



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS REGULAR MEETING

December 17, 2014

A meeting of the Bay Area Air Quality Management District Board of Directors will be held in the 7th Floor Board Room at the Air District Headquarters, 939 Ellis Street, San Francisco, California.

Questions About an Agenda Item

The name, telephone number and e-mail of the appropriate staff Person to contact for additional information or to resolve concerns is listed for each agenda item.

Meeting Procedures

The public meeting of the Air District Board of Directors begins at 9:45 a.m. The Board of Directors generally will consider items in the order listed on the agenda. However, any item may be considered in any order.

After action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

This meeting will be webcast. To see the webcast, please visit <http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes.aspx> at the time of the meeting.

Public Comment Procedures

Persons wishing to make public comment must fill out a Public Comment Card indicating their name and the number of the agenda item on which they wish to speak, or that they intend to address the Board on matters not on the Agenda for the meeting.

Public Comment on Non-Agenda Matters, Pursuant to Government Code Section 54954.3 For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have three minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to commencement of the meeting. The remainder of the speakers wishing to address the Board on non-agenda matters will be heard at the end of the agenda, and each will be allowed three minutes to address the Board at that time.

Members of the Board may engage only in very brief dialogue regarding non-agenda matters, and may refer issues raised to District staff for handling. In addition, the Chairperson may refer issues raised to appropriate Board Committees to be placed on a future agenda for discussion.

Public Comment on Agenda Items After the initial public comment on non-agenda matters, the public may comment on each item on the agenda as the item is taken up. Public Comment Cards for items on the agenda must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to the Board taking up the particular item. Where an item was moved from the Consent Calendar to an Action item, no speaker who has already spoken on that item will be entitled to speak to that item again.

Up to ten (10) speakers may speak for three minutes on each item on the Agenda. If there are more than ten persons interested in speaking on an item on the agenda, the Chairperson or other Board Member presiding at the meeting may limit the public comment for all speakers to fewer than three minutes per speaker, or make other rules to ensure that all speakers have an equal opportunity to be heard. Speakers are permitted to yield their time to one other speaker; however no one speaker shall have more than six minutes. The Chairperson or other Board Member presiding at the meeting may, with the consent of persons representing both sides of an issue, allocate a block of time (not to exceed six minutes) to each side to present their issue.

BOARD OF DIRECTORS REGULAR MEETING AGENDA

WEDNESDAY
DECEMBER 17, 2014
9:45 A.M.

BOARD ROOM
7TH FLOOR

CALL TO ORDER

Chairperson, Nate Miley

1. **Opening Comments**
Roll Call
Pledge of Allegiance

The Chair shall call the meeting to order and make opening comments. The Clerk of the Boards shall take roll of the Board members. The Chair shall lead the Pledge of Allegiance.

PUBLIC COMMENT ON NON-AGENDA MATTERS

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

For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have three minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Board at the location of the meeting and prior to commencement of the meeting.

CONSENT CALENDAR (ITEMS 3 – 8)

Staff/Phone (415) 749-

3. Minutes of the Regular Board of Directors Meeting of December 3, 2014

Clerk of the Boards/5073

The Board of Directors will consider approving the draft minutes of the Regular Board of Directors Meeting of December 3, 2014.

4. Board Communications Received from December 3, 2014 through December 16, 2014

J. Broadbent/5052

jbroadbent@baaqmd.gov

A copy of communications directed to the Board of Directors received by the Air District from December 3, 2014 through December 16, 2014, if any, will be at each Board Member's place.

5. Air District Personnel on Out-of-State Business Travel

J. Broadbent/5052

jbroadbent@baaqmd.gov

In accordance with Section 5.4 (b) of the Air District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the attached memorandum lists Air District personnel who have traveled on out-of-state business in the preceding month.

6. Notice of Violations Issued and Settlements in Excess of \$10,000 in the month of November 2014

B. Bunger/4920

bbunger@baaqmd.gov

In accordance with Resolution No. 2012-08, the Board of Directors will receive a list of all Notices of Violation issued, and all settlements for amounts in excess of \$10,000 during the month of November 2014.

7. Proposed Regulatory Agenda for 2015

J. Broadbent/5052

jbroadbent@baaqmd.gov

State law requires each Air District to publish a list of potential regulatory measures for the upcoming year. No regulatory measure can be brought before the Board that is not on the list, with specified exceptions. Consequently, the list contains all regulatory measures that may come before the Board of Directors in 2015.

8. Notification of Proposed Future Adoption of Amendments to the Air District's Administrative Code, Division I: Operating Policies and Procedures, Section 7 Advisory Council.

J. Broadbent/5052

jbroadbent@baaqmd.gov

At a future meeting, the Board of Directors will consider adoption of amendments to the Air District's Administrative Code, Division I: Operating Policies and Procedures, Section 7 Advisory Council.

