

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