are new and possibly represent new cost to the Agencies.

In the end, staff determined that a hybrid model where individual Agencies are responsible for portions of the SSO functions with limited contractor back up and a small number of centralized functions was the best and most scalable model to begin the sharing process with.

Figure 1-Proposed Model for Shared Services Organization at Move In



This SSO would be structured to report to the 375 Beale Street Condominium Corporation, with individual agencies performing services for the others based on agreements between the Agencies. Additionally, a small core of employees would work in a centralized SSO organization, outside of the Agencies, to run common condominium operations (building functions like security and elevator operation; the building wireless network; the core IT network; etc.) with the support of contract employees.

Current Plans for SSO

Since the Ad Hoc Committee's last update on this item in April, staff has worked with its agency partners to put in place a budget and staff for the SSO organization (See Attachment 1). The staffing and budget covers the core condominium operations and provides additional services and functionality not available at 939 Ellis Street:

- Multiple configurable public meeting spaces;
- Video conferencing and webcasting in multiple rooms;
- Agency receptionist;
- Additional security; and
- Additional amenities – wellness center, stocked pantries, etc.

Staff continues to work with its agency partners on the following and expects to conclude these agreements before the end of 2015 to give time for the SSO and agency teams to put them in place:

- Agency responsibilities and service level agreements;
- Business rules for shared services; and
- Legal and contractual requirements for SSO structures.

BUDGET CONSIDERATION / FINANCIAL IMPACT

SSO and 375 Beale Street Condominium Costs were included in programs 709, and 707, of the Fiscal Year Ending 2016 Budget. The proposed costs of the SSO fall within the project costs in these accounts.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Damian Breen

Attachment 1: Proposed SSO Budget and Organizational Chart

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Ad Hoc Building Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 10, 2015

Re: Update on Design and Financing of New Information Technology (IT) Infrastructure

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In July 2010, the Bay Area Air Quality Management Air District (Air District) entered into a six year capital lease agreement for the purchase of IT infrastructure including computer servers, storage and networking equipment. The terms of that lease required the Air District make a single annual payment of \$368,000 in July every year for six consecutive years, with the final payment due in fiscal year ending (FYE) 2016.

However, as the Air District is scheduled to move its offices in the first quarter of 2016, the Board of Directors (Board) approved an accelerated payoff of the existing infrastructure under the current lease, in preparation for the purchase of new IT infrastructure for 375 Beale Street. Therefore, following Board approval on June 4, 2014, the existing infrastructure lease was paid off in full in July 2014 (FYE 15).

On May 6, 2015, the Board further authorized the Executive Officer/APCO to enter into a contract with Berkeley Communications Corporation not to exceed \$90,000 for the design of the new (IT) infrastructure for 375 Beale Street. The design for that infrastructure is now complete. Staff is now seeking to commence procurement for the new equipment and the required installation services. As part of this report, staff will update the Committee on the design selected for the new infrastructure and its approximate costs.

DISCUSSION

The IT design vendor, Berkeley Communications, commenced its work in June 2015 and completed their effort in August 2015. As part of this work, staff requested several possible system configurations in order to fully explore a range of capabilities for its new IT infrastructure. Key principles behind the design were: that the new infrastructure should allow for upgrade of the Air District's IT security posture; that it be scalable for anticipated growth in Air District operations over the next five to six years; and that it provide for a full remote

recovery of all systems in the event of a disaster. In order to meet these requirements, Berkeley Communications proposed the following three designs:

The **Minimal** design allows for operations similar to what we have today with a minor improvement in performance and scalability. This design replaces the Air District’s obsolete equipment that will no longer be supported by manufacturers, allows for minimum growth and allows for minor security improvements.

The **Balanced** design allows for substantially improved operations with significant improvement in performance and scalability. This design allows the Air District to support anticipated growth over the next five to six years. It contains appropriate hardware and software to allow the Air District to comply with federal IT security standards and it also provides for a fully capable disaster recovery co-location system.

The **Maximum** design allows improvements in performance and scalability that would likely be in excess of Air District needs over the next five to six years. This design contains extra hardware and software to allow the Air District to have no scheduled downtime of systems for upgrading hardware components, and allows for no lag or downtime during a switchover to the disaster recovery co-location system.

The following table summarizes features and costs of the three design options:

Table 1 – Comparison of IT Design Options

Feature	Minimal	Balanced	Maximum
Allows compliance with federal IT security standards	NO	YES	YES
Allows scalability to accommodate growth	Very Limited	Would allow for 25% growth	Would allow for large scale growth
Provides full disaster recover co-location	NO	YES	YES
Provides for no scheduled downtime for equipment patching	NO	NO	YES
Provides for no downtime when transitioning to disaster recovery systems	NO	NO	YES
Budgetary Cost (USD)	2.2 Million	3.3 Million	5.2 Million
Selected Option	NO	YES	NO

Staff selected the balanced design option as it provides adequate functionality and scalability without excessive cost. The total budgetary cost of the balanced design options is approximately \$3.3 million. In order to get accurate cost for this design, the Air District will conduct a request

for proposals (RFP) process over the next few weeks, and present the results to the Board in October.

