



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS SPECIAL MEETING
AS THE SOLE MEMBER OF
THE BAY AREA CLEAN AIR FOUNDATION
JULY 29, 2015

A special meeting of the Bay Area Air Quality Management District Board of Directors as the sole member of the Bay Area Clean Air Foundation will be held at 9:45 a.m. in the 7th floor Board Room of the Bay Area Air Quality Management District's 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 is listed for each agenda item.

Meeting Procedures

The public meeting of the Air District Board of Directors as the Sole Member of the Bay Area Clean Air Foundation 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, 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.

BOARD OF DIRECTORS SPECIAL MEETING AS THE SOLE MEMBER OF THE BAY AREA CLEAN AIR FOUNDATION

AGENDA

WEDNESDAY
JULY 29, 2015
9:45 A.M.

BOARD ROOM
7th FLOOR

1. **CALL TO ORDER – ROLL CALL**

The Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members.

2. **PUBLIC COMMENT PERIOD** *(Public Comment on Non-Agenda Items, Pursuant to Government Code §54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at Air District headquarters, 939 Ellis Street, San Francisco, CA, and at the Air District website www.baaqmd.gov at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Board's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.*

Staff/Phone (415) 749-

3. **Approval of the Minutes of April 2, 2014**

Clerk of the Boards/5073

The Board of Directors will consider approving the attached draft minutes of the Bay Area Clean Air Foundation meeting of April 2, 2014.

4. **Accept the Bay Area Clean Air Foundation 2014 Annual Report** **J. Broadbent/5052**
jbroadbent@baaqmd.gov

D. Breen/5041
dbreen@baaqmd.gov

The Board of Directors as the sole member of the Bay Area Clean Air Foundation will consider accepting the Bay Area Clean Air Foundation 2014 Annual Report.

5. **Adoption of the Bay Area Clean Air Foundation's 2015 Budget** **J. Broadbent/5052**
jbroadbent@baaqmd.gov

J. McKay/4629
jmckay@baaqmd.gov

The Board of Directors will consider adopting the proposed 2015 Budget of the Bay Area Clean Air Foundation.

6. **Appoint A Director to the Bay Area Clean Air Foundation’s Board of Directors**

J. Broadbent/5052

jbroadbent@baaqmd.gov

J. McKay/4629

jmckay@baaqmd.gov

The Board of Directors as the sole member of the Bay Area Clean Air Foundation will fill the one vacant seat on the Bay Area Clean Air Foundation’s Board of Directors. The Board of Directors will consider appointing Kraig Kurucz to a 2-year term as a director of the Bay Area Clean Air Foundation.

OTHER BUSINESS

7. Adjournment

The Special Board meeting shall be adjourned by the 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

JULY 2015

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i> - CANCELLED	Wednesday	22	9:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i> - CANCELLED AND RESCHEDULED TO WEDNESDAY, JULY 29, 2015 AT 9:45 A.M.	Wednesday	22	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i> - CANCELLED	Thursday	23	9:30 a.m.	Board Room
Board of Directors Special Meeting as the Sole Member of The Bay Area Clean Air Foundation	Wednesday	29	9:45 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	29	9:45 a.m.	Board Room

AUGUST 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	5	9:45 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	17	9:30 a.m.	Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	17	10:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	19	9:45 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	26	9:30 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i> - CANCELLED	Thursday	27	9:30 a.m.	Board Room

SEPTEMBER 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 Climate Protection Committee <i>(Meets 3rd Thursday of every other Month)</i>	Thursday	17	9:30 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

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 Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	28	9:30 a.m.	Board Room

HL – 7/23/15 (2:35 p.m.)

P/Library/Forms/Calendars/Moncal

BAY AREA CLEAN AIR FOUNDATION

Memorandum

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

From: Jack P. Broadbent
President, Bay Area Clean Air Foundation

Date: July 23, 2015

Re: Approval of the Minutes of April 2, 2014

RECOMMENDED ACTION

Approve the attached draft minutes of the Board of Directors Special Meeting as the Sole Member of the Bay Area Clean Air Foundation of April 2, 2014.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Special Meeting as the Sole Member of the Bay Area Clean Air Foundation of April 2, 2014.

