

BOARD OF DIRECTORS
FINANCE AND ADMINISTRATION COMMITTEE
October 15, 2025

COMMITTEE MEMBERS

LYNDA HOPKINS – CHAIR
NOELIA CORZO
DAVID HAUBERT

TYRONE JUE – VICE CHAIR
JUAN GONZÁLEZ III
VICKI VEENKER

**MEETING LOCATION(S) FOR IN-PERSON ATTENDANCE BY
COMMITTEE MEMBERS AND MEMBERS OF THE PUBLIC**

Bay Area Metro Center
1st Floor Board Room
375 Beale Street
San Francisco, CA 94105

Office of Alameda County Supervisor
David Haubert
Scott Haggerty House
4501 Pleasanton Avenue
Pleasanton, CA 94566

THE FOLLOWING STREAMING OPTIONS WILL ALSO BE PROVIDED

These streaming options are provided for convenience only. In the event that streaming connections malfunction for any reason, the Finance and Administration Committee reserves the right to conduct the meeting without remote webcast and/or Zoom access.

The public may observe this meeting through the webcast by clicking the link available on the air district's agenda webpage at www.baaqmd.gov/bodagendas.

Members of the public may participate remotely via Zoom at <https://bayareametro.zoom.us/j/81162520933>, or may join Zoom by phone by dialing (669) 900-6833 or (408) 638-0968. The Webinar ID for this meeting is: [811 6252 0933](https://bayareametro.zoom.us/j/81162520933)

Public Comment on Agenda Items: The public may comment on each item on the agenda as the item is taken up. Members of the public who wish to speak on a matter on the agenda will have two minutes each to address the Committee on that agenda item, unless a different time limit is established by the Chair. No speaker who has already spoken on an item will be entitled to speak to that item again.

The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the District, or of the acts or omissions of the Committee. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Committee meeting. The District is committed to maintaining a workplace free of unlawful harassment and is mindful that District staff regularly attend Committee meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is *per se* disruptive to a meeting and will not be tolerated.

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

WEDNESDAY, OCTOBER 15, 2025

1:00 PM

Chairperson, Lynda Hopkins

1. Call to Order - Roll Call

The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members.

2. Pledge of Allegiance

CONSENT CALENDAR (Item 3)

The Consent Calendar consists of routine items that may be approved together as a group by one action of the Committee. Any Committee member or member of the public may request that an item be removed and considered separately.

3. Approval of the Draft Minutes of the Finance and Administration Committee Meeting of September 17, 2025

The Committee will consider approving the Draft Minutes of the Finance and Administration Committee Meeting of September 17, 2025.

ACTION ITEM(S)

4. Proposed Changes to Sections 8.2, 9.3, 9.4, and 3.4 of the Administrative Code

The Committee will consider recommending to the Board of Directors that the Board adopt proposed updates to four sections of the Air District's Administrative Code, including provisions related to Procurement and Contracting (Sections 9.4 and 8.2(b)(5)), Adoption of the Budget (Section 9.3), and Appointments to Committees (Section 3.4). This item will be presented by Karen Schkolnick, Director of Administrative Resources, and Erica Flahan, Business Office Manager.

OTHER BUSINESS

5. Public Comment on Non-Agenda Matters

Pursuant to Government Code Section 54954.3, members of the public who wish to speak on matters not on the agenda will be given an opportunity to address the Committee. Members of the public will have two minutes each to address the Committee, unless a different time limit is established by the Chair. The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the District, or of the acts or omissions of the Committee. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Committee meeting. The District is committed to maintaining a workplace free of unlawful harassment and is mindful that District staff regularly attend Committee meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is per se disruptive to a meeting and will not be tolerated.

6. Committee Member Comments

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

7. Time and Place of Next Meeting

Wednesday, November 19, 2025, at 1:00 p.m. The meeting will be held in-person at the Bay Area Metro Center and at satellite locations as may be specified on the meeting agenda using a remote teleconferencing link. Members of the Finance and Administration Committee and the public may attend at any of those in-person locations, and members of the public may also attend virtually via webcast.