COMMITTEE REPORT(S)

9. Report of the **Personnel Committee** Meeting of December 15, 2014

CHAIR: B. Wagenknecht

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive the following reports and may recommend Board of Directors' approval of action items as indicated below:

- A) **Discussion Regarding Advisory Council Structure for 2015**

None; receive and file.

- B) **Consider Recommending Board of Directors Approval of Incumbent Reappointments to the Air District's Advisory Council**

Recommend Board of Directors approval of incumbent reappointments to the Air District's Advisory Council.

- C) **Presentation of the Air District's Administrative Code Division III Personnel Policies and Procedures – Section 2 Equal Employment Opportunity Policy and (2) Equal Employment Opportunity Plan**

None; receive and file.

10. Report of the **Ad Hoc Building Oversight Committee** Meeting of December 15, 2014

CHAIR: N. Miley

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee will receive the following reports and may recommend Board of Directors' approval of action items as indicated below:

- A) **Regional Agency Headquarters at 375 Beale Street – Project Status Report – December 2014**

None; receive and file.

- B) **Construction Furniture and Network Redesign Costs**

Recommend Board of Directors:

- 1. Authorize the Executive Officer/APCO to reimburse the Bay Area Headquarters Authority an additional \$500,000 for building redesign and construction; furniture; network redesign and consulting work associated with the Air District's tenant improvements and shared services costs at 375 Beale Street.*
- 2. Increase the Fiscal Year Ending (FYE) 2015, Program 702, budget by a corresponding \$500,000, to be transferred from the Air District's Building and Facilities reserve.*

PRESENTATIONS

11. Bay Area Refinery Emissions Reduction Strategy

J. Broadbent/5052
jbroadbent@baaqmd.gov

Staff will brief the Board of Directors on staff's evaluation of potential refinery emissions reduction strategies conducted pursuant to direction from the Board of Directors in Resolution 2014-07.

12. Resolution Regarding Safety of Transporting Crude Oil by Rail

J. Broadbent/5052
jbroadbent@baaqmd.gov

Approve a Resolution encouraging agencies responsible for rail safety to adopt and implement the most stringent possible safety standards to ensure safe delivery of crude oil and other hazardous cargo delivered by rail.

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

Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3
Speakers who did not have the opportunity to address the Board in the first round of comments on non-agenda matters will be allowed three minutes each to address the Board on non-agenda matters.

14. **BOARD MEMBERS' COMMENTS**

Any member of the Board, 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)

OTHER BUSINESS

15. Report of the Executive Officer/APCO

16. Chairperson's Report

17. Time and Place of Next Meeting:

*Wednesday, January 21, 2015, City of South San Francisco Municipal Services Building,
33 Arroyo Drive, South San Francisco, CA 94808 at 9:45 a.m.*

18. Adjournment

The Board meeting shall be adjourned by the Board Chair.

CONTACT:

**MANAGER, EXECUTIVE OPERATIONS
939 ELLIS STREET, SAN FRANCISCO, CA 94109
mmartinez@baaqmd.gov**

**(415) 749-5016
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov**

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the "Members of the Board of Directors" and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Board meeting. Any correspondence received after that time will be presented to the Board at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities notification to the Clerk's Office should be given in a timely manner, so that arrangements can be made accordingly.

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 District's offices at 939 Ellis Street, San Francisco, CA 94109, at the time such writing is made available to all, or a majority of all, members of that body.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109
FOR QUESTIONS PLEASE CALL (415) 749-5016 or (415) 749-4941**

**EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS**

DECEMBER 2014

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month) - CANCELLED</i>	Monday	15	9:30 a.m.	Board Room
Board of Directors Personnel Committee <i>(Meets At the Call of the Chair)</i>	Monday	15	9:30 a.m.	Board Room
Board of Directors Ad Hoc Building Committee <i>(At the Call of the Chair)</i>	Monday	15	11:00 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	17	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	18	9:30 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month) - CANCELLED</i>	Wednesday	24	9:30 a.m.	Board Room

JANUARY 2015

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	7	9:45 a.m.	Board Room
Advisory Council Special Meeting/Retreat <i>(Meets on the 2nd Wednesday of each Month)</i>	Wednesday	14	9:00 a.m.	Board Room
Board of Directors Climate Protection Committee – <i>(Meets 3rd Thursday every other Month)</i>	Thursday	15	9:30 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	19	9:30 a.m.	Board Room
Board of Directors Special Meeting/Retreat <i>(Meets on the 1st & 3rd Wednesday of each Month)</i> South San Francisco Municipal Building (Council Chambers) 33 Arroyo Drive, South San Francisco, CA 94080	Wednesday	21	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	22	9:30 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	28	9:30 a.m.	Board Room

FEBRUARY 2015

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	4	9:45 a.m.	Board Room
Advisory Council Mtg. <i>(Meets on the 2nd Wednesday of each Month)</i>	Wednesday	11	9:00 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	16	9:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	18	9:45 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	25	9:30 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	26	9:30 a.m.	Board Room

HL – 12/8/14 (9:40 a.m.)