Respectfully submitted,

Jack P. Broadbent
President, Bay Area Clean Air Foundation

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

Attachment: Draft Minutes of the Board of Directors Special Meeting as the Sole Member of the Bay Area Clean Air Foundation of April 2, 2014

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

Board of Directors Special Meeting
As the Sole Member of the Bay Area Clean Air Foundation
Wednesday, April 2, 2014

DRAFT MINUTES

1. CALL TO ORDER

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

ROLL CALL

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

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

2. PUBLIC COMMENT PERIOD: No requests received.

3. Approval of the Minutes of March 20, 2013

Board of Directors (Board) Comments: None.

Public Comments: No requests received.

Board Action:

Director Hudson made a motion to approve the Minutes of March 20, 2013; Director Wagenknecht seconded; and the motion carried by the following vote of the Board:

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

NOES: None.

ABSTAIN: None.

ABSENT: Adams, Haggerty, Mar, Piepho, Sbranti and Zane.

4. Accept the Bay Area Clean Air Foundation (Foundation) 2013 Annual Report

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), made introductory remarks regarding Foundation background and introduced Damian Breen, Deputy APCO, who gave the staff presentation *Foundation Annual Report*, including background, activities, electric car sharing demonstration funded by the Reformulated Gasoline Settlement Fund, Oakley Generating Station Emissions Mitigation Fund, shore terminals plea agreement and recommendations.

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

Board Comments: None.

Public Comments: No requests received.

Board Action:

Director Hudson made a motion to accept the 2013 Annual Report of the Foundation; Director Kniss seconded; and the motion carried by the following vote of the Board:

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

NOES: None.

ABSTAIN: None.

ABSENT: Haggerty, Mar, Piepho, Sbranti and Zane.

NOTED PRESENT: Director Haggerty was noted present at 10:01 a.m.

5. Adoption of the Bay Area Clean Air Foundation's Budget

AND

6. Appoint Two Directors to the Foundation's Board of Directors

Board Comments: None.

Public Comments: No requests received.

Board Action:

Director Hudson made a motion to approve adoption of the 2014 budget for the Foundation (Agenda Item #5) and to elect Jack P. Broadbent and Jeffrey McKay to their third two-year terms as directors of the Foundation (Agenda Item #6); Director Pepper seconded; and the motion carried by the following vote of the Board:

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

NOES: None.

ABSTAIN: None.

ABSENT: Mar, Piepho, Sbranti and Zane.

OTHER BUSINESS

7. **Adjournment:** The meeting adjourned at 10:03 a.m.

Sean Gallagher
Clerk of the Boards

BAY AREA CLEAN AIR FOUNDATION

Memorandum

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

From: Jack P. Broadbent
President, Bay Area Clean Air Foundation

Date: July 23, 2015

Re: Accept the Bay Area Clean Air Foundation 2014 Annual Report

RECOMMENDED ACTION

Accept the 2014 Annual Report of the Bay Area Clean Air Foundation.

BACKGROUND

The Board of Directors, at its July 9, 2008 meeting, approved the establishment of an Air District foundation. In September 2008, the Bay Area Clean Air Foundation (“Foundation”) was established. Pursuant to the Foundation’s Bylaws, the directors of the Foundation are to send an annual report to the Air District’s Governing Board of Directors. The Foundation’s directors and officers recommend that the Air District’s Governing Board accept the Foundation’s 2014 Annual Report, which is attached hereto.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
President, Bay Area Clean Air Foundation

Prepared by: Anthony Fournier
Reviewed by: Damian Breen

Attachment: 2014 Annual Report of the Bay Area Clean Air Foundation

Bay Area Clean Air Foundation

2014 Annual Report

1. Background

On July 9, 2008, the Bay Area Air Quality Management District (Air District) Board of Directors approved the establishment of an Air District foundation. As a result of that action, the Bay Area Clean Air Foundation ("Foundation") was established in September 2008. The purposes of the Foundation are as follows:

- To *provide* financial, administrative, programmatic, and other forms of support to the Air District; and
- To *engage* in activities that further serve such purposes.