8. Adjournment

The Committee meeting shall be adjourned by the Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
vjohnson@baaqmd.gov

(415) 749-4941
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the Air District's offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District's policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District's Non-Discrimination Coordinator, Diana Ruiz, Acting Environmental Justice and Community Engagement Officer at (415) 749-8840 or by email at druiz@baaqmd.gov.

BAY AREA AIR DISTRICT
375 BEALE STREET, SAN FRANCISCO, CA 94105
FOR QUESTIONS PLEASE CALL (415) 749-4941

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

OCTOBER 2025

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Policy, Grants and Technology Committee	Wednesday	15	10:00 a.m.	1 st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	15	1:00 p.m.	1 st Floor Board Room

NOVEMBER 2025

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting - CANCELLED	Wednesday	5	10:00 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee	Wednesday	12	10:00 a.m.	1 st Floor, Yerba Buena Room
Board of Directors Community Equity, Health, and Justice Committee	Wednesday	12	1:00 p.m.	1 st Floor, Yerba Buena Room
Board of Directors Policy, Grants and Technology Committee	Wednesday	19	10:00 a.m.	1 st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	19	1:00 p.m.	1 st Floor Board Room
Community Advisory Council Meeting	Thursday	20	6:00 p.m.	1 st Floor, Yerba Buena Room

DECEMBER 2025

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Nominating Committee	Wednesday	3	9:00 a.m.	1 st Floor Board Room
Board of Directors Meeting	Wednesday	3	10:00 a.m.	1 st Floor Board Room
Advisory Council Meeting	Monday	8	10:00 a.m.	1 st Floor Board Room
Advisory Council Meeting	Monday	8	1:00 p.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee	Wednesday	10	10:00 a.m.	1 st Floor, Yerba Buena Room
Board of Directors Community Equity, Health, and Justice Committee	Wednesday	10	1:00 p.m.	1 st Floor, Yerba Buena Room
Board of Directors Policy, Grants and Technology Committee	Wednesday	17	10:00 a.m.	1 st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	17	1:00 p.m.	1 st Floor Board Room

JB 10/9/25 – 11:05 a.m.

G/Board/Executive Office/Moncal

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Finance and Administration Committee

From: Philip M. Fine
Executive Officer/APCO

Date: October 15, 2025

Re: Approval of the Draft Minutes of the Finance and Administration Committee
Meeting of September 17, 2025

RECOMMENDED ACTION

Approve the Draft Minutes of the Finance and Administration Committee Meeting of September 17, 2025.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the Draft Minutes of the Finance and Administration Committee Meeting of September 17, 2025.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

ATTACHMENT(S):

1. Draft Minutes of the Finance and Administration Committee Meeting of Sept 17, 2025

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

Finance and Administration Committee Meeting
Wednesday, September 17, 2025

DRAFT 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:** Finance and Administration Committee (Committee) Vice Chairperson, Tyrone Jue, called the meeting to order at 1:01 p.m.

Roll Call:

Note: Effective September 16, 2025, one date prior to this meeting, Sergio Lopez resigned from the Air District's Board of Directors and subsequently, any Board committees on which he served, including the Policy, Grants, and Technology Committee.

Present, In-Person (Bay Area Metro Center (375 Beale Street, 1st Floor Board Room, San Francisco, California, 94105): Vice Chairperson Tyrone Jue; and Directors Juan González III, and Vicki Veenker.

Present, In-Person Satellite Location (Santa Rosa Junior College Campus, Doyle Library, Room 148, 1501 Mendocino Ave., Santa Rosa, CA, 95401): Chairperson Lynda Hopkins.

Present, In-Person Satellite Location (Everline Resort and Spa, Lake Tahoe, Pyramid Peak Conference Room, 400 Resort Road, Olympic Valley, CA, 96146): Director David Haubert.