P/Library/Forms/Calendar/Calendar/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: December 3, 2014

Re: Minutes of the Regular Board of Directors Meeting of December 3, 2014

RECOMMENDED ACTION

Approve the attached draft minutes of the Board of Directors Regular Meeting of December 3, 2014.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Regular Meeting of December 3, 2014.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

Attachment: Draft Minutes of the Board of Directors Regular Meeting of December 3, 2014

AGENDA 3 – ATTACHMENT

Draft Minutes - Board of Directors Regular Meeting of December 3, 2014

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109
(415) 749-5073

Board of Directors Regular Meeting
Wednesday, December 3, 2014

DRAFT MINUTES

Note: Audio and video recordings of the meeting are available on the website of the Bay Area Air Quality Management District at <http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes.aspx>.

1. **CALL TO ORDER:** Chairperson Nate Miley called the meeting to order at 9:54 a.m.

Opening Comments: None.

Roll Call:

Present: Chairperson Nate Miley; Vice-Chairperson Carole Groom; Secretary Eric Mar; and Directors Susan Adams, John Avalos, Tom Bates, Cindy Chavez, Margaret Fujioka, John Gioia, Scott Haggerty, David Hudson, Ash Kalra, Roger Kim (on behalf of Edwin Lee), Liz Kniss, Mark Ross and Brad Wagenknecht.

Absent: Directors Teresa Barrett, Carol L. Klatt (resigned), Jan Pepper, Mary Piepho, Jim Sperring and Shirlee Zane.

Pledge of Allegiance: Chairperson Miley led the Pledge of Allegiance.

2. **PUBLIC COMMENT ON NON-AGENDA MATTERS:** No requests received.

PROCLAMATION / AWARDS

3. **The Board of Directors (Board) Recognized Naomi Bernardo as Recipient of the 2014 Rodney Swartzendauber Outstanding Inspector Award**

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), commended Naomi Bernardo, Air Quality Inspector II of the Compliance and Enforcement Division, for receiving the 2014 Rodney Swartzendauber Outstanding Inspector Award.

NOTED PRESENT: Director Hudson was noted present at 9:58 a.m. and Director Mar was noted present at 10:00 a.m.

4. The Board Recognized Employees Who Have Completed Milestones of Twenty-Five (25), Thirty (30), Thirty-five (35), Forty (40), and Forty-Five (45) Years of Service with the Air District During this Second Half of the Calendar Year

Director Avalos recognized Jeffery Matsuoka, Research Analyst of the Planning, Rules and Research Division, who completed the milestone of twenty-five (25) years of service with the Air District during this second half of the calendar year. Mr. Matsuoka addressed the Board in appreciation.

Director Avalos recognized David Garrison, RTO Supervisor of the Compliance and Enforcement Division, in absentia, who completed the milestone of twenty-five (25) years of service with the Air District during this second half of the calendar year. Wayne Kino, Director of Compliance and Enforcement, accepted the recognition on behalf of Mr. Garrison.

Director Mar recognized May Leung, Air Quality Permit Technician of the Engineering Division, who completed the milestone of twenty-five (25) years of service with the Air District during this second half of the calendar year. Ms. Leung addressed the Board in appreciation.

NOTED PRESENT: Directors Bates and Kalra were noted present at 10:11 a.m.

Director Mar recognized Scott Owen, Supervising Air Quality Engineer of the Engineering Division, who completed the milestone of thirty (30) years of service with the Air District during this second half of the calendar year. Mr. Owen addressed the Board in appreciation.

Chairperson Miley recognized Helen Lee, Administrative Secretary of the Executive Office, who completed the milestone of twenty-five (25) years of service with the Air District during this second half of the calendar year. Ms. Lee addressed the Board in appreciation.

NOTED PRESENT: Director Fujioka was noted present at 10:16 a.m.

Chairperson Miley recognized Rochelle Reed, Air Quality Technician of the Counsel's Office, who completed the milestone of twenty-five (25) years of service with the Air District during this second half of the calendar year. Ms. Reed addressed the Board in appreciation.

Chairperson Miley recognized Dinesh Patel, Principal Air Quality Chemist of the Technical Services Division, in absentia, who completed the milestone of twenty-five (25) years of service with the Air District during this second half of the calendar year.

Director Gioia recognized Kim Karas, Director of Engineering, who completed the milestone of forty (40) years of service with the Air District during this second half of the calendar year. Mr. Karas addressed the Board in appreciation.

Director Groom recognized Ruth Argueta, Air Quality Technician of the Compliance and Enforcement Division, who completed the milestone of forty (40) years of service with the Air District during this second half of the calendar year. Ms. Argueta addressed the Board in appreciation.

CLOSED SESSION

The Board adjourned to Closed Session at 10:27 a.m.