In order to keep costs for IT infrastructure consistent from year to year, the Air District has historically funded the cost of its equipment over a six year period by utilizing a capital lease. Over the preceding six years, the annualized cost of the previous lease was \$368,000. To keep the annualized costs of the proposed upgrade at approximately the same level, staff will recommend utilizing \$1 million from undesignated reserves as a down payment on the \$3.3 million balanced design option, with the remainder of the infrastructure costs being incorporated into a capital lease agreement that runs over the next six years.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The recommended financing option would necessitate transferring \$1 million from undesignated reserves into Program 726 in the FYE 2016, budget but would allow the Air District to continue the practice of paying fixed annualized costs for IT infrastructure.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: John Chiladakis
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Ad Hoc Building Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 9, 2015

Re: Update on Parking for Air District Operations

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

As part of its mission to protect public health, air quality and global climate, the Air District has numerous field operations - inspections, source testing, air monitoring, etc.- that require its staff to be mobile. As a result, the Air District has a vehicle fleet of 134 automobiles, pickup trucks and vans. Approximately 81% of this fleet operates on alternative fuel employing: gasoline hybrid, plug-in hybrid, battery electric and compressed natural gas vehicles.

Currently, the 939 Ellis Street location has over 100 parking spots. At our new building, the Air District will only have 13 dedicated parking spots; this count excludes Board of Directors (Board) parking which will be provided by the Bay Area Headquarters Authority (BAHA). Routinely, the Air District needs to have large numbers of its field staff at the agency headquarters to: deliver samples, receive upgraded field equipment, to replenish field supplies and safety equipment, and to receive training.

On September 2, 2015, the Board granted the Executive Officer authority to place bids on real estate and negotiate long-term parking leases to meet the Air District's operational needs in an amount not to exceed \$3 million. As part of this report, staff will update the Board on its efforts to secure parking for fleet vehicles at and around 375 Beale Street.

DISCUSSION

At a meeting of the Executive Committee (Committee) on June 15, 2015, staff and its consultants, DTZ, Inc., formerly Cassidy Turley, (DTZ) a real estate broker, reviewed some options to purchase and operate parking lots in the area of 375 Beale Street to meet the Air District's operational needs.

At that meeting, the Committee requested that staff explore some additional options to meet the Air District's parking needs. As a result staff has investigated:

- Leasing or purchasing additional parking space from the Bay Area Headquarters Authority/Metropolitan Transportation Commission (MTC);
- Leasing land from Caltrans with the assistance of MTC;
- Increasing the efficiency of the use of the Air District's current fleet operations;
- Leasing parking from the Port of San Francisco;
- Leasing parking from private parking operators in the area around 375 Beale Street;
- Purchase of parking spots in the buildings around 375 Beale Street;
- Long-term lease agreements for parking;
- Purchase of parking lots around 375 Beale Street; and
- Designation of reserved Air District parking for the sidewalks surrounding 375 Beale Street by the San Francisco Municipal Transportation Agency.

Based on this work, staff has concluded that increased efficiency in terms of the operation of the Air District's current fleet - for example: using rental or car sharing vehicles to accommodate office staff's transportation and eliminating vehicles for certain management employees - will ease the operational burden on the agency. However, even with the implementation of these efficiencies, the Air District will still need 15 to 20 parking spots for its field employees on an ongoing basis.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 23, 2015

Re: Report of the Executive Committee Meeting of September 23, 2015

RECOMMENDED ACTION

The Executive Committee (Committee) recommends Board of Directors' approval of the following items:

- A) None; receive and file;
- B) Appointment of the following candidates to the Advisory Council (AC):
 - 1) Severin Borenstein;
 - 2) Tam Dudoc;
 - 3) Robert Harley;
 - 4) Michael Kleinman;
 - 5) Tim Lipman; and
 - 6) Jane CS Long.
- C) Approve the Fiscal Year Ending (FYE) 2016 Community Grant Program guidelines.
- D) None; receive and file.

BACKGROUND

The Committee met on Wednesday, September 23, 2015, and received the following reports:

- A) Hearing Board Quarterly Report – April through June 2015;
- B) Candidate Recommendations for the AC;
- C) Community Grant Program Guidelines; and

D) Update on Ozone in the Bay Area.

Chairperson Carole Groom will give an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

A) None.

B) None. Costs for the AC are included in the Annual Budget.

C) None. Funding for this project is included in the FYE 2016 budget.

D) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

Attachment 12A: 09/23/15 – Executive Committee Meeting Agenda #4
Attachment 12B: 09/23/15 – Executive Committee Meeting Agenda #5
Attachment 12C: 09/23/15 – Executive Committee Meeting Agenda #6
Attachment 12D: 09/23/15 – Executive Committee Meeting Agenda #7

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members of the Executive Committee
From: Chairperson Terry Trumbull, Esq., and Members of the Hearing Board
Date: September 10, 2015
Re: Hearing Board Quarterly Report – April through June 2015

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

During the second quarter of 2015 (April through June), the Hearing Board:

- Held six hearings, including one pre-hearing conference on an Accusation (3672) and five days of hearing on an Appeal (3667). There were no hearings relative to Variances;
- Processed a total of five orders, consisting of a denial of an emergency variance (3673) and four Orders for Dismissal (3669, 3670, 3671 and 3672); and
- Collected a total of \$887.00 in filing fees.

Below is a detail of Hearing Board activity during the same period:

Location: Solano County; City of Benicia

Docket: 3667 VALERO REFINING COMPANY – CALIFORNIA – *Appeal*

Regulation(s): Final Decision on Banking of Emission Reduction Credits, Issued November 21, 2014

Synopsis: Appellant alleges the Air District has historically established an emissions baseline used to calculate emission reduction credits by relying on the date an application for permit is submitted but erroneously utilized the date of an application for banking credits based on recent rulemaking.

Status: Hearings held on April 30, May 7, May 14, May 28 and June 7, 2015; the Appeal was denied.

