

Bay Area Air Quality Management District  
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San Francisco, California 94105  
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## **APPROVED MINUTES**

Summary of Board of Directors  
Budget and Finance Committee Meeting  
Wednesday, May 20, 2020

**This meeting was conducted under procedures authorized by executive order N-29-20 issued by Governor Gavin Newsom. Members of the committee participated by teleconference.**

### **1. CALL TO ORDER – ROLL CALL**

Budget and Finance Committee (Committee) Chairperson, Carole Groom, called the meeting to order at 11:00 a.m.

Present: Committee Chairperson Carole Groom; Vice Chair John Bauters; and Directors Margaret Abe-Koga, David Canepa, Tyrone Jue, Karen Mitchoff, Mark Ross, and Brad Wagenknecht.

Absent: Directors Cindy Chavez, Pauline Russo Cutter, and David Hudson.

Also Present: Board Chair Rod Sinks (voting) and Director Katie Rice (non-voting).

### **2. APPROVAL OF THE MINUTES OF APRIL 29, 2020**

#### Public Comments

No requests received.

#### Committee Comments

None.

#### Committee Action

Director Wagenknecht made a motion, seconded by Director Mitchoff, to approve the Minutes of April 29, 2020; and the motion carried by the following vote of the Committee:

AYES: Abe-Koga, Bauters, Canepa, Groom, Jue, Mitchoff, Ross, Sinks, Wagenknecht.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Chavez, Cutter, Hudson.

### 3. PROPOSED AMENDMENTS TO AIR DISTRICT REGULATION 3: FEES

Jack P. Broadbent, Executive Officer/Air Pollution Control Officer, and Dr. Jeff McKay, Chief Financial Officer, gave the staff presentation *Proposed Amendments to Regulation 3: Fees*, including: overview; important considerations; proactive management (levers); staff proposal; possible actions; Fiscal Year Ending (FYE) 2021 General Fund Proposed Budget Revisions; actual reserves and policy; staffing trend-filled positions; General Fund revenue and expenditure trends; staff revenues in FYE 2021; General Fund revenue sources; Clean Air Protection program implementation grants; FYE 2021 Revised Proposed Budget overview; General Fund reserves; reserves projections assumptions; FYE 2021 Proposed Budget summary; recent major economic indicators in the United States; selected California economic indicators; current projections; scenarios for the economic impact of the COVID-19 crisis; conclusions; staff proposal from April 29, 2020; fee options; revenue and activity monitoring; Small Business Fee Deferral program; rule development schedule; and recommendation.

#### Public Comments

Public comments given by Jed Holtzman, 350 Bay Area; Danny Bernardini, Napa-Solano Counties Building and Construction Trades Council; Bob Brown, Western States Petroleum Association; and Frances Keeler, California Council for Environmental and Economic Balance.

#### Committee Comments

The Committee and staff discussed whether the proposed (new) fee for the implementation of Assembly Bill (AB) 617 on Title V facilities will have a sunset provision; whether any of the state revenues already allocated to the Air District's FYE 2021 Budget (per the Governor's May revision) are anticipated to be further decreased or withdrawn due to the COVID-19 pandemic; when the Small Business Fee Deferral program is to be considered for approval and whether stakeholders were asked for their input on this program; whether commercial kitchens at campuses of large tech companies ought to be required to have Air District permits, especially if the Air District does not receive the \$9 million from the State for AB 617 implementation; the cost of the AB 617 implementation program; the suggestion of enhancing the Bay Area Commuter Benefits program; and the suggestion that the "possible actions" slide in the presentation be shown at every Budget and Finance Committee meeting.

#### Committee Action

Director Mitchoff made a motion, seconded by Director Hudson, to **adopt** a new fee for implementation of AB 617 on Title V Facilities for FYE 2021, and **revisit** the imposition of additional fees in October 2020, as economic and facility activity levels become clearer.

Director Bauters asked that Director Mitchoff amend her motion to include placing a hold on the annual \$5 million dollars of continued discretionary funding of retirement liabilities within the reserves, pending further Board direction.

Director Mitchoff agreed to include Director Bauters' amendment in her motion.

Director Mitchoff made a motion, seconded by Director Hudson, to **adopt** a new fee for implementation of AB 617 on Title V Facilities for FYE 2021, **revisit** the imposition of additional fees in October 2020, as economic and facility activity levels become clearer, and **hold** the annual \$5 million dollars of continued discretionary funding of retirement liabilities within the reserves, pending further Board direction; and the motion carried by the following vote of the Committee:

AYES: Abe-Koga, Bauters, Canepa, Groom, Hudson, Jue, Mitchoff, Ross, Sinks, Wagenknecht.

NOES: None.

ABSTAIN: None.

ABSENT: Chavez, Cutter.

**4. PUBLIC COMMENT ON NON-AGENDA MATTERS**

No requests received.

**5. COMMITTEE MEMBER COMMENTS / OTHER BUSINESS**

None.

**6. TIME AND PLACE OF NEXT MEETING**

At the conclusion of the meeting, Mr. Broadbent stated that he would discuss upcoming meeting dates with Chair Groom. After the meeting adjourned, the next meeting was scheduled for Wednesday, September 30, 2020 at 1:30 p.m. via webcast, pursuant to procedures authorized by Executive Order N-29-20 issued by Governor Gavin Newson.

**7. ADJOURNMENT**

The meeting adjourned at 12:46 p.m.

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