Present, In-Person Satellite Location (San Mateo County, Board of Supervisors Offices, 500 County Center, 5th Floor, Redwood City, CA 94063): Director Noelia Corzo.

Absent: None.

2. **PLEDGE OF ALLEGIANCE**

CONSENT CALENDAR

3. Approval of the Draft Minutes of the Finance and Administration Committee Meeting of July 10, 2025
4. Authorization to Attend the United Nations Framework Convention on Climate Change Conference of the Parties 30 and Related Events, and Enter into a Sponsorship Agreement with The Climate Registry

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director González made a motion, seconded by Director Corzo, to **approve** the Consent Calendar, Items 3 - 4, inclusive; and the motion **carried** by the following vote of the Committee:

AYES:	Corozo, González, Haubert, Hopkins, Jue, Veenker.
NOES:	None.
ABSTAIN:	None.
ABSENT:	None.

INFORMATIONAL ITEM

5. PROPOSED CHANGES TO THE ADMINISTRATIVE CODE - PERSONNEL SECTION III

Clif Brady, Human Resources Manager gave the staff presentation *Proposed Changes to Administrative Code – Personnel Section III*, including: agenda; background: Administrative Code Divisions I, II, and III; Administrative Code Division current state; stakeholder feedback; Baker Tilly Consultants; consultant recommendations; Administrative Code proposed changes: overview, new language, retained language, removed language, details changed by section; Personnel Policy Manual: structure, general administration, personnel conduct and standards, recruitment and selection, employment practices; and next steps.

Public Comments

No requests received.

Committee Comments

The Committee and Air District staff discussed the ratio of represented vs unrepresented Air District employees; the development of, and appreciation for, the four new proposed sections of the Personnel Policy Manual; the suggestion of providing language clarification on Board

oversight of the Air District's Employee Association; the timeline of when the Finance and Administration Committee, and the then Board, would recommend these proposed changes for approval; and how frequently the Administrative Code would be reviewed, moving forward.

Committee Action

No action taken.

OTHER BUSINESS

6. PUBLIC COMMENTS ON NON-AGENDA MATTERS

No requests received.

7. COMMITTEE MEMBER COMMENTS

None.

8. TIME AND PLACE OF NEXT MEETING

Wednesday, October 15, 2025, at 1:00 p.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Finance and Administration Committee members and members of the public will be able to either join in-person or via webcast.

9. ADJOURNMENT

The meeting was adjourned at 1:42 p.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: October 15, 2025

Re: Proposed Changes to Sections 8.2, 9.3, 9.4, and 3.4 of the Administrative
Code

RECOMMENDED ACTION

Recommend to the Board of Directors that the Board adopt proposed updates to sections 9.4 Procurement and Contracting, 8.2 General Counsel, 9.3 Adoption of Budget, and 3.4 Appointments to Committees of the Air District's Administrative Code, as shown in Attachment 1.

BACKGROUND

Under Section 1.3 of the Administrative Code, amendments to the Administrative Code may be adopted by the Board of Directors after review and recommendation by this Committee.

In December 2023, the Board of Directors approved significant revisions to the Administrative Code, which took effect on January 1, 2024. The new Administrative Code included substantial revisions to Divisions I (Operating Provisions) and II (Fiscal Provisions) of the Administrative Code. These revisions created a single document with improved efficiencies for the Board of Directors and agency functions.

On May 1, 2024, the Board of Directors approved additional revisions to Section 9.4, Procurement and Contracting, of the Administrative Code following a thorough review of the Air District's procurement processes and procedures by a public procurement consultant, Mission Consulting, LLC.

Following the May 2024 revision, Air District staff have identified additional sections of the Administrative Code that would benefit from further clarification and streamlining to enhance operational efficiency and improve internal processes.

DISCUSSION

This action proposes four categories of updates, with the most significant revisions concentrated in Section 9.4, Procurement and Contracting.