5. EXISTING LITIGATION (Government Code Section 54956.9(a)) (Out of Order Agenda Item 14)

Pursuant to Government Code Section 54956.9(a), the Board met in closed session with legal counsel to consider the following cases:

Communities for a Better Environment, et al. v. Bay Area AQMD, Kinder Morgan Material Services, LLC, et al., Real Parties in Interest, San Francisco County Superior Court, Case No. CPF-14-513557, First District Court of Appeal, Case No. Pending.

OPEN SESSION

The Board resumed Open Session at 10:47 a.m. with no reportable action.

CONSENT CALENDAR (ITEMS 6 – 10) (Agenda Items 5 – 9)

- 6. Minutes of the Board Regular Meeting of November 17, 2014;**
- 7. Board Communications Received from November 17, 2014 through December 2, 2014;**
- 8. Notice of Violations Issued and Settlements in Excess of \$10,000 in the month of October 2014;**
- 9. Contract Amendment to Provide Support for Greenhouse Gas (GHG) and Criteria Pollutant Emissions Reductions Efforts for Super Bowl 2016; and**
- 10. Cooperative Air District Enforcement of the Refrigerant Management Program with the California Air Resources Board.**

Board Comments: None.

Public Comments: No requests received.

Board Action:

Director Groom made a motion, seconded by Director Haggerty, to approve Consent Calendar Items 6 through 10 (agenda items 5 through 9), inclusive; and the motion carried by the following vote of the Board:

AYES: Avalos, Bates, Chavez, Fujioka, Gioia, Groom, Haggerty, Hudson, Kalra, Kim, Kniss and Miley.
NOES: None.
ABSTAIN: None.
ABSENT: Adams, Barrett, Klatt, Mar, Pepper, Piepho, Ross, Spring, Wagenknecht and Zane.

COMMITTEE REPORTS

11. Report of the Stationary Source Committee (SSC) Meeting of November 24, 2014 (Agenda Item 10)

Committee Chairperson Gioia

The SSC met on Monday, November 24, 2014, and approved the minutes of October 1, 2014.

The SSC received and discussed the staff presentation *Review of Refinery Emission Reduction Approaches*, including background; an overview of the staff evaluation of potential approaches to implement a strategy to reduce emissions from refineries by 20% or by as much as is feasible; a summary of evaluation criteria; a summary of approaches evaluated; a summary of evaluation results; recommendations; and next steps. This issue will be on the agenda for the December 17, 2014 Board meeting.

The SSC then received and discussed the staff presentation *Tesoro Refinery Flaring Activity*, including a diagram of a typical flare system; summaries of flare monitoring and management rules; and overviews of the Tesoro flare system and previous flaring.

The SSC then received and discussed the staff presentation *Discretionary Permits under the California Environmental Quality Act (CEQA)*, including a summary of CEQA statutory provisions; Office of Planning and Research CEQA guidelines; court decisions; and examples from Air District regulations.

The next meeting of the SSC is at the call of the Chair.

Board Comments: None.

Public Comments: No requests received.

Board Action: None; receive and file.

12. Report of the Budget and Finance Committee (BFC) Meeting of November 26, 2014 (Agenda Item 11)

Committee Chairperson Groom

The BFC met on Wednesday, November 26, 2014, and approved the minutes of April 23, 2014.

The BFC received and discussed the staff presentation *Fourth Quarter Financial Report – Fiscal Year Ending (FYE) 2014*, including an overview of general fund revenues and expenses, revenue and expense year-over-year comparisons, investments, fund balances, purchasing reporting requirements, and cumulative vendor payments in excess of \$70,000.

The BFC then received and discussed the staff presentation *First Quarter Financial Report – FYE 2015*, including an overview of general fund revenues and expenses, revenue and expense year-over-year comparisons, investments, fund balances, purchasing reporting requirements, and cumulative vendor payments in excess of \$70,000.

The BFC then received and discussed the staff presentation *939 Ellis Street Sale Proceeds*. Based on this discussion, the BFC recommends the Board:

1. Appropriate \$1,103,103 in the current fiscal year to cover the monthly base rent of 939 Ellis Street; and
2. Transfer remaining sale proceeds to the General Fund Building Reserves to:
 - a. Use towards purchase of 375 Beale Street Office Space (minimum of \$8.5M has been committed); and
 - b. Finance current and future building needs and obligations.

The next meeting of the BFC is Wednesday, January 28, 2015, at 9:30 a.m.

Board Action:

Director Groom made a motion, seconded by Director Kniss, to approve the recommendations of the BFC.

Board Comments:

The Board and staff discussed when lease payments began or begin on each property; the state of discussions with the Metropolitan Transportation Commission (MTC) regarding the cost of project delays; construction schedule update; MTC efforts to expedite the departure of the current tenant at 375 Beale Street; and the loan payment schedule.

Public Comments: No requests received.

