

Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 4105  
(415) 749-5073

Board of Directors Regular Meeting  
Wednesday, April 19, 2017

### **APPROVED MINUTES**

*Note: Audio 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>*

#### **CALL TO ORDER:**

1. **Opening Comments:** Chairperson, Liz Kniss, called the meeting to order at 9:48 a.m.

#### **Roll Call:**

Present: Chairperson Liz Kniss; Vice Chairperson Dave Hudson; Secretary Katie Rice; and Directors Margaret Abe-Koga, Teresa Barrett, David J. Canepa, Cindy Chavez, Pauline Russo Cutter, John Gioia, Carole Groom, Scott Haggerty, Tyrone Jue, Doug Kim, Nate Miley, Karen Mitchoff, Hillary Ronen, Mark Ross, Pete Sanchez, Rod Sinks, Jim Spering, and Brad Wagenknecht.

Absent: Directors Rebecca Kaplan, Jeff Sheehy, and Shirlee Zane.

#### **PUBLIC COMMENT ON NON-AGENDA MATTERS**

2. **Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3**

Public comments were made by Brianne Riley, Bay Planning Coalition.

#### **COMMENDATIONS/PROCLAMATIONS/AWARDS**

3. The Board of Directors recognized outgoing Hearing Board Chair, Terry Trumbull, and Hearing Board Member, Julio Magalhães, Ph.D., for their fifteen years of service, leadership, and dedication to protecting air quality in the Bay Area. As Dr. Magalhães was not able to attend, Mr. Trumbull gave remarks about his colleague, and received remarks from staff and Board members for his own service.

NOTED PRESENT: Director Abe-Koga was noted present at 9:56 a.m.

#### **CONSENT CALENDAR (ITEMS 4 – 10)**

4. Minutes of the Regular Board of Directors Meeting of March 15, 2017
5. Board Communications Received from March 15, 2017 through April 18, 2017
6. Air District Personnel on Out-of-State Business Travel

7. Notices of Violation Issued and Settlements in Excess of \$10,000 in the Month of March 2017
8. Extension of Contracts for Website Development and Maintenance
9. Consideration of Authorization of Execution of Purchase Order in Excess of \$100,000 Pursuant to Administrative Code Division II Fiscal Policies and Procedures Section 4.3 Contract Limitations
10. Set a Public Hearing on May 31, 2017 to Consider Regulation 12: Miscellaneous Standards of Performance, Rule 16: Petroleum Refining Facility-Wide Emissions Limits and Certification of an Environmental Impact Report (EIR).

Public Comments:

No requests received.

Committee Comments:

None.

Committee Action:

Director Wagenknecht made a motion, seconded by Vice Chair Hudson, to **approve** the Consent Calendar Items 4 through 10, inclusive; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Barrett, Canepa, Chavez, Cutter, Gioia, Groom, Haggerty, Hudson, Jue, Kim, Kniss, Miley, Mitchoff, Rice, Ronen, Ross, Sanchez, Sinks, Sperring, and Wagenknecht.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Kaplan, Sheehy, and Zane.

**COMMITTEE REPORTS**

11. Report of the **Stationary Source Committee** Meeting of March 20, 2017

Stationary Source Committee Chair, Director Gioia, read the following Committee report:

*The Committee met on Monday, March 20, 2017, and approved the minutes of January 30, 2017.*

*The Committee reviewed and discussed the staff presentation Milpitas/San Jose Waste Facilities Update.*

*The Committee then reviewed and discussed the staff presentation Spare the Air – Cool the Climate: A Blueprint for Clean Air and Climate Protection in the Bay Area.*

*The next meeting of the Committee was held on Monday, April 17, 2017, at 9:30 a.m., at the Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105. This concludes the Chair report of the Stationary Source Committee.*

Public Comments:

Public comments were given by Steven Yang, Chevron; and Devin Richards, California Council for Environmental and Economic Balance.

Board Comments:

The Board and staff discussed how the Newby Island Landfill Expansion project in San Jose will impact adjacent counties; the District's lack of authority to issue nuisance violations for composting odors; the District's collaboration with CalRecycle and agencies that do have enforcement authority; and staff's plan to follow this project and report back regularly to the Stationary Source Committee.

Board Action:

None; receive and file.