This recommendation seeks to revise Section 9.4, Procurement and Contracting, to:

- Direct the APCO to maintain a Procurement Policy consistent with public agency best practices for procurement programs, and to amend the Procurement Policy as necessary to implement an efficient and effective procurement program without the need to obtain further approval by the Board of Directors. Currently, the Board is required to approve any changes to the Procurement Policy.
- Specify that the APCO can renew contracts exceeding \$200,000 without Board of Directors approval for the following categories of goods and services: insurance; employee benefits (e.g., CalPERS, life insurance, etc.); fueling and charging of Air District vehicles; Bay Area Headquarters Authority common area and shared services expenses; real property leases and license agreements; software services (e.g. licenses, warranties, maintenance, and support); cloud-based information infrastructure and services; OEM equipment warranties; and equipment leases; and that for such contracts, the APCO must report payments that exceed \$30,000 in total in any fiscal year to the Board of Directors.
- Revise the provisions authorizing the General Counsel to hire outside legal counsel and related services. These requirements are currently specified in Section 8.2 (General Counsel). The proposed amendments would move them into Section 9.4 with the Administrative Code's other procurement provisions, and would provide that the General Counsel's authority to procure such services tracks the APCO's general procurement authority, including the limits on contracts and contract amendments that can be executed without further approval by the Board of Directors.
- Incorporate other non-substantive editorial revisions to enhance readability and ensure consistency with other Code sections.

In addition, revisions to Section 8.2, General Counsel, are recommended in connection with moving the provisions on the General Counsel's authority to hire outside legal counsel to Section 9.4. Revised Section 8.2 would simply cross-reference the procurement authority in Section 9.4.

Updates to Section 9.3(b), Adoption of Budget, are proposed to revise the timeline for presenting the proposed budget to the Finance and Administration Committee. These changes are intended to provide greater flexibility in referring the proposed budget to the Board of Directors.

Lastly, an addition to Section 3.4, Appointments to Committees, is proposed to require that the Clerk of the Boards report the Committee assignments to the Board of Directors at its first meeting in February of each year, or as soon thereafter as the Committee appointments are made. The Finance and Administration Committee discussed this

change at its meeting on July 16, 2025, and requested Air District staff memorialize this process.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The recommended changes to the Administrative Code will not have any impact on the Air District's budget.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Erica Flahan, Karen Schkolnick, Cynthia Zhang, and Sonam Shah-Paul

Reviewed by: Hyacinth Hinojosa

ATTACHMENT(S):

1. Proposed Updates to the Air District's Administrative Code
2. Proposed Changes to Administrative Code Presentation

Bay Area Air District Administrative Code

3.4 Appointments to Committees

The Chairperson shall appoint members of the Board of Directors to the standing committees annually in January, or as soon thereafter as new members are named by their appointing authorities (except for the Nominating Committee, which shall be appointed as specified in Section 3.3(e)). The Chairperson may also appoint members at any time a vacancy occurs. The Chairperson shall ensure that Committee membership is rotated to provide equitable representation of cities and counties and geographical diversity to allow participation in the work of the Air District by as broad a representation as may be possible. In no event shall a committee be composed of a quorum of the Board of Directors or any committee of the Board. The Clerk of the Boards shall report the Committee appointments to the Board of Directors at its first meeting in February of each year, or as soon thereafter as the Committee appointments are made.

8.2 Air District General Counsel

(a) Appointment

The Board of Directors shall appoint a General Counsel to the Air District, who shall serve at the pleasure of the Board.