Period of Variance: n/a

Estimated Excess Emissions: n/a

Fees collected this quarter: \$0.00

Location: Santa Clara County; City of San Jose

Docket: 3669 APCO v. MARIO ROJAS; MARIA ROJAS; and MARCOS ALVAREZ – *Accusation*

Regulation(s): Regulation 2, Rule 1

Synopsis: Respondents operate an auto body painting facility which has operated since August 15, 2012 without a District Permit to Operate (P/O) in violation of the above regulation. Respondents were issued a Notice of Violation in 2013 for no P/O. The APCO seeks a Conditional Order for Abatement that requires Respondents to cease violating Regulation 2-1-302 by: (i) immediately ceasing operation of the facility, or (ii) by complying with District permit requirements.

Status: Order for Dismissal filed May 14, 2015.

Period of Variance: n/a

Estimated Excess Emissions: n/a

Fees collected this quarter: n/a

Location: Sonoma County; City of Santa Rosa

Docket: 3670 SONOMA COUNTY MEAT CO – *Application for Variance*

Regulation(s): Regulation 6, Rule 1, Section 301

Synopsis: Applicant operates a meat smoking facility and was issued a Notice of Violation for excessive emissions.

Status: Order for Dismissal filed April 15, 2015.

Period of Variance: February 24, 2015 through February 24, 2016

Estimated Excess Emissions: 0.24 lb/day particulate matter

Fees collected this quarter: (\$887.00)

Location: Contra Costa County; City of Concord

Docket: 3671 APCO v. FATHI AHMED and AMIR SHAH – *Accusation*

Regulation(s): Regulation 2, Rule 1, Section 302

Synopsis: Respondent is a retail gasoline station equipped with underground gasoline storage tanks and eight triple-product nozzles. A Notice of Violation was issued to Respondent in July 2012 for operating without a valid P/O. Respondent has not had a valid P/O since March 2012. The APCO sought an Order for Abatement requiring Respondent to cease violating operating without a current P/O by (i) immediately ceasing operation of the facility, or (ii) by paying the permit fees.

Status: Order for Dismissal filed May 20, 2015.

Period of Variance: n/a

Estimated Excess Emissions: n/a

Fees collected this quarter: n/a

Location: Alameda County; City of San Leandro

Docket: 3672 APCO v. A. THURAIRATNAM – *Accusation*

Regulation(s): Regulation 2, Rule 1, Section 302

Synopsis: Respondent owns or operates a gasoline dispensing facility equipped with underground gasoline storage tanks and four multi-grade gasoline product nozzles. Two Notice of Violations were issued to Respondent between September 2012 and March 2014 for operating without a valid P/O. Respondent has not had a valid P/O since August 2011. The APCO sought an Order for Abatement requiring Respondent to cease violating operating without a current P/O by (i) immediately ceasing operation of the facility, or (ii) come into compliance with the applicable regulation.

Status: Order for Dismissal filed May 20, 2015.

Period of Variance: n/a

Estimated Excess Emissions: n/a

Fees collected this quarter: n/a

Location: San Mateo County; City of Burlingame

Docket: 3673 MILLS-PENINSULA MEDICAL CENTER – *Application for Emergency Variance*

Regulation(s): Permit Condition # 24229

Synopsis: Applicant operates an acute care inpatient hospital and seeks a variance for three code-required emergency standby generators whose particulate filters do not get hot enough to catalyze the particulate matter, causing them to fail.

Status: Order Denying Emergency Variance filed June 26, 2015.

Period of Variance: n/a

Estimated Excess Emissions: n/a

Fees collected this quarter: \$887.00

Location: Solano County; City of Vallejo

Docket: 3674 APCO v. JESUS NARANJO BAUTISTA – *Accusation*

Regulation(s): Regulation 2, Rule 1, Section 302

Synopsis: Respondent is the owner, operator and billing contact for a motor vehicle refinishing operations facility. A Notice of Violation was issued to Respondent in September 2011 for operating without a valid P/O. Respondent has not had a valid P/O since April 2007. The APCO sought an Order for Abatement requiring Respondent to cease violating operating without a current P/O by (i) immediately ceasing operation of the facility, or (ii) by paying the permit fees.

Status: Request for dismissal filed by Complainant on June 29, 2015.

Period of Variance: n/a

Estimated Excess Emissions: n/a

Fees collected this quarter: n/a

Location: Solano County; City of Suisun City

Docket: 3675 CREED ENERGY CENTER, LLC – *Application for Emergency Variance*

Regulation(s): Regulation 2, Rule 1, Section 307; Regulation 2, Rule 6, Section 307; and Permit Condition # 20136, Parts 198.2. and 23.b.

Synopsis: Applicant operates a natural gas-fired power plant and seeks a variance because a source test indicated excess ammonia emissions from the primary engine turbine. Applicant suspects the test results were caused by ammonia stratification and will re-test and, if necessary,

evaluate whether the selective catalytic reduction abatement device is the cause and work to remedy it.

Status: Awaiting a response from Air District staff for Hearing Board deliberations.

Period of Variance: n/a

Estimated Excess Emissions: n/a

Fees collected this quarter: \$887.00

Respectfully submitted,

Terry Trumbull, Esq.
Chair, Hearing Board

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 10, 2015

Re: Candidate Recommendations for the Advisory Council

RECOMMENDED ACTION

Recommend the Board of Directors appointment of the following candidates to the Advisory Council:

- Severin Borenstein
- Tam Dudoc
- Robert Harley
- Michael Kleinman
- Tim Lipman
- Jane CS Long

BACKGROUND

SB1415 reconstitutes the membership of the Advisory Council to include seven appointed members, and requires the members to be skilled and experienced in the fields of air pollution, climate change, or the health impacts of air pollution and to include a diversity of perspectives, expertise, and backgrounds. At its February 18, 2015 meeting, the Board of Directors appointed Stan Hayes to the Council.