12. Report of the **Stationary Source Committee** Meeting of April 17, 2017 (**OUT OF ORDER, ITEM 18**)

Stationary Source Committee Chair, Director Gioia, read the following Committee report:

*The Committee met on Monday, April 17, 2017, and approved the minutes of March 20, 2017.*

*The Committee reviewed and discussed the staff presentation Update on Draft Regulation 11, Rule 18: Reduction of Risk from Air Toxic Emissions at Existing Facilities.*

*Finally, the Committee reviewed and discussed the staff presentation Update on Regulation 6: Particulate Matter Rule Development.*

*The next meeting of the Committee is on Monday, May 15, 2017, at 10:30 a.m., at the Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105. This concludes the Chair report of the Stationary Source Committee.*

Public Comments:

Public comments were given by Bob Brown, Western States Petroleum Association (WSPA).

Board Comments:

The Committee and staff discussed the potential extended adoption schedule for Draft Rule 11-18 into September 2017; forecasting potential changes of the rule; and the Committee's request for examples of high, medium, and low health risks under existing standards.

Board Action:

None; receive and file.

13. Report of the **Budget and Finance Committee** Meeting of March 22, 2017 (**ITEM 12**)

Budget and Finance Committee Chair, Director Groom, read the following Committee report:

*The Committee met on Wednesday, March 22, 2017 and approved the minutes of February 22, 2017.*

*The Committee reviewed and discussed the staff presentation Discussion of Proposed Budget for Fiscal Year Ending 2018.*

*Finally, the Committee reviewed and discussed the staff presentation Proposed Amendments to Regulation 3: Fees.*

*The next meeting of the Budget and Finance Committee will be held on Wednesday, April 26, 2017, at 9:30 a.m., at the Bay Area Air Quality Management District office, 375 Beale Street, San Francisco, CA 94105. This concludes the Chair Report of the Budget and Finance Committee.*

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

14. Report of the **Climate Protection Committee** Meeting of March 22, 2017 (**ITEM 13**)

Climate Protection Committee Vice Chair, Director Sinks, read the following Committee report:

*The Climate Protection Committee met on Wednesday, March 22, 2017, and approved the minutes of November 17, 2016.*

*The Committee received and discussed the presentation Fossil Free Bay Area, given by SPUR, San Francisco Planning and Urban Research.*

*Finally, the Committee received and discussed the staff presentation Air District Local Support for Local Government Climate Protection Activities.*

*The next meeting of the Committee is on Thursday, May 18, 2017, at 9:30 a.m., at 375 Beale Street, San Francisco, CA 94105. This concludes the Chair report of the Climate Protection Committee.*

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

15. Report of the **Mobile Source Committee** Meeting of March 23, 2017 (**ITEM 14**)

Mobile Source Committee Chair, Director Mitchoff, read the following Committee report:

*The Committee met on Thursday, March 23, 2017 and approved the minutes of February 23, 2017.*

*The Committee reviewed and discussed the staff presentation, Projects with Proposed Grant Awards Over \$100,000. The Committee recommends the Board:*

- 1. Approve Carl Moyer Program projects with proposed grant awards over \$100,000 as shown in Attachment I; and*
- 2. Authorize the Executive Officer/Air Pollution Control Officer (APCO) to enter into agreements with applicants for the recommended projects.*

*The Committee then reviewed and discussed the staff presentation Lower Emission School Bus Program Update and Funding Allocation. The Committee recommends the Board:*

- 1. Allocate \$5,000,000 in Mobile Source Incentive Funds for Lower Emission School Bus Program projects; and*
- 2. Authorize the Executive Officer/ APCO to enter into agreements with applicants for Lower Emission School Bus Program projects.*

*The Committee then reviewed and discussed the staff presentation Fiscal Year Ending 2018 Transportation Fund for Clean Air Funding Allocation. The Committee recommends the Board:*

- 1. Allocate \$13.93 million in new Transportation Fund for Clean Air monies to the programs listed in Table 1;*
- 2. Authorize the proposed cost-effectiveness limits for the Air District sponsored programs listed in Table 2; and*
- 3. Authorize the Executive Officer / APCO to enter into funding agreements and contracts up to \$100,000 for projects and programs listed in Table 1.*

*Finally, the Committee Chair requested that the item Update on Efforts to Further Reduce Emissions at the Port of Oakland and Former Oakland Army Base, be tabled until the next Committee meeting.*

*The next meeting of the Mobile Source Committee will be held on Thursday, May 25, 2017, at 9:30 a.m., at the Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105. I move that the Board approve the Mobile Source Committee's recommendations. This concludes the Chair Report of the Mobile Source Committee.*

Public Comments:

Public comments were given by Mark Roest, San Mateo resident.