(b) Duties

The General Counsel shall serve as the chief legal officer of the Air District and possess the power and duty to administer the legal affairs of the Air District and to represent the Air District in all legal matters. The General Counsel's duties include, without limitation:

- (1) Providing advice and legal opinions, either orally or in writing as appropriate to the circumstances, to the Board of Directors, the APCO, Board Committee, Hearing Board, Advisory Councils, or other committee or employee as directed by the Board of Directors.
- (2) Making recommendations to the APCO and Board of Directors on the settlement of all claims and litigation involving the Air District.
- (3) Approving as to form, prior to enactment, all surety bonds, contracts, ordinances, resolutions, and other legal documents and instruments; and examining and approving title to all real property to be acquired by the Air District.

- (4) Serving as the appointing authority for all positions of employment in the Air District's Legal Division, with plenary and sole authority to hire, fire, discipline, layoff, supervise, and assign employees in that Office.
- (5) Hiring outside legal counsel and related professional services when in the interests of the Air District. The General Counsel may execute contracts for legal services as provided for in Section 9.4(g) ~~in an amount that does not exceed two hundred thousand dollars (\$200,000). Contracts in excess of the amount shall be approved by the Board of Directors. The General Counsel shall report all contracts for outside legal services to the Board of Directors. In hiring outside counsel, the General Counsel shall endeavor to follow the Procurement Policy adopted pursuant to Section 9.4 to the extent practicable under the circumstances, but shall not be strictly bound by that Policy.~~
- (6) Carrying out other and additional duties as the Board of Directors may prescribe.

Section 9.3: Adoption of Budget

(a) Budget Preparation

No later than the 15th day of January of each year, the APCO shall start the preparation of the budget for submission to the Board of Directors via the Finance and Administration Committee.

(b) Presentation to Finance and Administration Committee

The APCO, or their designee, shall present at the proposed budget to the Finance and Administration Committee ~~by no later than the 4th Wednesday in March 31st for consideration by that Committee to receive direction. The Committee may refer the proposed budget directly to the full Board of Directors, or it may request revisions to the proposed budget for consideration at a subsequent Committee meeting. By no later than the 4th Wednesday in April, the APCO, or their designee, shall present a revised budget to the~~ The Finance and Administration Committee shall refer a proposed budget to the Board of Directors no later than April 30th for the Committee's approval.

(c) Adoption by the Board of Directors

(1) Notice

No less than thirty (30) days before any Board of Directors public hearing on the budget, the APCO, or their designee, shall prepare and make available to the public a summary of the Air District budget and any supporting documents,

including, but not limited to, a schedule of fees to be imposed by the Air District to fund its programs.

(2) Public Hearing to Review the Budget

Not less than two weeks before the public hearing at which the budget is adopted, the Board of Directors shall hold a public hearing for the exclusive purpose of reviewing the proposed budget and providing the public with the opportunity to comment upon the proposed budget.

(3) Adoption of the Budget

The Board of Directors shall adopt the budget at a public hearing held not less than two weeks after the public hearing to review the proposed budget required under subsection 9.3(c)(2), but under no circumstances any later than the last day of June. (Health and Safety Code section 40130-40131.)

Section 9.4: Procurement and Contracting

- (a) The APCO shall ~~maintain a Procurement Policy develop for approval by the Board of Directors a Procurement Policy~~ establishing procedures for conducting procurements consistent with public agency best practices, including competitive bidding, awarding, administering, and executing contracts for goods and services, leases, and other similar contractual agreements (collectively referred to herein as “contracts”). ~~The APCO may make updates to amend the policy as needed to incorporate future Board approved changes to the Administrative Code and to reflect best public agency practices for procurement programs implement an efficient and effective procurement program. The APCO may further delegate its authority as defined in the Procurement Policy and Procedures.~~
- (b) The APCO may execute contracts in an amount that does not exceed two hundred thousand dollars (\$200,000) ~~as specified in the Procurement Policy~~. The APCO shall report such contracts to the Board of Directors if they exceed one hundred thousand dollars (\$100,000). Contracts in excess of two hundred thousand dollars (\$200,000) must ~~receive prior approval~~ be approved by the Board of Directors. ~~The APCO may bring any contract before the Board of Directors for approval if they deem it in the best interest of the Air District.~~
- (c) The APCO may execute amendments to contracts ~~if~~ (1) if the amount of ~~a the~~ contract as amended does not exceed two hundred thousand dollars (\$200,000), or (2) if the contract ~~had has~~ previously been approved by the Board of Directors, the cumulative amount of ~~any all~~ amendments since the last Board approval does not exceed the ~~previously last Board~~-approved contract amount by more than two hundred thousand dollars (\$200,000) or 25%, whichever is the lesser amount. All other amendments must be approved by the Board of Directors. The APCO shall