The Foundation will serve to fund various air quality emissions reduction, and educational and service programs to support the mission of the Air District, which is "*to protect and improve public health, air quality, and the global climate.*"

Directors and Officers

The Directors of the Foundation are as follows:

Jack Broadbent
Marland Townsend
Jeffrey McKay

The Foundation's staff is as follows:

Jack Broadbent, President
Marland Townsend, Vice President
Jeffrey McKay, Secretary and Chief Financial Officer

2. Report on the Foundation's Activities

This report provides the Foundation Directors an informational update on the activities related to funds received for three separate projects, including:

- Project 1: City CarShare - Reformulated Gasoline (RFG) Settlement Fund Grant;
- Project 2: Oakley Generating Station Emissions Mitigation; and
- Project 3: Shore Terminals Plea Agreement Funding.

Project 1: City CarShare - Reformulated Gasoline (RFG) Settlement Fund Grant

Key Highlights

- The project successfully met its objectives of converting 10 hybrid vehicles to plug-in hybrid electric vehicles (PHEV), testing these vehicles in a car sharing service, and reporting the results of the project in a White Paper.
- Of the 135,715 total miles driven, 33,395 miles are equivalent to electric vehicle miles.
- The project reduced gasoline use by 2,694 gallons.
- The project reduced 0.02 combined tons of NO_x, ROG, and PM₁₀, and 11.88 tons of CO₂ emissions.

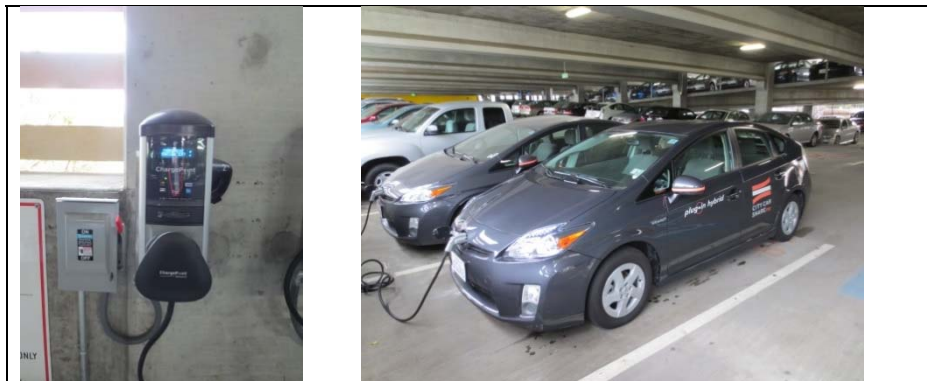
Project Background

On August 4, 2010, the Foundation, in partnership with City CarShare, submitted a grant application to the Reformulated Gasoline (RFG) Settlement Fund's Open Grants Program for a project to: 1) convert 10 hybrid electric vehicles to PHEV, 2) deploy the vehicles as part of City CarShare's fleet to promote car sharing, 3) evaluate deployment of plug-in electric vehicles in a car share environment, and 4) compile lessons learned and disseminate a best-practices guide for car-sharing.

On November 29, 2010, the U.S. District Court approved a \$546,097 grant to the Foundation for this project. The funding agreement between the CyPres Administrators (for the RFG Settlement Fund) and the Foundation was executed on April 7, 2011. The project was completed under budget with a final total project cost of \$584,387. Funding for the project included \$316,377.54 from the RFG, \$240,410.26 from City CarShare, and \$27,600.00 from the Air District's Transportation Fund for Clean Air (TFCA) Program.

Once the vehicles were purchased they were sent to a third-party vendor to be converted into plug-in hybrids. The first Prius conversion was delivered to City CarShare and placed into service on January 31, 2012. The last of the 10 vehicles was converted and placed into service on July 30, 2012. Since then, the plug-in hybrids have remained available for use by City CarShare customers in San Francisco (five locations) and Berkeley (one location). In addition, as part of the project City CarShare conducted outreach and education to their members and the general public, and installed a total of 10 Level 2 charging stations throughout the 6 project locations. A photograph of one of the project vehicles and charging stations is shown in Figure 1.