Board Comments:

None.

Board Action:

Director Mitchoff made a motion, seconded by Vice Chair Hudson, to **approve** the recommendations of the Mobile Source Committee; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Barrett, Canepa, Chavez, Cutter, Gioia, Groom, Haggerty, Hudson, Jue, Kim, Kniss, Miley, Mitchoff, Rice, Ronen, Ross, Sanchez, Sinks, Spering, and Wagenknecht.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Kaplan, Sheehy, and Zane.

16. Report of the **Personnel Committee** Meeting of March 24, 2017 (**ITEM 15**)

Personnel Committee Chair, Secretary Rice, read the following Committee report:

*The Committee met on Friday, March 24, 2017, and approved the minutes of April 11, 2016.*

*The Committee reviewed and discussed seven candidates to fill four vacancies on the Air District's Hearing Board: Two Principal and two Alternate members in the Public category. The Committee and staff discussed the recruitment process and then interviewed each candidate. The Committee recommends the Board approve:*

- 1. The appointment of Barbara Toole O'Neil as Public category Principal;*
- 2. The appointment of James Ralph as Public category Principal;*
- 3. The appointment of Qian Tan as Public category Alternate; and*
- 4. The appointment of Barbara Coler as Public category Alternate.*

*The next meeting of the Committee is at the Call of the Chair. I move that the Board approve the Personnel Committee recommendations. This concludes the Chair Report of the Personnel Committee.*

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

Secretary Rice made a motion, seconded by Vice Chair Hudson, to **approve** the recommendations of the Personnel Committee; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Barrett, Canepa, Chavez, Cutter, Gioia, Groom, Hudson, Jue, Kim, Kniss, Miley, Mitchoff, Rice, Ronen, Ross, Sanchez, Sinks, Spering, and Wagenknecht.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Haggerty, Kaplan, Sheehy, and Zane.

17. Report of the **Legislative Committee** Meeting of March 30, 2017 (**ITEM 16**)

Legislative Committee Chair, Director Wagenknecht, read the following Committee report:

*The Legislative Committee met on Thursday, March 30, 2017, and postponed the approval of the minutes of December 12, 2016 for lack of quorum.*

*The Committee discussed the consideration of new bills and a consensus of the members present supported the following positions for the Air District:*

- *AB 193 (Cervantes): Oppose unless amended;*
- *AB 378 (C. Garcia): Support;*
- *AB 1014 (Cooper): Support if amended;*
- *AB 1132 (C. Garcia): Support;*
- *AB 1274 (O'Donnell): Support in concept;*
- *AB 1647 (Muratsuchi): Support if amended;*
- *SB 4 (Mendoza): Support if amended;*
- *SB 41 (Galgiani): Oppose;*
- *SB 49 (De Leon): Support if amended;*
- *SB 174 (Lara): Support;*
- *SB 563 (Lara): Support; and*
- *Potential bill, currently without an author or number, initiated by Californians Against Waste, regarding composting as an Essential Public Service for air district permitting consideration: Oppose*

*The next meeting of the Committee is at the Call of the Chair. I move that the Board approve the positions on these bills. This concludes the Chair's report of the Legislative Committee.*

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

Director Wagenknecht made a motion, seconded by Vice Chair Hudson, to **approve** the recommendations of the Legislative Committee; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Barrett, Canepa, Chavez, Cutter, Gioia, Groom, Haggerty, Hudson, Jue, Kim, Kniss, Miley, Mitchoff, Rice, Ronen, Ross, Sanchez, Sinks, Spring, and Wagenknecht.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Kaplan, Sheehy, and Zane.