Board Action (continued):

The motion carried by the following vote of the Board:

AYES: Avalos, Bates, Chavez, Fujioka, Gioia, Groom, Haggerty, Hudson, Kalra, Kim, Kniss and Miley.
NOES: None.
ABSTAIN: None.
ABSENT: Adams, Barrett, Klatt, Mar, Pepper, Piepho, Ross, Spring, Wagenknecht and Zane.

13. Report of the Climate Protection Committee (CPC) Meeting of December 1, 2014 (Agenda Item 12)
Committee Chairperson Avalos

The CPC met on Monday, December 1, 2014, and approved the minutes of September 29, 2014.

The CPC received and discussed the presentation *The Marin Carbon Project, Carbon Farming: Increasing Carbon Capture on California's Working Lands* by Jeff Creque, Carbon Cycle Institute,

including background on the project's objective to increase carbon sequestration in agricultural soils via application of compost; estimates of benefits related to carbon sequestration, GHG emissions reductions, and agricultural productivity; California rangelands carbon sequestration and GHG mitigation potential; discussion of the Corda Ranch pilot project; quantification of carbon farm impacts; and increases in soil moisture and other carbon capture synergies.

The CPC then received and discussed the presentation *Local Climate Action Plans*, including background on Air District support for local climate action plans and their relevance to the 10-point Climate Protection Work Program and Regional Climate Protection Strategy; a summary of Bay Area cities with adopted climate action plans; current emissions reduction targets and estimated GHG reductions; common and innovative GHG reduction measures; examples of voluntary versus mandatory measures; implementation strategies; climate action plans as related to cap-and-trade funds; and next steps.

The next meeting of the CPC is on Thursday, January 15, 2015, at 9:30 a.m.

Board Comments: None.

Public Comments: No requests received.

Board Action: None; receive and file.

PRESENTATION

14. Wood Smoke Program (Agenda Item 13)

Mr. Broadbent introduced the topic and Eric Stevenson, Director of Technical Services, who gave the initial staff presentation *Wood Smoke Program* through slide 5, *Survey Data Results*, including localized impacts; wood smoke in San Geronimo Valley; and survey data results.

Mr. Stevenson introduced Brian Bunger, District Counsel, who gave the continued staff presentation *Wood Smoke Program* through slide 7, *Air District Rule Development*, including Air District authority and rule development.

Mr. Bunger introduced Mr. Kino, who gave the remainder of the staff presentation *Wood Smoke Program*, including wood smoke rule development, wood smoke model ordinance and rule development schedule.

Board Comments:

The Board and staff discussed staff's current vision for the upcoming rule-making process; a possible restriction of the exemption; how the Air District works with local jurisdictions with wood smoke regulations in place, both at initial program launch and since that time; public comments received, particularly from Richard Winge, regarding rental properties with wood burning as the sole source of heat; the adversarial tone of correspondence received on this topic; the absence of emergency or expedited rule-making authority and potential efforts to engage the legislature to expand Air District authority to allow it; what types of wood-burning devices are being used and whether U.S. Environmental Protection Agency (EPA)-approved devices are an improvement in terms of heating

capabilities; why the four cities were selected for slide 5, *Survey Data Results*; the desire for a list of the worst offending cities in descending order; abuses of the current exemption and potential rule revisions to override, alter or cancel the exemption or revise downward the air pollution levels at which Spare the Air Days are called; which cities and counties have already adopted local ordinances regarding wood smoke; the importance of an education campaign, both directly targeting the public and through Board members and their affiliations; the need for a multi-pronged approach beyond legislation and rule-making, including, but not limited to, education; possible air quality impacts of different types of wood fuel; the value added through the adoption of local wood smoke ordinances; the number of low-income residents who rely on wood burning for heat in western Marin County; the value of advancing this campaign during non-winter seasons; a commendable new Spare the Air television advertisement and staff participation at a public event in Marin County; whether the Air District can mandate remodel and new construction requirements; the importance of focusing the outreach campaign on improved community health; Marin County Supervisor Steve Kinsey's concern about a moratorium on wood burning given efforts by some residents to upgrade to EPA-certified devices; the value of providing some level of Air District funding for local jurisdictions working on local wood smoke ordinances; staff opinion regarding EPA-certified devices; possible escalation of fines and penalties; whether property owners or tenants are ultimately fined and penalized; the possibility of penalizing property owners and only providing notification to tenants; the possibility of requiring non-wood burning heat sources in residential rentals; the significant education campaign needed relative to the dangers of wood smoke emissions in the Bay Area; clarification about what penalties may be leveled against property owners as opposed to tenants; the viability of creating a provision that allows for applying the purchase price of an improved heating unit against fines and penalties for wood smoke violations; and the need for greater clarification of the enforcement process as this discussion and rule-making advance.

NOTED PRESENT: Director Adams was noted present at 11:25 a.m., Director Ross was noted present at 11:42 a.m. and Director Wagenknecht was noted present at 11:54 a.m.

Public Comments:

Julio Focaracci addressed the Board in support of regulations to eliminate wood smoke.