DISCUSSION

Descriptions of the candidates' backgrounds are provided as an attachment.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. Costs for the Advisory Council are included in the Annual Budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay

Attachments: Candidate Backgrounds

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 14, 2015

Re: Community Grant Program Guidelines

RECOMMENDED ACTION

The Executive Committee will consider recommending that the Board of Director approve the Fiscal Year Ending (FYE) 2016 Community Grant Program guidelines.

BACKGROUND

The Air District has historically supported community-based projects that reduce emissions, improve energy efficiency, provide air quality education and improve community health, including the 2009 pilot Community Grant Program. In 2009, the grant program funded six grants for a total of \$250,000 out of 57 applications requesting \$2,173,413. The response to this initial grant program from across the Bay Area was significant and speaks to the great need in the region for community groups and nonprofits to address air quality issues.

Air District staff has developed an updated version of the grant program for FYE 2016. On June 4, 2015, staff presented the Public Engagement Committee with a proposal to develop new grant guidelines. Through these grants, the Air District will create a designated fund for community-based projects to advance the Air District's mission of creating a healthy breathing environment for every Bay Area resident, while protecting and improving public health, air quality, and the global climate. The FYE 2016 budget includes an allocation of \$250,000 for community grants.

DISCUSSION

The Community Grant Program provides an opportunity for the Air District to focus resources on localized areas within the region with high concentrations of air pollution and in doing so, encourage community-based solutions that can improve health while also helping reduce our global climate impact.

Staff has consulted with regional-serving foundations that specialize in small grants as well as various community stakeholder groups including Bay Area Environmental Health Collaborative (BAEHC) and Bay Area Regional Health Inequities Initiative (BARHII) to obtain feedback in the development of the Community Grant Program. Based on this feedback and the successes of the 2009 grant program, the FYE 2016 Community Grant Program would award grants that focus on the following types of projects:

- Education and engagement;
- Local air pollution impact mitigations; and
- Community-based participatory research/“citizen science.”

The Community Grant Program demonstrates the Air District’s on-going commitment to maximizing avenues for community engagement in our collective efforts of improving air quality. Both a general overview and the guidelines for the grant program are attached.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. Funding for this project is included in the FYE 2016 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: David Ralston
Reviewed by: Jean Roggenkamp

- Attachment 6A: Bay Area Air Quality Management District James Carey Smith Community Grant Program FYE 2016 Overview
Attachment 6B: Bay Area Air Quality Management District Community Grant Program Guidelines

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 14, 2015

Re: Update on Ozone in the Bay Area

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In March 2008, the US Environmental Protection Agency (US EPA) revised the national ambient air quality standard for ozone, from a level of 80 parts per billion (ppb) to 75 ppb. US EPA later issued a rule in April 2012 designating 46 areas throughout the country as nonattainment for the 2008 ozone standards, effective July 20, 2012. The San Francisco Bay Area was one of these nonattainment areas, classified as marginal nonattainment.

On August 19, 2015, US EPA proposed to determine that the San Francisco Bay Area had attained the national ambient air quality standard for ozone. This proposed action is based on air quality monitoring data from 2012 through 2014. The proposal is scheduled to become final later this fall, after a public comment period.

In a separate, but related action, US EPA is soon expected to further lower the 8 hour ozone standard, likely to 70 ppb, or possibly lower. That decision will come in late September or October of this year. US EPA will then identify regions that do not meet the new standard. Therefore, further progress to meet more stringent ozone standards may be needed, and the Air District's aggressive programs to reduce fine particles, local exposure to air toxics, and greenhouse gases will continue as well.

DISCUSSION

Air District staff will provide a presentation to the Committee regarding US EPA's proposed actions related to ozone levels in the Bay Area and the potential new lower ozone standard.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Christy Riviere
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 24, 2015

Re: Report of the Mobile Source Committee Meeting of September 24, 2015

RECOMMENDED ACTION

The Mobile Source Committee (Committee) recommends Board of Directors' approval of the following items:

A) Projects and Contracts with Proposed Grant Awards over \$100,000:

- 1) Approve Carl Moyer Program (CMP) and Transportation Fund for Clean Air (TFCA) projects with proposed grant awards over \$100,000 as shown in Attachment 1 to the Committee staff memorandum; and
- 2) Authorize the Executive Officer/Air Pollution Control Officer (APCO) to enter into agreements for the recommended projects.

B) Participation in Year Five of the California Goods Movement Bond (I-Bond) Program:

- 1) Adopt a resolution in support of the Air District's application for Year 5 I-Bond Program funding;
- 2) Authorize the Executive Officer/APCO to enter into agreements with the California Air Resources Board (ARB) related to the acceptance of I-Bond Program funding; and
- 3) Authorize the Executive Officer/APCO to appropriate I-Bond Program funding and to enter into agreements with eligible applicants for projects ranked and approved by the ARB.