18. Report of the **Advisory Council** Meeting of April 3, 2017 (**ITEM 17**)

Advisory Council Board Liaison, Director Sinks, read the following Committee report:

*The Council met on Monday, April 3, 2017. Council Chairperson, Stan Hayes, requested that approval of the minutes of February 6, 2017 be postponed until the next Advisory Council meeting.*

*The Council then received the staff presentation Regulation 11, Rule 18: Reduction of Risk from Air Toxic Emissions at Existing Facilities, Regulation 12, Rule 16: Petroleum Refining Facility-Wide Emissions Limits, and Regulation 13, Rule 1: Refinery Carbon Intensity Cap.*

*Next, the Council received the staff presentation Advisory Council Next Area of Focus.*

*Finally, the Council deliberated on its next area of focus, including air quality impacts in Bay Area communities and associated challenges for the Air District.*

*The next meeting of the Council will be held on Monday, July 24, 2017, at 10:00 a.m., at the Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105. This concludes the Chair Report of the Advisory Council.*

Public Comments:

Public comments were given by Glenn Tuner, Sunflower Alliance; and Shawn Lee, Chevron.

Board Comments:

The Board and staff discussed the District meetings at which Draft Rules 12-16, 11-8, and 13-1 have been discussed since January 2017.

Board Action:

None; receive and file.



## **PUBLIC HEARINGS**

### 19. Public Hearing to Receive Testimony on Proposed Amendments to Air District Regulation 3: Fees

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), explained that this is the first of two public hearings on Air District Regulation 3: Fees, and that the final public hearing and consideration of adoption of the proposed amendments will take place on June 21, 2017. Mr. Broadbent introduced Pamela Leong, Engineering Division Manager, who gave the staff presentation *Public Hearing to Receive Testimony on Proposed Amendments to Regulation 3: Fees*, including: agenda; revenue sources Fiscal Year Ending (FYE) 2016; cost recovery background; cost recovery policy and methods; trends in cost recovery and cost cutting; proposed changes to fee schedules; Draft Rule 11-18 rule development underway and fees; other proposed amendments; impact on small businesses and large facilities (petroleum refineries and power plants); public comments received; and rule development schedule.

#### Public Comments:

Public comments were given by Mark Roest, San Mateo resident.

#### Board Comments:

The Board and staff discussed how the proposed fee increases would be based upon throughput for gas-dispensing facilities with more than ten multi-product nozzles; staff's justification for increasing fees for backup generators, and the feasibility of incentivizing biodiesel generators to reduce emissions; the Budget and Finance Committee's consideration of potential impacts to small businesses that may be affected by fee increases, and the Committee's goal of making facilities as safe and well-tested as possible; and the Board's request for an additional column in the Proposed FYE 2018 Fee Increases chart that indicates the tasks that District staff will be performing to justify fee increases (to be displayed at the second public hearing.)

#### Board Action:

None; receive and file.

### 20. Public Hearing to Receive Testimony on and Consider Certifying the Final Environmental Impact Report and Adopting the Proposed 2017 Clean Air Plan (Plan)

Jean Roggenkamp, Deputy Executive Officer, introduced Henry Hilken, Director of Planning and Climate Protection, who gave the staff presentation *Spare the Air – Cool the Climate, A Blueprint for Clean Air and Climate Protection in the Bay Area*, including: critical challenges; the Air District's response; what is this Plan; better air quality equals public health benefits; healthy air for all Bay Area residents; climate challenge in the Bay Area; Bay Area action is important; a bold vision for 2050; how does this Plan get us there; the control strategy; what this Plan achieves; a community Plan; public comment on the Draft Plan; changes to the Plan; an unprecedented journey; Bay Area leadership; and recommended action. An updated version of the District's *Spare the Air – Cool the*

*Climate* video was shown, featuring measures that people can implement in their daily lives to reduce their carbon footprint and promote sustainability in their communities.

Public Comments:

Public comments were given by Laura Tam, San Francisco Bay Area Planning and Urban Research Association; Allison Brooks, Bay Area Regional Collaborative; Keasley Jones, Berkeley resident; Paula Baker, Berkeley resident; Mark Roest, San Mateo resident; David Gassman, Greenaction for Health & Environmental Justice; Bob Brown, WSPA; Glenn Turner, Sunflower Alliance; Matt Wolff, Bay Area Regional Health Inequities Initiative; Jed Holtzman, 350 Bay Area; Janet Stromberg, 350 Bay Area; Bob Harlow, Mill Valley Community Action Network; Richard Gray, 350 Bay Area; Gillian Adams, Association of Bay Area Governments; David DeSante, Institute for Bird Populations; Steven Yang, Chevron; Rand Wrobel, 350 Bay Area; Paul Adler, Phillips 66; and Bill Pinkham, Bike East Bay.