report to the Board of Directors any amendments that (1) cause the amount of a contract as amended to exceed one hundred thousand dollars (\$100,000), or (2) cause the amount of a contract already exceeding one hundred thousand dollars (\$100,000) to increase by more than 25%. ~~The APCO may bring any contract amendment before the Board of Directors for approval if they deem it in the best interest of the Air District.~~

- (d) Notwithstanding any limitations in this Section 9.4, the APCO may execute contracts for goods and services without prior approval by the Board of Directors in the event of a declared state of emergency that causes a need to immediately procure such goods or services to make repairs, to safeguard the lives or property of residents within the Air District jurisdiction or Air District employees or property, or to otherwise protect public health or welfare as a result of extraordinary conditions created by war, epidemic, weather, fire, flood, earthquake or other catastrophe, or the breakdown of any plant, equipment, structure, or public work. The APCO may execute such a contract in an expeditious manner to the extent necessary to respond to the emergency; however, if the emergency permits, the APCO shall obtain the approval of the Chairperson of the Board of Directors. The APCO shall report to the Board of Directors on the execution of the contract as soon as practicably possible.
- (e) Notwithstanding any limitations in this Section 9.4, the APCO may execute renewal contracts for the following select recurring standard services categories of goods and services without approval by the Board of Directors, including those exceeding two hundred thousand dollars (\$200,000), provided the initial procurement was authorized under then-applicable provisions of the Administrative Code, including the use of appropriate required competitive processes. ~~These select recurring services are limited to:~~ utilities; and other core services specifically identified in the Procurement Policy and for which the Board of Directors has provided pre-approval given their essential and recurring nature; insurance; employee benefits (e.g., CalPERS, life insurance, etc.); fueling and charging of Air District vehicles; Bay Area Headquarters Authority common area and shared services expenses; real property leases and license agreements; software services (e.g. licenses, warranties, maintenance, and support); cloud-based information infrastructure and services; OEM equipment warranties; and equipment leases.

For ~~any~~ such contracts renewed in this manner, ~~recurring payments~~ the APCO shall be reported payments made under such contracts exceeding thirty thousand dollars (\$30,000) in total in any fiscal year to the Board of Directors in connection with the quarterly Financial Reports. The provisions of this Section 9.4(e) paragraph apply to qualifying renewals of existing contracts only. Approval by the Board of Directors is required for all new contracts if the goods or services that will be purchased under the contract are ~~initially~~ anticipated to be greater than

two hundred thousand dollars (\$200,000), ~~as calculated pursuant to the Procurement Policy.~~

- (f) In circumstances where a contract is required to be executed independently from the APCO, and no other Air District employee can appropriately execute the contract due to legal, confidentiality, or personnel reasons, or because other extenuating circumstances exist, the Chairperson of the Board of Directors may execute the contract on behalf of the Air District, with notification to the Board of Directors, if the amount of the contract does not exceed two hundred thousand dollars (\$200,000). Such contracts in excess of two hundred thousand dollars (\$200,000) must be approved by the Board of Directors. In approving such contracts, the Board of Directors shall authorize and direct the Chairperson, the Vice-Chairperson, or another member of the Board of Directors to execute the contract on behalf of the Air District. In entering into contracts under this subsection 9.4(~~ef~~), the Chairperson and the Board of Directors shall endeavor to follow public agency procurement best practices ~~the Procurement Policy~~ to the extent practicable.
- (g) The General Counsel may execute contracts for outside legal counsel and related professional services as provided for in Section 8.2(b). The General Counsel may execute contracts for outside legal counsel and related professional services in the same manner in which the APCO may execute contracts for general procurement under paragraphs 9.4(b) and 9.4(c) above, with the same limits on the dollar amounts of contracts and contract amendments that can be executed without further approval by the Board of Directors. In procuring outside counsel and related professional services, the General Counsel shall endeavor to follow public agency best practices to the extent practicable.