C) Allocation to Support Greenhouse Gas Emission Reduction Fund (GGRF) Projects:

- 1) Adopt a resolution in support of the Air District's application for ARB Low Carbon Transportation GGRF;

- 2) Allocate up to \$4.65 million in TFCA funding as match for GGRF projects using a project cost-effectiveness of \$500,000 per ton of emissions reduced;
- 3) Authorize the Executive Officer/APCO to enter into agreements with the ARB and partners related to the acceptance of GGRF funds; and
- 4) Authorize the Executive Officer/APCO to appropriate GGRF funds and to enter into agreements with project participants.

BACKGROUND

The Committee met on Thursday, September 24, 2015, and received the following reports and recommendations:

- A) Projects and Contracts with Proposed Grant Awards over \$100,000;
- B) Participation in Year Five of the I-Bond Program; and
- C) Allocation to Support GGRF Projects.

Chairperson Scott Haggerty will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None. Through the CMP, Mobile Source Incentive Fund and TFCA, the Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs are provided by each funding source.
- B) None. Through the I-Bond program the Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for the program are provided by the funding source.
- C) None. Administrative costs for the program are provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

Attachment 13A: 09/24/15 – Mobile Source Committee Meeting Agenda #4
Attachment 13B: 09/24/15 – Mobile Source Committee Meeting Agenda #5
Attachment 13C: 09/24/15 – Mobile Source Committee Meeting Agenda #6

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Scott Haggerty and
Members of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 14, 2015

Re: Projects and Contracts with Proposed Grant Awards over \$100,000

RECOMMENDATIONS

Recommend Board of Directors:

1. Approve Carl Moyer Program (CMP) and Transportation Fund for Clean Air (TFCA) projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended projects.

BACKGROUND

The Bay Area Air Quality Management District (Air District) has participated in the Carl Moyer Program (CMP), in cooperation with the California Air Resources Board (ARB), since the program began in fiscal year 1998-1999. The CMP provides grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include on-road trucks and buses, off-road equipment, marine vessels, locomotives, and stationary agricultural pump engines.

Assembly Bill 923 (AB 923 - Firebaugh), enacted in 2004 (codified as Health and Safety Code Section 44225), authorized local air districts to increase their motor vehicle registration surcharge up to an additional \$2 per vehicle. The revenues from the additional \$2 surcharge are deposited in the Air District's Mobile Source Incentive Fund (MSIF). AB 923 stipulates that air districts may use the revenues generated by the additional \$2 surcharge for projects eligible under the CMP.

On February 18, 2015, the Board of Directors authorized Air District participation in Year 17 of the CMP, and authorized the Executive Officer/APCO to execute grant agreements and amendments for projects funded with CMP funds or MSIF revenues, with individual grant award amounts up to \$100,000.

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority for the

Transportation Fund for Clean Air (TFCA) and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242. Each year, the Board allocates funding and adopts policies and evaluation criteria that govern expenditure of TFCA funding.

Sixty percent of TFCA funds are awarded directly by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and to a program referred to as the TFCA Regional Fund.

CMP and TFCA Regional Fund projects with grant award amounts over \$100,000 are brought to the Mobile Source Committee for consideration at least on a quarterly basis. Staff reviews and evaluates the grant applications based upon the respective governing policies and guidelines established by the ARB and/or the Air District's Board of Directors.

DISCUSSION

Carl Moyer Program

The Air District closed the CMP Year 16 funding cycle on June 30, 2015 and started accepting project applications for CMP Year 17 funding cycle on August 17, 2015. The Air District has approximately \$9 million available for CMP projects from a combination of MSIF and CMP funds for the Year 17 cycle. Project applications are being accepted and evaluated on a first-come, first-served basis.

As of September 7, 2015, the Air District had received 98 project applications for the CMP Year 16 cycle and two applications for the Year 17 cycle. Of the applications that have been evaluated between June 15, 2015 and September 7, 2015, seven (7) eligible projects have proposed individual grant awards over \$100,000. These projects will replace the following diesel-powered equipment: twelve (12) off-road tractors, one (1) loader, and nine (9) marine engines. These projects will reduce over 9.57 tons of NOx, ROG and PM per year. Staff recommends the allocation of \$1,160,520 to these projects from a combination of CMP funds and MSIF revenues. Attachment 1, Table 1, provides additional information on these projects.

Attachment 2, lists all of the eligible projects that have been received by the Air District as of September 7, 2015, and summarizes the allocation of funding by equipment category, and county. This list also includes the Voucher Incentive Program (VIP) on-road replacement projects awarded since the last committee update. Approximately 29% of the funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities. Attachment 3 summarizes the cumulative allocation of CMP, MSIF, and VBB funding since the Year 11 funding cycle (more than \$90 million awarded to 680 projects). As part of the presentation for this report staff will also provide an overview of ongoing CMP outreach efforts.

Transportation Fund for Clean Air (TFCA)

On May 6, 2015, the Board allocated \$24.47 million in TFCA funding for eligible projects in Fiscal Year Ending (FYE) 2016, authorized cost-effectiveness limits and evaluation criteria for Air District sponsored FYE 2016 programs, and authorized the Executive Officer/APCO to execute grant agreements and amendments for TFCA-funded projects with individual grant award amounts up to \$100,000. On July 29, 2015, the Board adopted policies and evaluation criteria for the FYE 2016, TFCA Regional Fund program.

Between July 1, 2014 and September 7, 2015, the Air District reviewed 73 applications that were found to be eligible for FYE 2015 and FYE 2016 TFCA funding. Of the applications that were evaluated between June 15, 2015 and September 7, 2015, one eligible project has a proposed individual grant award over \$100,000. This project will deploy 39 electric vehicle (EV) charging stations that are integrated with roof top solar power generation and battery storage capabilities at 37 multi-family dwelling properties. These 39 electric vehicle charging stations will reduce over .074 tons of NOx, ROG and PM per year. Staff recommends allocating \$234,000 to this project from TFCA fund revenues. Attachment 1, Table 2, provides additional information on this project.