Board Comments:

The Board and staff discussed the hard work that staff put into the Plan and the public's appreciation for the user-friendliness of the language; significant adverse impacts on water demands that the District has identified and how provisions for this issue have been written into the resolutions pertaining to this item; how Board members can link their county and city websites to the Plan; the Plan's compatibility with California Air Resources Board's (CARB) revised Scoping Plan; the Board's appreciation of staff enhancing the video with sustainable measures that can be implemented by the public; the fact that emission reductions and costs were not estimated for each control measure listed in the Plan at the time that the *Plan* was being considered for adoption, but how staff plans to include those items in Proposed Final Socioeconomic Analyses as each individual Draft Rule is considered for adoption; the need to attain net positive benefits from newly imposed District regulations and fees; the social cost of carbon (per metric ton) and discount rates; the constant need to consider how Bay Area efforts to reduce emissions may cause leakage; the District's preference for non-potable water solutions when considering rule development; the Board's request for a staff presentation on how close the District is to reaching its ozone and Particulate Matter (PM) standards; the Board's request for a draft work plan of the Plan; the need for the District's outreach to job training organizations and economic development agencies in order to alert them of jobs that may be created as a result from the implementation of the Plan; the need to remember that, although innovative, the Bay Area is not a leader in all things, and other regions and countries have developed systems and methods from which the Bay Area can learn; the needs for the District to focus on the installation of more electric vehicle charging infrastructure so that the number of vehicles does not exceed the number of chargers; and the Board's request for a draft financial strategy implementation plan in order to avoid negatively impacting disproportionately burdened and vulnerable communities.

Board Action:

Director Groom made a motion, seconded by Director Barrett, to **approve** the certification of the Final Environmental Impact Report of the 2017 Clean Air Plan; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Barrett, Canepa, Chavez, Cutter, Gioia, Groom, Hudson, Jue, Kim, Mitchoff, Rice, Ronen, Ross, Sanchez, Sinks, Spering, and Wagenknecht.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Haggerty, Kaplan, Kniss, Miley, Sheehy, and Zane.

Secretary Rice made a motion, seconded by Director Wagenknecht, to **approve** the adoption of the 2017 Clean Air Plan; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Barrett, Canepa, Chavez, Cutter, Gioia, Groom, Hudson, Jue, Kim, Mitchoff, Rice, Ronen, Ross, Sanchez, Sinks, Spering, and Wagenknecht.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Haggerty, Kaplan, Kniss, Miley, Sheehy, and Zane.

**CLOSED SESSION** (commenced at 12:40 p.m.)

21. **CONFERENCE WITH LEGAL COUNSEL**

**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 cases:*

- A. **Douglas Hall v. Bay Area AQMD**, San Francisco County Superior Court, Case No. CGC-16-556094

Vice Chair Hudson reported that no action was taken.

**OPEN SESSION** (commenced at 12:49 p.m.)

**PUBLIC COMMENT ON NON-AGENDA MATTERS (ITEM 12)**

22. **Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3**

No requests received.

**BOARD MEMBERS' COMMENTS**

23. Board Members' Comments

None.

**OTHER BUSINESS**

24. Report of the Executive Officer / APCO

Mr. Broadbent reported that the District is concerned about the President's Executive Order to roll back the Clean Power Plan rule, and about the potential cancellation of the Paris Climate Accord by the President; the District received a letter from CARB Executive Officer, Richard Corey, regarding comments on Draft Rule 12-16; and that the District is currently between winter and summer Spare the Air seasons.

25. Chairperson's Report

Vice Chair Hudson reported that Director Haggerty was re-appointed by the Alameda County Board of Supervisors to serve his fifth term on the District's Board; the regular Board meeting scheduled for May 3, 2017 has been cancelled; and a special Board meeting, to consider the adoption of Draft Rule 12-16, will be held on May 31, 2017.

26. Time and Place of Next Meeting

Wednesday, May 17, 2017, at 375 Beale Street, 1<sup>st</sup> Floor Board Room, San Francisco, CA 94109, at 9:45 a.m.

27. Adjournment

The meeting adjourned at 12:56 p.m.

*/s/ Marcy Hiratzka*  
Marcy Hiratzka  
Clerk of the Boards