

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

Board of Directors Regular Meeting
Wednesday, May 17, 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 11:11 a.m.

Roll Call:

Present: Chairperson Liz Kniss; Vice Chairperson Dave Hudson; Secretary Katie Rice; and Directors Margaret Abe-Koga, Teresa Barrett, Pauline Russo Cutter, John Gioia, Scott Haggerty, Rebecca Kaplan, Doug Kim, Hillary Ronen, Mark Ross, Pete Sanchez, Jeff Sheehy, Rod Sinks, Jim Spering, Brad Wagenknecht, and Shirlee Zane.

Absent: Directors David J. Canepa, Cindy Chavez, Carole Groom, Nate Miley, Karen Mitchoff, and Tyrone Jue.

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 Tony Fisher, Coalition for Clean Air; Bob Brown, Western States Petroleum Association; and Mike Miller, United Steel Workers Local 326.

CONSENT CALENDAR (ITEMS 3-7)

3. Minutes of the Regular Board of Directors Meeting of April 19, 2017
4. Board Communications Received from April 19, 2017 through May 16, 2017
5. Air District Personnel on Out-of-State Business Travel
6. Notices of Violation Issued and Settlements in Excess of \$10,000 in the Month of April 2017
7. Quarterly Report of the Executive Office and Division Activities for the Months of January 2017 – March 2017

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

Director Kaplan made a motion, seconded by Director Zane, to **approve** the Consent Calendar Items 3 through 7, inclusive; and the motion **carried** by the following vote of the Board:

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

COMMITTEE REPORTS

8. Report of the Budget and Finance Committee Meeting of April 26, 2017

Budget and Finance Committee Vice Chair, Katie Rice, read the following Committee report:

The Committee met on Wednesday, April 26, 2017 and approved the minutes of March 22, 2017.

The Committee reviewed and discussed the staff presentation Continued Discussion of Fiscal Year Ending 2018 Proposed Air District Budget and Consideration to Recommend Adoption. The Committee recommends the Board:

1. *Adopt the Fiscal Year Ending 2018 Proposed Budget.*

The Committee then reviewed and discussed the presentation Pension Rate Stabilization Program and Other Post-Employment Benefits Pre-Funding Using 115 Trust Administered by Public Agency Retirement Services (PARS.)

Finally, the Committee reviewed and discussed the staff presentation Third Quarter Financial Report for Fiscal Year Ending 2017.

The next meeting of the Budget and Finance Committee is at the call of the Chair. I move that the Board approve the Budget and Finance Committee's recommendation. This concludes the Chair Report of the Budget and Finance 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 Budget and Finance Committee; and the motion **carried** by the following vote of the Board:

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

9. Report of the Legislative Committee Meeting of May 11, 2017

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

The Legislative Committee met on Thursday, May 11, 2017, and approved the minutes of December 12, 2016, and March 30, 2017.

The Committee discussed the following bills and recommends that the Board of Directors take the following positions:

- *AB 378 (C. Garcia): Oppose unless amended;*
- *AB 476 (Gipson): Oppose; and*
- *SB 775 (Wieckowski): Support in concept.*

Three additional bills were discussed at the Committee meeting, and the Committee recommends that the Board of Directors take the following positions:

- *AB 458 (Frazier): Oppose unless amended;*
- *AB 1218 (Obernalte): Support; and*
- *SB 100 (De Leòn): Support in concept.*

The Committee also discussed six principles to guide staff, as the Legislature negotiates changes to AB 378 and SB 775 over the next month, and recommends Board of Directors' approval. Copies of the additional bills and the principles are at your places.

The next meeting of the Committee is at the Call of the Chair. I move that the Board approve the Committee's recommendations. This concludes the Chair's report of the Legislative Committee.

Public Comments:

No requests received.

Board Comments:

The Board and staff discussed the Board's request for titles of new bills under consideration to be included in Committee and Chair reports for Board meetings; why the District supports returning Cap and Trade auction revenues to the public; and whether the District's interests are consistent with those

of the California Community Choice Association, as community choice aggregation options are now available within all nine Bay Area Counties.

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

PRESENTATION

10. Briefing on the Valero Benicia Refinery Incident of May 5, 2017

Jack Broadbent, Executive Officer/Air Pollution Control Officer, introduced Wayne Kino, Director of Compliance and Enforcement, who gave the staff presentation *Briefing on the Valero Benicia Refinery Incident of May 5, 2017*, including: refinery location; incident overview; response; air quality impacts; agencies' monitoring efforts; and investigation.

Public Comments:

Public comments were given by Greg Karras, Communities for a Better Environment.

Board Comments:

The Board and staff discussed why the Valero refinery lacks backup power generation capabilities; whether air monitoring was extended to Community Air Risk Evaluation (CARE) areas adjacent to the refinery following the incident, and the consideration of monitoring resources for future incidents; the status of the District's installation of fence line monitoring systems per Regulation 12, Rule 15 (Petroleum Refining Emissions Tracking), and how such systems might have helped during this incident; the feasibility of a District policy that would result in the ceasing of refinery operations based upon a maximum number of Notices of Violations that are issued to a refinery, pertaining to a significant incident; the monitoring of health effects in vulnerable communities and schools that were affected by this incident; root cause analysis, and which agencies have the authority to remediate the situation; and the frequency of flaring incidents at refineries.

Board Action:

None; receive and file.

PUBLIC COMMENT ON NON-AGENDA MATTERS

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

No requests received.

BOARD MEMBERS' COMMENTS

12. Board Member's Comments

Director Zane announced that the Sonoma County Water Agency was awarded the Spare the Air Leadership Award, for developing a diverse renewable energy portfolio, and implementing a range of efficiency measures to deliver water without a carbon footprint.

Director Kaplan announced that the dispute over the proposed coal export terminal in West Oakland is continuing, and welcomed any support from agencies who oppose this proposal, as regional impacts are anticipated.

Chair Kniss acknowledged the District's 2016 Annual Report.

OTHER BUSINESS

13. Report of the Executive Officer/Air Pollution Control Officer

Mr. Broadbent's presentation on ozone seasons has been posted on the District website.

14. Chairperson's Report

None.

15. Time and Place of Next Meeting

Wednesday, May 31, 2017, at 375 Beale Street, 1st Floor Board Room, San Francisco, CA 94105 at 9:45 a.m.

16. Adjournment

The meeting adjourned at 12:13 p.m.

/s/ Marcy Hiratzka
Marcy Hiratzka
Clerk of the Boards