Attachment 4, lists all of the eligible projects that have been received by the Air District as of September 7, 2015. Attachment 5 summarizes the allocation of funding by project category (Figure 1), and county (Figure 2). In total these 73 projects represent more than \$8 million in TFCA funding awards and will reduce nearly 89 tons of NOx, ROG and PM per year.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Through the CMP, MSIF and TFCA, the Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for both programs are provided by each funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Director/APCO

Prepared by: Anthony Fournier and Chengfeng Wang
Reviewed by: Karen Schkolnick

- Attachment 1: Projects with Grant Awards Greater than \$100,000 (evaluated between 6/15/15 and 9/7/15)
- Attachment 2: Summary of all CMP/ MSIF and VIP Approved and Eligible Projects (evaluated between 5/6/14 and 9/7/15)
- Attachment 3: Summary of Program Distribution by County and Equipment Category for CMP/ MSIF and VIP Projects for Years 11-17
- Attachment 4: Summary of all TFCA Approved and Eligible Projects (received between 7/1/14 and 9/7/15)
- Attachment 5: Summary of Distribution of TFCA Funds by County and Project Category (received between 7/1/14 and 9/7/15)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Scott Haggerty and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 14, 2015

Re: Participation in Year Five of the California Goods Movement Bond Program

RECOMMENDED ACTION

Recommend the Board of Directors:

1. Adopt a resolution in support of the Air District's application for Year 5 Goods Movement Bond Program (I-Bond) funding;
2. Authorize the Executive Officer/APCO to enter into agreements with the California Air Resources Board (ARB) related to the acceptance of I-Bond funding; and
3. Authorize the Executive Officer/APCO to appropriate I-Bond funding and to enter into agreements with eligible applicants for projects ranked and approved by the ARB.

BACKGROUND

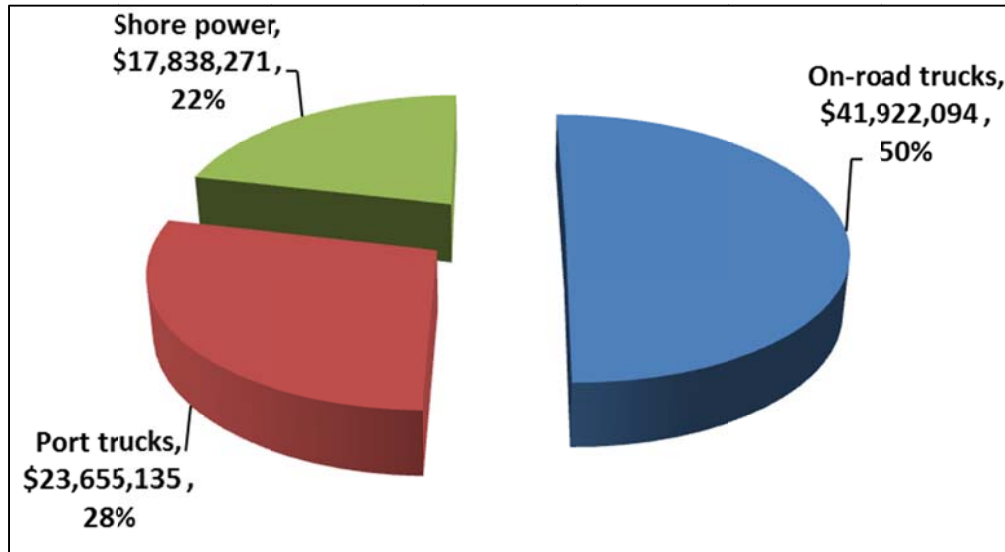
In November 2006, California voters authorized the Legislature to appropriate \$1 billion in bond funding to quickly reduce air pollution emissions and health risk from freight movement along California's priority trade corridors. On February 28, 2008, the California Air Resources Board (ARB) approved 14% of the total local agency funding from projected bond sales for emission reduction projects in the Bay Area trade corridor.

The Air District has administered the Goods Movement Bond Program (I-Bond) in the Bay Area for the first four funding cycles. To date the Air District has expended over \$80 million in I-Bond funding for projects to:

- Retrofit 1,400 port trucks,
- Replace over 560 port trucks,
- Retrofit 65 on-road trucks,
- Replace 850 on-road trucks (*still in progress*), and
- Electrify 12 berths at the Port of Oakland (*shore power*).

Collectively, these projects have reduced over 238 tons of Particulate Matter 2.5 (PM_{2.5}), and 9,347 tons of Nitrogen Oxides (NO_x). Figure 1 shows the distribution of the Air District's I-Bond expenditures by project equipment category over the first four funding cycles.

Figure 1 - Air District I-Bond expenditures by equipment category



As part of this report staff will update the Committee on the Air District's Year 5 I-Bond application and request Board of Directors adoption of a resolution in support of this application and program implementation.