Figure 1 – Prius Toyota Prius charging at UCSF – Mission Bay



Milestones

- **January 28 - July 30, 2012:** 10 Toyota hybrid vehicles were converted to PHEV and placed into car-share service.
- **March, April, July, August, September, & October 2012:** City CarShare announced in its newsletters the availability of Plug-In Electric Vehicles in the San Francisco CarShare Fleet.
- **January 31, 2012 – August 31, 2014:** City CarShare collected project usage data and reported results to the Air District.
- **September 5, 2014:** City Car Share submitted White Paper to the Air District.
- **September 15, 2014:** BAAQMD uploaded White Paper to its “City CarShare PHEV Deployment” website.

Results

On September 15, 2014, the Bay Area Clean Air Foundation announced the completion of the project to convert 10 hybrid-electric vehicles to PHEV and to evaluate their deployment in a car sharing service. The following is a summary of key project results from January 31, 2012 – August 31, 2014:

- Total reservations/number of times a vehicle is checked out – 5,234
- Total miles driven – 135,715
- Electricity used – 13,206 kWh
- Electric vehicle miles equivalent driven – 33,395
- Gasoline saved (compared to a similar passenger car) - 2,694 gallons
- Emissions reduced – 0.008 tons of NO_x, 0.012 tons of ROG, 0.0004 tons of PM10, and 11.88 tons of CO₂

Findings

- **PHEV are more fuel efficient than standard hybrid vehicles.** Data show that the vehicles are achieving a fuel efficiency of more than 100 miles per gallon (mpg) on trips that are 50 miles or fewer; this is more than twice the efficiency of a standard (non-plug-in) Toyota Prius.
- **PHEV are well suited for car-sharing.** Since these vehicles have an electric range of 30-40 miles, the majority of vehicle miles traveled will use electricity rather than gasoline (the average CarShare trip distance is 23 miles).
- **For the most part, members enjoyed using these vehicles.** Members noted their appreciation of the vehicle's quiet and smooth driving experience and its environment-friendliness. Since the vehicles is operated similar to the non-plug-in version, members adapted to them quickly.
- **This project also identified issues including:**
 - Converting the hybrid vehicles to PHEV did not prove to be practical because the converted vehicles were less reliable and required substantially more maintenance than other vehicles in the fleet;
 - The converted vehicles are not as efficient as vehicles designed to be PHEV from the ground up;
 - The converted vehicles had some noticeable drivability issues;
 - Installing charging stations at CarShare pods can be challenging;
 - Normally there is not enough time for the converted vehicles to be fully charged during the busiest time;
 - There was a substantial and ongoing issue with members not recharging the cars when they returned them to the pod.

Final Report

A best-practices/white paper, published on September 5, 2014, to facilitate the transfer of knowledge gained from this project to other air districts and fleet operators (car-sharing, municipal, and corporate fleets) is available online (<http://www.baaqmd.gov/Divisions/Strategic-Incentives/Bay-Area-EV-Ready/City-CarShare-PHEV-Deployment-Program.aspx>).

Next Steps

Based on the results from this project, City CarShare has indicated that it will be expanding its fleet of PHEV and will continue to educate its members on the importance of properly fueling plug-in vehicles (plugging the vehicle in after use).

Previous reports to CyPress detailed technical problems with City CarShare's PHEV conversion system which led to several vehicles temporarily being taken out of service while they were being repaired. In order to meet the project operational requirements, City CarShare has agreed to decommission project vehicles that cannot be repaired cost-effectively and replace them with new Plug-in Hybrid Ford C-Max vehicles. As a requirement for the approval of removing the vehicles from service, City CarShare must first submit a detailed report from a local PHEV mechanic (Pat's Garage) that outlines the specific problem with each vehicle and explains why it is cost prohibitive to have the vehicle repaired. De-commissioned Prius vehicles may be restored to factory settings and returned to operate in City Car Share's fleet.