Proposed Changes to Administrative Code - Sections 3.4, 8.2, 9.3, and 9.4

Finance and Administration Committee

October 15, 2025

Karen Schkolnick, Director, Administrative Resources

Erica Flahan, Business Office Manager, Administrative Resources

Recommended Action

Recommend to the Board of Directors that the Board adopt proposed updates to the following sections of the Air District's Administrative Code:

Section 9.4 Procurement and Contracting;
Section 8.2 General Counsel;
Section 9.3 Adoption of Budget; and
Section 3.4 Appointments to Committees

Agenda

- Background
- Proposed Administrative Code Updates:
 - 9.4 Procurement and Contracting
 - 8.2 General Counsel
 - 9.3 Adoption of Budget
 - 3.4 Appointments to Committees

Background: Air District Administrative Code

- In December of 2023, the Board of Directors approved significant revisions to the Administrative Code, which took effect on January 1, 2024, that created a single document with improved efficiencies for the Board of Directors and agency functions
- Section 9.4 of the Administrative Code required the Air Pollution Control Officer (APCO) to develop a comprehensive procurement policy for Board approval
- On May 1, 2024, the Board of Directors approved the new Procurement Policy and additional revisions to Administrative Code Section 9.4

Proposed Updates: Sections 9.4 & 8.2

9.4 Procurement and Contracting:

- Authorize the Executive Officer/APCO to update the Procurement Policy without the need for approval by the Board of Directors
- Specify the categories of recurring contracts exceeding \$200,000, the APCO can renew without further Board approval: insurance; employee benefits (e.g., retirement benefits, life insurance, etc.); fueling and charging of Air District vehicles; Bay Area Headquarters Authority common area and shared services expenses; real property leases and license agreements; software services (e.g. licenses, warranties, maintenance, and support); cloud-based information infrastructure and services; original equipment manufacturer (OEM) equipment warranties; and equipment leases

Proposed Updates: Sections 9.4 & 8.2 (Cont.)

And for these situations, require reporting to the Board of Directors of payments that exceed \$30,000 in total in any fiscal year

- Consolidate language related to procurement that was previously in Section 8.2 (General Counsel)
- Clarify requirements and incorporate other non-substantive editorial revisions to enhance readability and ensure consistency

8.2 General Counsel:

- Ensure consistency with the proposed changes in Section 9.4

Proposed Updates: Section 9.3

9.3 Adoption of Budget:

- Revise the timeline for presenting the proposed budget to the Finance and Administration Committee (FAC) to ensure alignment with the overall budget adoption timeline
- Eliminate the requirement for a second FAC meeting if the budget remains unchanged, while allowing for optional second meeting in April, if deemed necessary
- Improves timeline in forwarding the proposed budget & fee amendment to the Board for public hearings to ensure the two required public hearing meetings are held before June 30

Proposed Updates: Section 3.4

3.4 Appointments to Committees:

- Revised to require the Clerk of the Boards report the Committee appointments to the Board of Directors at its first meeting in February of each year, or as soon thereafter as the Committee appointments are made

Recommended Action

Recommend to the Board of Directors that the Board adopt proposed updates to the following sections of the Air District's Administrative Code:

Section 9.4 Procurement and Contracting;
Section 8.2 General Counsel;
Section 9.3 Adoption of Budget; and
Section 3.4 Appointments to Committees

Questions & Discussion

For more information:

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