DISCUSSION

On July 6, 2015, ARB issued a Notice of Funding Availability for the Year 5 (Fiscal Year 2015-16) I-Bond program. As part of this announcement, ARB identified eligible project equipment categories and the following priorities for these funds:

1. Truck projects to upgrade equipment to zero-emission and hybrid vehicles capable of zero emission miles, as well as vehicles certified to the lowest optional NOx standard of 0.02g/bhp-hr. These projects will receive priority and enhanced funding, which will provide an added incentive to applicants and promote the transition to the cleanest technology. These projects will continue to reduce the health risk in communities statewide, especially those near freeways and freight facilities.
2. Truck projects to assist small truck fleets with upgrading to cleaner technology that can still achieve early or extra emission reductions relative to the ARB Truck & Bus Regulation.
3. Projects to upgrade trucks, transport refrigeration units, commercial harbor craft, ships at berth, and cargo handling to zero and near-zero emission equipment through replacement, repower, and retrofit, as applicable. A broader deployment of these technologies will be needed in all trade corridors to attain health-based air quality standards as well as attain future long-term greenhouse gas reduction goals in all trade corridors.
4. Locomotive projects based on engines meeting the most stringent national emission standards (Tier 4). These projects will further reduce the health risks near rail yards.

Air District staff held a public meeting on July 27, 2015, to gather input on ideas for the Bay Area trade corridor's Year 5 I-Bond program funding objectives. Nineteen stakeholders participated in the meeting including equipment owners, vendors, and lenders. The feedback received from the participants was taken into consideration as staff finalized the Air District's application. The application requested \$47 million in Year 5 I-Bond funding focused on the following project equipment categories:

- **Heavy-duty diesel trucks:** \$24 million for heavy-duty diesel truck projects. The requested amount includes project and administrative funding, and will upgrade approximately 507 trucks. These funds are estimated to reduce 3,577 tons of NOx over the lives of the funded projects.
- **Locomotives and rail yards:** \$15 million for locomotive and rail yard projects. The requested amount includes project and administrative funding and will replace approximately seven locomotives. These funds are estimated to reduce 64 tons of PM and 1,062 tons of NOx over the lives of the funded projects.
- **Transportation refrigeration units (TRU):** \$3 million for projects that replace TRUs. The requested amount includes project and administrative funding and will upgrade approximately 66 TRUs. These funds are estimated to reduce 3 tons of PM and 106 tons of NOx over the lives of the funded projects.
- **Ships at berth & cargo handling equipment:** \$5 million for Cargo Handling Equipment projects. The requested amount includes project and administrative funding and will upgrade approximately four pieces of cargo-handling equipment. These funds are estimated to reduce 3 tons of PM and 296 tons of NOx over the lives of the funded projects.

The Air District submitted its application to ARB on August 4, 2015. ARB staff has indicated that the distribution of Year 5 funding amongst the project equipment categories may be adjusted from the originally approved amounts as program interest/demand dictates. ARB expects to have funding from bond sales to award up to \$240 million for new projects to local and state agencies.

At a public workshop on August 26, 2015, ARB staff presented preliminary staff recommendations which included a \$48.1 million allocation to the Air District for the Year 5 I-Bond program. This amount is a combination of new funds, and approximately \$8 million remaining from previous Air District I-Bond grant awards. The preliminary ARB recommendations indicate the project equipment category funding amounts will be distributed as requested in the Air District's application (as shown above) with the exception of the truck project funding which will increase from \$24 million to \$25.1 million. This funding recommendation will be considered by the ARB Board at a public hearing on September 24, 2015.

A required element of the I-Bond application is the submittal of an Air District Board resolution for program participation and implementation. Staff requests the Committee recommend the Board of Directors adopt the attached resolution in support of the Air District application for I-Bond funding. Additionally, staff recommends the Committee request the Board of Directors authorize the Executive Officer/APCO to enter into agreements with ARB to accept I-Bond funding, and enter into agreements with eligible applicants for projects ranked and approved by

the ARB. Staff will update the Committee on the status of this program throughout implementation.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Through the I-Bond program the Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for the program are provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Anthony Fournier
Reviewed by: Karen Schkolnick

Attachment 1: Resolution for Air District participation in Year 5 of the I-Bond program

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Scott Haggerty and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 9, 2015

Re: Allocation to Support Greenhouse Gas Emission Reduction Fund Projects

RECOMMENDED ACTION

Recommend the Board of Directors:

1. Adopt a resolution in support of the Air District's application for California Air Resources Board (ARB) Low Carbon Transportation Greenhouse Gas Emission Reduction Funds (GGRF);
2. Allocate up to \$4.65 million in Transportation Fund for Clean Air (TFCA) funding as match for GGRF projects using a project cost-effectiveness of \$500,000 per ton of emissions reduced;
3. Authorize the Executive Officer/APCO to enter into agreements with the ARB and partners related to the acceptance of GGRF funds; and
4. Authorize the Executive Officer/APCO to appropriate GGRF funds and to enter into agreements with project participants.

BACKGROUND

In 2012, the Legislature passed and Governor Brown signed into law three bills – AB 1532 (Pérez), SB 535 (De León), and SB 1018 (Budget and Fiscal Review Committee) – that established the Low Carbon Transportation Greenhouse Gas Emission Reduction Fund (GGRF). This fund receives Cap-and-Trade auction proceeds and provides the framework for how the auction proceeds will be administered in furtherance of the purposes of AB 32, including supporting long-term, transformative efforts to improve public health and develop a clean energy economy. The suite of implementing legislation offers direction for investing a portion of the auction proceeds to benefit disadvantaged communities identified by the CalEnviroScreen model developed by the California Environmental Protection Agency and the Office of Environmental Health Hazard Assessment. Specifically, SB 535 directs at least 25% of GGRF funding to projects that benefit disadvantaged communities and at least 10% to projects located in disadvantaged communities.

