

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

Board of Directors Special Meeting
Wednesday, December 11, 2024

APPROVED MINUTES

*This meeting was webcast, and a video recording is available on the website of the
Bay Area Air Quality Management District at
www.baaqmd.gov/bodagendas*

CALL TO ORDER

1. **Opening Comments:** Board of Directors (Board) Chairperson, Davina Hurt, called the meeting to order at 10:02 a.m.

Roll Call:

Present, In-Person (Bay Area Metro Center, 375 Beale Street, Yerba Buena Room, San Francisco, CA, 94105): Chairperson Davina Hurt; Vice Chair Lynda Hopkins; and Directors Ken Carlson, John Gioia, Tyrone Jue, Mark Ross, Vicki Veenker, and Shamann Walton.

Present, In-Person (Office of Alameda County Supervisor David Haubert, 4501 Pleasanton Avenue, Pleasanton, CA 94566): Director David Haubert.

Present, In-Person (Office of Contra Costa County Supervisor John Gioia, Conference Room, 11780 San Pablo Ave., Suite D, El Cerrito, CA 94530): Directors Gabe Quinto and Steve Young.

Present, In-Person (San Mateo County Board of Supervisors Offices, 500 County Center - 5th Floor, Redwood City, CA 94063): Directors Noelia Corzo and Ray Mueller.

Absent: Directors Margaret Abe-Koga, Brian Barnacle, Joelle Gallagher, Juan González III, Erin Hannigan, Otto Lee, Sergio Lopez, Nate Miley, Katie Rice, and Mark Salinas.

2. **PLEDGE OF ALLEGIANCE**

INFORMATIONAL ITEMS

3. STAFF UPDATE: RULE 9-6, ZERO NITROGEN OXIDES (NO_x) RESIDENTIAL WATER HEATERS (CONTINUED ITEM 25 FROM DECEMBER 4, 2024, MEETING)

This item was continued from the December 4, 2024, meeting (Item 25), as a quorum of Board members was lost during the item. At this special meeting on December 11, 2024, the Board of Directors resumed its discussion of this item.

NOTED PRESENT: Director Corzo was noted present at 10:12 a.m.

Public Comments

Please note that public comment had closed for this item at the adjournment of the December 4, 2024, Board of Directors meeting, and the continuation of this item was to complete the Board's discussion of the item only.

Board Comments

The Board and staff discussed the desire for input from the Air District's Community Advisory Council and Assembly Bill (AB) 617 Community Emissions Reduction Plan Community Steering Committee members on this issue of transitioning to compliant appliances; the potential level of confusion and difficulty for those in disenfranchised communities who may not be aware of the upcoming standards and rule implementation, and the need to educate in advance; the suggestion that the Air District partner with jurisdictions, contractors, utility agencies, and community choice aggregation agencies as a collaborative clearinghouse to address questions and educate the public in an understandable way; whether to the extend the proposed rule development implementation timeline, to accommodate concerns regarding equity; potential risks to 2022 Inflation Reduction Act (IRA) funding, given the incoming Presidential administration; concerns regarding true market prices of appliances (the belief that data being collected creates a bias that excludes high costs, and needs to be strengthened with true quotes); the desire for full appliance installation cost coverage for those who cannot afford it; lessons learned from former policy changes that discredited misinformation used as scare tactics and/or forced a shift in people's behavior; the success of the City of Palo Alto's Heat Pump Water Heater Program (it was acknowledged that this program is not a one size fits all solution for the entire Bay Area); the suggestion of highlighting residents who have made the switch to compliant appliances so that their neighbors can see how it was done; activities of local community choice aggregation agencies and the need to continue partnerships with the State Legislature; the suggestion of creating a portal for climate and resiliency issues that can be used by residents and contractors; whether limitations on incentives are based on where a person lives or their amount of income; the timeline of the next status update to the Board, and the request for data regarding changes in the market and whether economic impacts are being reduced; optimism regarding emerging technologies/solutions and market expansions in response to this rule, and the suggestion of communicating clear market signals regarding target dates; the hope that zero NO_x appliance standards may lead to other building electrification improvement

policies; the suggestion of utilizing model permitting ordinances, especially for smaller jurisdictions; the need for contractor education; the suggestion that the Air District creates a designated ombudsman position to help implement appliance rules; concern for grid reliability issues, especially for older homes; whether home warranty companies are involved; whether incremental costs, regarding the need to upsize tank capacity when transitioning from a gas water heater to an electric heat pump, were considered, and ways to avoid needing a larger tank after the upgrade; and appreciation for Air District Rule Development staff working on this effort.