Haden Werhan submitted written material and addressed the Board while playing back two videos regarding his residential neighbor's burning of refuse.

Lane Arye addressed the Board regarding the incessant smoke in and around homes in the San Geronimo Valley; in support of a moratorium on wood burning, enhanced enforcement of current regulations and an enhanced outreach program; and in opposition to allowing or encouraging EPA-approved devices as a provision of an Air District wood smoke resolution, construction remodeling as a trigger for upgrades, and to a continuation of an exemption provision.

Board Comments (continued):

The Board and staff discussed return of the topic to an SSC agenda as soon as possible in the new year; whether the video played by Mr. Werhan can be used as the basis for engaging the perpetrator; the advisability of expanding the program beyond residential; and the recommendation to begin public announcements regarding the dangers of illegal trash burning as soon as possible in advance of the year-end holidays.

Board Action: None; receive and file.

15. PUBLIC COMMENT ON NON-AGENDA MATTERS: No requests received.

16. BOARD MEMBERS' COMMENTS: None.

OTHER BUSINESS

17. Report of the Executive Officer/APCO:

Mr. Broadbent gave the staff presentation *Winter PM_{2.5} [Fine Particulate Matter] Seasons*; reported out on the recent conference, *My Air Quality: Using Sensors to Know What's in Your Air*, as jointly hosted by the California APCOs Association (CAPCOA), the Air District and South Coast Air Quality Management District; announced the appointment by Governor Edmund G. Brown of Barbara Lee, former APCO for the Northern Sonoma County Air Pollution Control District, as Director of the California Department of Toxic Substances Control; announced the appointment by Air District staff of Maricela Martinez, former Executive Secretary II, as Manager, Executive Operations; and played back a newly completed promotional video produced by CAPCOA.

The Board and staff discussed sharing the CAPCOA video with the public relations and outreach offices of the nine Bay Area counties.

18. Chairperson's Report: None.

19. Time and Place of Next Meeting:

Wednesday, December 17, 2014, Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

20. Adjournment: The Board meeting adjourned at 12:27 p.m.

Sean Gallagher
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 4, 2014

Re: Board Communications Received from December 3, 2014 through December 16, 2014

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from December 3, 2014 through December 16, 2014, if any, will be at each Board Member's place at the December 17, 2014 Board meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marjorie Villanueva
Reviewed by: Maricela Martinez

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 3, 2014

Re: Air District Personnel on Out-of-State Business Travel

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In accordance with Section 5.4 (b) of the Air District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified of District personnel who have traveled on out-of-state business.

The report covers the out-of-state business travel for the month of November 2014. The monthly out-of-state business travel report is presented in the month following travel completion.

DISCUSSION

The following out-of-state business travel activities occurred in the month of November 2014:

- Eric Stevenson, Technical Services Division Director, attended AWMA Conference Dealing with Refineries in Sarnia, Ontario November 4, 2014 – November 6, 2014

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Stephanie Osaze
Reviewed by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 9, 2014

Re: Notices of Violation Issued and Settlements in Excess of \$10,000 in November 2014

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

In accordance with Resolution No. 2012-08, attached to this Memorandum is a listing of all Notices of Violation issued, and all settlements for amounts in excess of \$10,000 during the calendar month prior to this report.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The amounts of civil penalties collected are included in the Air District's general fund budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Brian C. Bunger

Attachment: Notices of Violation Issued Listing

NOTICES OF VIOLATION ISSUED

The following Notice(s) of Violation were issued in November 2014:

Alameda						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Tesla Motors Inc	A1438	Fremont	A53210A	11/13/14	2-6-307	Source Test 05-4880, excess Nox
Tesla Motors Inc	A1438	Fremont	A53211A	11/13/14	2-6-307	Source Test 05-4877, excess Nox (>.1lbs)
Tesla Motors Inc	A1438	Fremont	A53212A	11/13/14	2-6-307	Source Test 05-4876, excess Nox (>.1lbs)
Tesla Motors Inc	A1438	Fremont	A53213A	11/13/14	2-6-307	Source Test 05-4875, excess Nox (>.1lbs)

Contra Costa						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Air Liquide Large Industries US LP	B7419	Rodeo	A53830A	11/4/14	2-6-307	OS-5240, H2SO4 emissions > P/C 23179, part 9 limit
Bio Rad	B5555	Hercules	A53831A	11/18/14	2-1-307	No source test or abatement per permit condition 21056 and no quarterly testing
Bio Rad	B5555	Hercules	A53831B	11/18/14	9-8-503	No source test or abatement per permit condition 21056 and no quarterly testing
Bio Rad	B5555	Hercules	A53832A	11/18/14	2-1-307	No source test or abatement per permit condition 21056 and no quarterly testing
Bio Rad	B5555	Hercules	A53832B	11/18/14	9-8-503	No source test or abatement per permit condition 21056 and no quarterly testing