In June 2014, the California Air Resources Board (ARB) approved the Fiscal Year (FY) 2014-15 Funding Plan for the Air Quality Improvement Program (AQIP) and GGRF Investments,

providing up to \$222 million for programs and projects. Of the \$222 million in the plan, up to \$50 million was identified for advanced technology freight demonstration projects.

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. These registration fees are allocated through the Air District's Transportation Fund for Clean Air (TFCA) program. The statutory authority and requirements for the TFCA program are set forth in California Health and Safety Code Sections 44241 and 44242. Each year, the Air District's Board allocates funding and adopts policies and evaluation criteria that govern expenditure of TFCA funding. Sixty percent of TFCA funds are awarded directly by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and to a program referred to as the TFCA Regional Fund.

As part of this report staff will update the Committee on the ARB Low Carbon Transportation GGRF solicitations and request the Air District's Board of Directors adopt a resolution in support of these applications.

DISCUSSION

On June 23, 2015 ARB issued solicitation announcements for \$47.3 million in Advanced Technology freight demonstration projects as part of their FY2014-15 Funding Plan. Funding for these solicitations is open to California-based public agencies, and California-based non-profits. The demonstration of these technologies is an important step in reaching the state's air quality and GHG reduction goals, and reducing exposure to air toxics in disadvantaged communities. The solicitations focused on advanced freight movement technologies in the two areas described below.

1. Zero-Emission Drayage Truck Demonstration Project

This solicitation provides up to \$23,658,500 for projects that reduce greenhouse gases, criteria pollutants, and toxic air contaminant emissions in disadvantaged communities. Projects funded under this solicitation will demonstrate full zero-emission drayage trucks, and drayage trucks that offer zero-emission miles (near zero-emission) by employing on-board range extending internal combustion engines or other technologies.

Staff has been meeting with potential project stakeholders (technology developers, trucking companies, local agencies, other air districts, etc.) over the past year to research developing technologies and define the scope of a demonstration project. The Air District, in collaboration with other air districts partners, plans to submit a joint proposal to ARB for these funds by September 24, 2015. This project, if selected, would demonstrate various zero and near-zero emission technologies on trucks primarily serving the ports of Oakland, Los Angeles, and Long Beach.

In the Bay Area, the Air District is proposing to work with local/regional trucking companies to deploy battery-electric trucks in local service around the Port of Oakland. The project will also demonstrate hybrid-electric trucks on longer regional routes between Sacramento and/or the San Joaquin Valley and the Port of Oakland.

2. Multi-Source Facility Demonstration Project

This solicitation provides up to \$23,658,500 for projects that reduce greenhouse gases, criteria pollutants, and toxic air contaminant emissions in disadvantaged communities. This project is intended to demonstrate multiple types of equipment and vehicles employing zero and near zero-emission technologies at one freight facility located within, or with the project directly benefitting, disadvantaged communities. Examples of multi-source facilities include distribution centers, warehouses, ports, intermodal rail yards, or other similar freight support facilities.

Similar to the drayage solicitation, staff has been meeting with various stakeholders over the past year to develop a proposal for the multi-source demonstration project. The Air District will submit a proposal to demonstrate various advanced technologies at the Port of Oakland to ARB by September 24, 2015.

Air District Commitment

Each of these solicitations requires the applicants to provide a minimum 25% match, of which at least 10% must be a cash match and the remaining 15% can be in-kind. Staff requests the committee allocate up to \$4.65 million in TFCA funds as cash match for these proposals. The TFCA funds will be reallocated from the balance (\$3.15 million) of a \$5 million allocation made by the Air District Board of Directors on March 19, 2014, to supplement the Year 4 I-Bond truck program, and \$1.5 million from the \$14 million allocated by the Board on May 6, 2015, for electric vehicle projects under the FY 2015-2016, TFCA funding cycle. The Air District and its project partners will also contribute in-kind match in the form of staff time, labor, and other resources.

Staff is proposing to evaluate these projects using a \$500,000 per ton of emissions reduced cost-effectiveness limit. The proposed projects are sponsored by major Original Equipment Manufacturers (OEMs) and represent a path to commercialization for these technologies that could not be accelerated using TFCA funding alone. Should these project proposals be approved, the TFCA allocation will leverage partner resources in excess of \$40 million.

A required element of the ARB applications is the submittal of an Air District Board resolution for program participation and implementation. Staff requests the Committee recommend the Board of Directors adopt the attached resolution in support of the Air District's GGRF proposals to: comply with the requirements of the Advanced Technology Demonstrations, accept Low Carbon GGRF funds, and allocate match funding. Additionally, staff recommends the Committee request the Board of Directors authorize the Executive Officer/APCO to enter into agreements with ARB and partner agencies to accept GGRF funding, and enter into agreements with project partners to implement these projects.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Administrative costs for the program are provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Anthony Fournier
Reviewed by: Karen Schkolnick

Attachment 1: Resolution committing matching funds in support of applications to the California Air Resources Board for Low Carbon Transportation Greenhouse Gas Emission Reduction Fund projects

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

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

Date: September 9, 2015

Re: Advisory Council Report on Urban Heat Island Impacts

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Advisory Council will present a report on their investigations in the first half of 2015 of Urban Heat Island Impacts on Energy Use, Climate, Air Pollution, Greenhouse Gases, and Health.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Saffet Tanrikulu
Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Board of Directors

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

Date: September 9, 2015

Re: Advisory Council Summary of Past Activities

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Advisory Council will present a summary of the Council's past activities.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Saffet Tanrikulu
Reviewed by: Jean Roggenkamp