Board Action

No action taken.

4. **ELECTION AND FEDERAL POLICY IMPACTS**

At the November 6, 2024, Board meeting, the Board had requested that this item be agendaized for discussion. Dr. Philip M. Fine, Executive Officer/Air Pollution Control Officer, gave the staff presentation *Election and Federal Policy Impacts*, including outline; Air District's legal authority; funding impacts; and Air District leadership into the future.

Public Comments

Public comments were given by Jan Warren, Interfaith Climate Action Network of Contra Costa County; Rod Sinks, Cupertino resident; Malina, California State University, East Bay student; and Tony Sirna, Evergreen Action.

Board Comments

The Committee and staff discussed why only \$1.6M of \$15M of federal funds that were allocated to the Air District for charging infrastructure is under contract, and whether contracting for the amount remaining funds requires Board action; whether funding allocated for the Community Benefits Program would be used as reserves if other Air District funds are cut; whether the Air District should advocate for the extension or increase of funding from the Transportation Fund for Clean Air Regional Fund; the need for community support, particularly at this time; and the request for another advocacy trip to Washington D.C. by Air District staff and Board members.

OTHER BUSINESS

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

Public comments were given by Shani, Hayward resident; and Fernando Gaytan, Earthjustice.

6. **BOARD MEMBER COMMENTS**

None.

7. **REPORT OF THE EXECUTIVE OFFICER/APCO**

Dr. Fine gave a status update on the US Environmental Protection Agency (EPA) Initial Area Designations for their Revised Annual Particulate Matter (PM)_{2.5} National Ambient Air Quality Standard (NAAQS) standard. States (via the Governor) are required to submit recommendations for the designations for the annual PM_{2.5} standard to EPA one year after the standard is revised. The California Air Resources Board (CARB) is responsible for drafting the state recommendation for California and the Air District expects to review the draft recommendation before submittal to EPA. On December 5, 2024, CARB hosted a public webinar on their recommendations for initial area designations. At this public webinar, the Air District anticipates that CARB will recommend to the EPA about whether each planning area is meeting the new annual PM_{2.5} NAAQS. Based on 2021-2023 data, CARB will recommend nonattainment for the San Francisco Bay Area. Following many discussions with the Air District's Board of Directors, Air District staff are supportive of CARB recommending the San Francisco Bay Area as nonattainment. Moving forward, the CARB Board meeting is scheduled for late January 2025, where it will make its recommendations for initial area designations and then will submit its recommendations to the EPA for its annual PM_{2.5} initial area designations by February 7, 2025. This Board will be updated throughout the annual PM_{2.5} NAAQS designations process.

8. **CHAIRPERSON'S REPORT**

- The Board's Community Equity, Health, and Justice Committee will meet following the adjournment of this meeting, not earlier than 1:00 p.m.
- Chair Hurt hosted the Air District's 5th and final "Clean Air Talk" of 2024 on December 7, 2024, at noon, at the San Lorenzo Public Library. The first four Clean Air Talks of 2024 were held in San Jose, San Carlos, Vallejo, and East Palo Alto. The conversation focused on community questions and concerns regarding air quality issues and climate change.

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

(Annual Board Retreat) Wednesday, January 29, 2025, at 10:00 a.m. at California State University Maritime Academy, Compass Room, 200 Maritime Academy Drive, Vallejo, CA 94590. The meeting will be in-person for the Board of Directors members and members of the public will be able to either join in-person or via webcast.

10. **ADJOURNMENT**

The meeting was adjourned at 12:06 p.m.

/s/ Marcy Hiratzka
Marcy Hiratzka
Clerk of the Boards