AGENDA: 6

Bio Rad	B5555	Hercules	A53833A	11/18/14	2-1-307	No source test or abatement per permit condition 21056 and no quarterly testing
Bio Rad	B5555	Hercules	A53833B	11/18/14	9-8-503	No source test or abatement per permit condition 21056 and no quarterly testing
Chevron Products Company	A0010	Richmond	A53855A	11/18/14	2-6-307	Dev #3827, 40 CFR 60 Subpart J (60.104 (a)(1))
Chevron Products Company	A0010	Richmond	A53855B	11/18/14	10	Dev #3827, 40 CFR 60 Subpart J (60.104 (a)(1))
Chevron Products Company	A0010	Richmond	A53856A	11/18/14	2-6-307	Dev #3897, 40 CFR 60 Subpart J (60.104 (a)(1))
Chevron Products Company	A0010	Richmond	A53856B	11/18/14	10	Dev #3897, 40 CFR 60 Subpart J (60.104 (a)(1))
Chevron Products Company	A0010	Richmond	A53857A	11/18/14	12-11-506.1	Dev #'s 3868 & 3869, No flare monitoring 2/21-2/26/14, district not notified w/in 24 hrs
Chevron Products Company	A0010	Richmond	A53857B	11/18/14	12-11-507	Dev #'s 3868 & 3869, No flare monitoring 2/21-2/26/14, district not notified w/in 24 hrs
Chevron Products Company	A0010	Richmond	A53858A	11/18/14	2-6-307	Dev #3847, Title V standard condition 1.A, Flash point exemption exceeded at T-3074 & T-3138
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A53257A	11/17/14	2-6-307	Dev #3847, Title V standard condition 1.A, Flash point exemption exceeded at T-3074 & T-3138
USS-POSCO Industries	A2371	Pittsburg	A54058A	11/20/14	2-6-502	Late reporting Title V semi annual

San Mateo						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Seaport Refining and Environmental LLC	A7632	Redwood City	A53665A	11/19/14	8-18-301	Open ended line leak > 100ppm
Seaport Refining and Environmental LLC	A7632	Redwood City	A53666A	11/19/14	8-5-306.2	Leaking emission control system. PVV not gas tight
Seaport Refining and Environmental LLC	A7632	Redwood City	A53666B	11/19/14	8-5-303.2	Leaking emission control system. PVV not gas tight

Santa Clara						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Los Esteros Critical Energy Facility	B3289	San Jose	A52020A	11/14/14	2-6-307	Failed source test #OS-5364

SETTLEMENTS FOR \$10,000 OR MORE REACHED

There were 5 settlement(s) for \$10,000 or more completed in November 2014.

- 1) On November 12, 2014, the District reached a settlement with Tesoro Refining & Marketing Co. for \$260,000, regarding the allegations contained in the following 23 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A51644A	4/21/11	2/1/11	8-5-320.3	8-5-320.3.1 TK-217 went below low-low level
A51644B	4/21/11	2/1/11	8-5-304	8-5-304.4 TK-217 went below low-low level
A51648A	7/19/11	6/21/11	6-1-301	Visible emissions observed @ SRU > Ring. 1
A51649A	10/28/11	5/12/11	1-301	DCU steam out resulted in several odor complaints

A51650A	10/28/11	6/6/11	8-5-306	8-5-306.2 Small hole discovered in roof of TK-714
A51651A	10/28/11	6/4/11	2-6-307	NOx @ F22 >60ppm/8-hr avg.
A52030A	10/6/11	6/27/11	12-12-406	Causal Report Deficiencies
A52030B	10/6/11	6/27/11	12-12-301	violation of flare minimization plan on 06/27/2011
A52031A	10/6/11	9/9/11	8-5-304	8-5-304.4 tank roof landed w/ regulated product
A52033A	11/29/11	10/26/11	6-1-301	excessive visible emissions
A52035A	2/9/12	12/9/11	2-6-307	Failure to submit 10-day deviation associated w/NTC A40241
A52036A	2/2/12	9/11/11	2-6-307	NOx exceedance of cond#8077 B7A
A52037A	2/16/12	10/12/11	1-522.6	CEM not within 20% accuracy RAT-508
A52037B	2/16/12	10/12/11	2-6-307	Failure to meet permit condition
A52039A	2/29/12	10/7/11	10	40CFR60subpartJ No H2S monitoring fuel gas
A52039B	2/29/12	10/7/11	2-6-307	Failure to meet permit condition
A52040A	3/7/12	9/18/11	2-6-307	Exceeded PC 16685-1 limit, late reporting
A52043A	4/20/12	11/1/11	9-1-307	SO2 > 250ppm 06C13
A52046A	4/25/12	10/29/11	9-1-307	SO2 > 250ppm (06C05)
A52047A	4/25/12	10/26/11	9-1-307	SO2 > 250ppm (06C02)
A52254A	11/21/11	5/23/11	1-522.7	Insufficient notification
A52255A	11/21/11	6/5/11	9-1-307	SO2 excess @ SRU > 250ppm 1 clock hr
A52256A	11/21/11	6/5/11	2-6-307	NOx excess @ F8 >10ppm 3hr avg
A52257A	11/21/11	6/9/11	2-6-307	NOx excess @ F8 >10ppm 3hr avg
A52258A	11/21/11	7/31/11	2-6-307	NOx excess @ F8 >10ppm 3hr avg

