

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, California 94105
(415) 749-5073

APPROVED MINUTES

Summary of Board of Directors
Budget and Finance Committee Meeting
Wednesday, February 22, 2017

1. CALL TO ORDER – ROLL CALL

Budget and Finance Committee (Committee) Chairperson, Carole Groom, called the meeting to order at 9:32 a.m.

Present: Committee Chairperson Carole Groom, Vice Chair Katie Rice; and Directors David J. Canepa, Cindy Chavez, John Gioia, David Hudson, Nate Miley, Karen Mitchoff, and Mark Ross.

Absent: None.

Also Present: None.

2. PUBLIC COMMENT ON NON-AGENDA MATTERS:

No requests received.

3. APPROVAL OF THE MINUTES OF JANUARY 25, 2017

Public Comments:

No requests received.

Committee Comments:

None.

Committee Action:

Director Hudson made a motion, seconded by Director Mitchoff, to **approve** the Minutes of January 25, 2017; and the motion **carried** by the following vote of the Committee:

AYES: Canepa, Gioia, Groom, Hudson, Mitchoff, Rice, and Ross.

NOES: None.

ABSTAIN: None.

ABSENT: Chavez and Miley.

4. DISCUSSION OF PROJECTS AND FUNDING PRIORITIES RELEVANT TO THE FISCAL YEAR ENDING (FYE) 2018 BUDGET

Dr. Jeff McKay, Deputy Air Pollution Control Officer, gave the staff presentation *Discussion of Projects and Funding Priorities Relevant to the FYE 2018 Budget*, including: current reserves; use of reserves during downturn; use of reserves FYE 2018; Clean Air Plan implementation; Technology Implementation Office; lab and community monitoring equipment; wood smoke grants; permit processing and Health Risk Assessment; and current reserves. At the conclusion of the presentation, Mr. Broadbent said that staff sought the Committee's direction regarding the proposed use of Reserves.

Public Comments:

No requests received.

NOTED PRESENT: Director Miley was noted present at 9:49 a.m. and Director Chavez was noted present at 9:54 a.m.

Committee Comments:

The Committee and staff discussed fluctuations in CalPERS rates over time; the District's plan to continue to pre-fund other postemployment benefits (OPEB) with the General Fund; the fact that the reserves currently exceed the Board's guidance; the risk in investing reserves; how the District maintained itself through the recession; the clarification that the reserves funding allocation is not encumbered, but can be changed by the Board at any time and that reserves may be expended over a period of years; the future of hydrogen and fuel cell technology in the Bay Area; loan program options and how District reserves would be spent on the Technology Implementation Office (TIO); the difference between the TIO and the Mobile Source Committee, as both groups concern innovative partnerships between industries; reviewing Stanford University's investment policies and framework; reaching out to the City of San Jose to learn more about its successful technology incubator program; the increase of the Board of Directors' guidance over the years; staff's desire to have a Board member active in the development of the TIO; the fact that the Clean Air Plan is a high priority for the District and will consume much of staff's future work; the projected funding allocation for the Clean Air Plan; the need for staff to emphasize to the public that the Plan focuses on greenhouse gas, criteria pollutant, *and* toxic air contaminant emission reductions; how municipalities can adopt the strategies within the Clean Air Plan; how a carbon tax might be implemented in the Bay Area; the importance of establishing a long-term Wood Smoke grants program; the feasibility of the District recruiting a full-time Health Officer (perhaps a medical professional) as a staff member; the collaboration of California Air Districts to address the changes in environmental federal programs; staff's desire to further diversify the District; and the feasibility of having a permanent District office located in the East Bay.

Committee Action:

None; receive and file.

5. COMMITTEE MEMBER COMMENTS / OTHER BUSINESS

None.

6. TIME AND PLACE OF NEXT MEETING

Wednesday, March 22, 2017, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, CA 94105 at 9:30 a.m.

7. ADJOURNMENT

The meeting adjourned at 10:28 a.m.

/s/ Marcy Hiratzka
Marcy Hiratzka
Clerk of the Boards