Project 2: Oakley Generating Station Emissions Mitigation

Contra Costa Generating Station, LLC (CCGS)/ Radback Energy, Inc., is developing a 624 megawatt power facility/ generating station in Oakley, California. CCGS filed Application for Certification 09-AFC-4 with the California Energy Commission (CEC) on June 30, 2009 to obtain a license to construct, operate and maintain the Oakley Generating Station. The CEC approved CCGS's Application on May 18, 2011 subject to conditions, including permit condition AQ-SC8, which requires that CCGS mitigate 63.88 tons per year (tpy) of particulate matter (PM) 10/PM2.5 and 12.55 tpy of sulfur oxides (SO_x) emissions from the Oakley Generating Station.

The CEC further required CCGS to enter into an agreement with the Foundation in which CCGS would contribute \$32,750 per tpy (inclusive of a 20% administration fee) for PM10/PM2.5 and SO_x emissions to be mitigated by projects funded by the Foundation with funds from CCGS. The CEC further required that the funds contributed by CCGS be used to fund emissions reductions projects based on the proximity of the emissions reduction project to the Oakley Generating Station and the relative health benefit to the local community surrounding the Oakley Generating Station by including the following project specific conditions:

Diesel emission reduction projects funded by the Foundation with the funds contributed by the project owner shall be weighted for evaluation, qualification, and selection, in accordance with the California Air Resources Board's Carl Moyer Program Guidelines. Other emission reduction projects with the cost-effectiveness of \$32,750 per tpy may be selected by the Foundation.

Funding shall initially be made available to qualified projects located preferentially within the boundaries of the City of Oakley, City of Antioch, City of Brentwood, and City of

Pittsburg. After twelve months from the date on which the administration funding has been provided to the Foundation, the program shall expand to include qualified projects located in Contra Costa County and Alameda County, with priority given to those projects located within areas designated by the Air District as “priority communities” in the Community Air Risk Evaluation (CARE) program. At all times, identified qualifying emission reduction projects located within the City of Oakley will be given the highest priority.

CCGS provided \$500,000 initial funding for emission reduction projects and administrative fees to the Foundation in August 2011. CCGS shall provide additional funding to the Foundation on a monthly basis as necessary to fund the qualifying emission reduction projects selected for that month. These requests will total (inclusive of a 20% administration fee) no more than \$2,003,083.00 over the term of the project.

The Foundation and CCGS agreed to enter into this Agreement to assist CCGS in satisfying the requirements of Condition of Certification AQ-SC8, and to ensure the proper funding and management of an emissions reduction program. Program implementation is anticipated to commence in spring 2012.

During 2012 and 2013, staff has conducted outreach regarding the availability of grant funding in the following areas: City of Oakley, City of Antioch, City of Brentwood, and City of Pittsburg. There has been limited interest in the funding in these areas; no project expenses have been incurred to date. As a result, and in accordance with the contract with CCGS, Staff has expanded the focus area for these funds to include Contra Costa and Alameda Counties.

In February 2014, CCGS informed the Foundation that The Utility Reform Network has appealed the California Public Utility Commission’s (CPUC) approval of the generating station. This appeal (the second appeal for this project) has delayed construction, and put a temporary hold on project financing.

On February 5, 2014, the California Court of Appeals overturned the CPUC’s December 2012, decision approving the Oakley Power Plant. This decision allowed PG&E to terminate their agreement with Radback, if CPUC approval was not granted before July 1, 2014. On October 15, 2014, PG&E notified Radback they were terminating the contract.

Further distribution of grant funding is on hold until further notice that the project is moving forward. Staff will not proceed with the expenditure of existing funds until this issue is resolved.

Project 3: Shore Terminals Plea Agreement Funding

In June 2009, the Air District received \$250,000 pursuant to a plea agreement entered in a Federal criminal prosecution of Shore Terminals LLC related to its operation of a bulk petroleum terminal in Selby, Contra Costa County. Under the terms of the plea agreement, the money deposit with the Foundation may be used for Air District projects designed to improve air quality in Contra Costa and Alameda Counties.

Air District Staff is currently working on a regulation for stationary diesel powered back-up generators and it is anticipated that this funding will be used to provide for the retrofit and replacement of equipment for cities and counties at the conclusion of that effort.

BAY AREA CLEAN AIR FOUNDATION

Memorandum

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

From: Jack P. Broadbent
President, Bay Area Clean Air Foundation

Date: July 23, 2015

Re: Adoption of the Bay Area Clean Air Foundation's 2015 Budget

RECOMMENDED ACTION

Approve adoption of the Bay Area Clean Air Foundation's 2015 Budget.

BACKGROUND

The Board of Directors, at its July 9, 2008 meeting, approved the establishment of an Air District foundation. In September 2008, the Bay Area Clean Air Foundation ("Foundation") was established. Pursuant to the Foundation's Bylaws, the Air District's Board of Directors, as Sole Member of the Foundation, is required to approve the adoption of an annual budget by the Foundation. The Foundation's directors and officers recommend that the Air District's Governing Board approve adoption of the Foundation's 2015 Budget, which is attached hereto.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
President, Bay Area Clean Air Foundation

Prepared by: Stephanie Osaze
Reviewed by: Jeff McKay

Attachment A: 2014 Annual Report for the Bay Area Clean Air Foundation
Attachment B: 2015 Budget for the Bay Area Clean Air Foundation

Bay Area Clean Air Foundation

2014 Annual Report

Addendum: Financial Summary

Financial Summary

As of December 31, 2014, the Foundation had a cash balance of \$806,858.65. Following is an accounting of the Foundation's operations for the 2014 calendar year:

January 1, 2014	Beginning Cash Balance	<u>\$834,392.92</u>
	Revenue from Operations	
	City Share-Electric Vehicle Grant	\$16,377.54
	Interest Income	\$1,183.03
	Operating Expenses	
	City Car Share Payments	\$15,732.22
	Tax Filing Services & Charges	\$5,240.00
	Administration Cost (BAAQMD)	\$24,122.65
	Bank Charges	\$10.00
December 31, 2014	Ending Balance	<u>\$806,858.65</u>

During the 2014 Calendar year the Foundation reimbursed the District \$24,122.65 for staffing cost associated with supporting the Foundation's activities for the 2013 and previous years.

**BAY AREA
CLEAN AIR
FOUNDATION**

Proposed Budget Calendar Year 2015

Revenues/Sources

Interest Income	\$	1,000
General Fund Subsidy	\$	47,863
Use of Prior Year Cash Balance	\$	80,889
Total Revenues/Sources	\$	129,752

Expenditures

Administrative Overhead/Support	\$	10,000
Program/Project Distributions	\$	80,889
Tax Filing Services	\$	3,000
Insurance Premium	\$	5,000
Other Charges	\$	500
Total Expenditures	\$	99,389

BAY AREA CLEAN AIR FOUNDATION

Memorandum

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

From: Jack P. Broadbent
President, Bay Area Clean Air Foundation

Date: July 23, 2015

Re: Appoint One Director to the Bay Area Clean Air Foundation's Board of Directors

RECOMMENDED ACTION

Recommend the Board of Directors as a Sole Member of the Bay Area Clean Air Foundation:

- A) Appoint Mr. Kraig Kurucz to a two-year term as director of the Bay Area Clean Air Foundation.

BACKGROUND

The Air District Board of Directors, at its July 9, 2008 meeting, approved the establishment of the Bay Area Clean Air Foundation (Foundation). In September 2008, Foundation was established. Pursuant to the Foundation's Bylaws, directors of the Foundation are to be elected by the Foundation's sole member, the Air District's Governing Board, at the annual meeting of the Foundation's sole member (the Air District's Governing Board). Foundation directors serve staggered two-year terms. Currently, Jack P. Broadbent, and Jeffrey McKay are serving the second year of their third two-year term. There is one vacant seat on the Board, as former Director Marland Townsend has completed three consecutive two-year terms. The directors and officers of the Foundation recommend that the Air District's Governing Board elect Kraig Kurucz to his first two-year term as a director of the Foundation. Mr. Kurucz holds a Master's of Science in Civil and Environmental Engineering and also served as an Advisory Councilmember for the past 13 years.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent
President, Bay Area Clean Air Foundation

Prepared by: Vanessa Johnson

Reviewed by: Rex Sanders