A52259A	11/21/11	6/24/11	2-6-307	NOx excess @ F8 >10ppm 3hr avg
A52260A	11/21/11	6/19/11	9-1-307	SO2 excess @ SRU > 250ppm 1 clock hour
A52260B	11/21/11	6/19/11	1-522.7	Late reporting
A52260C	11/21/11	6/19/11	2-6-307	Standard condition F: late deviation reporting

2) On November 12, 2014, the District reached a settlement with Sims Metal Management for \$36,000, regarding the allegations contained in the following 2 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A53144A	12/11/13	11/10/13	1-301	Fire November 10, 2013 - public nuisance
A53145A	1/17/14	11/10/13	1-301	Fire December 17, 2013 - public nuisance

3) On November 26, 2014, the District reached a settlement with Kelly Engineer for \$42,000, regarding the allegations contained in the following 6 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A51167A	2/16/2011	5/7/2010	2-1-302	Permit expired/no start-up tests
A51167B	2/16/2011	5/7/2010	2-1-307	Permit expired/no start-up tests
A51914A	10/25/2012	10/3/2012	8-7-302.5	Failed ST-30 pressure test
A51915A	10/25/2012	4/29/2012	8-7-301.5	No Source Tests for Phase I equipment
A51915B	10/25/2012	4/29/2012	8-7-302.3	No Source Tests for Phase II equipment
A51916A	10/25/2012	10/1/2011	2-1-302	No current permit to operate
A51939A	12/13/2012	7/1/2010	2-1-302	Permit expired 7/1/2010
A51940A	12/13/2012	5/4/2011	8-7-302.3	Failure to complete annual Source Tests 5/4/2011

- 4) On November 26, 2014, the District reached a settlement with The City of Vallejo for \$10,045, regarding the allegations contained in the following 1 Notice of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A52981A	9/11/13	9/11/13	2-1-301	7 nat gas engines operating with no permit
A52981B	9/11/13	9/11/13	2-1-302	7 nat gas engines operating with no permit

- 5) Pursuant to the Compliance and Settlement Agreement resolving Lehigh Southwest Cement Company v. Bay Area Air Quality Management District, et al., Case No. 112CV236602, the District received \$275,000 in stipulated penalties.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 1, 2014

Re: Proposed Regulatory Agenda for 2015

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Each year, the Air District is required by Health and Safety Code section 40923 to publish a list of regulatory measures scheduled or tentatively scheduled for consideration during the next calendar year. If a measure is not on this list, it may not be brought before the Board of Directors unless it is necessary to:

1. Satisfy federal requirements,
2. Abate a substantial endangerment to public health or welfare,
3. Comply with state toxic air contaminant requirements,
4. Comply with an ARB requirement that the Air District adopt contingency measures due to inadequate progress towards attainment,
5. Preserve an existing rule's "original intent," or
6. Allow for alternative compliance under an existing rule.

The attached list includes all measures that may come before the Board in calendar year 2015. Some of the measures may fall within exceptions listed above but are nevertheless included for completeness. There is no expectation that all of the measures on the list will be enacted during the calendar year. Rules are listed in numerical order as they appear in the Air District Rules and Regulations.

All new rules and rule amendments must be adopted at a public hearing conducted by the Board of Directors of the Air District. Public comment is accepted at these hearings. Public notice of hearings is provided as required by law. In addition, the Air District staff conducts public workshops and provides opportunities for oral and written comments before scheduling a rule for public hearing for the Board's consideration. Information on workshops, hearings, and other rule development issues may be obtained from the Air District website.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer / APCO

Prepared by: Greg Nudd
Approved by: Henry Hilken

Attachment: 2015 Regulatory Measures List

AGENDA: 7 - Attachment
 BAY AREA AIR QUALITY MANAGEMENT DISTRICT
 2015 REGULATORY MEASURES LIST

Regulation, Rule	Title	Objectives ¹
Reg. 1	General Provisions and Definitions	Clarify and enhance District policies
Reg. 2, Rule 1	General Requirements (Permits)	EPA, CARB policy; State law, clarifications
Reg. 2, Rule 2	New Source Review	EPA policy, incorporate PM2.5 and GHG, State law
Reg. 2, Rule 4	Emissions Banking	Clarifications
Reg. 2, Rule 5	New Source Review for Toxic Air Contaminants	Clarifications, reduce emissions
Reg. 2, Rule 6	Major Facility Review (Title V)	EPA policy, clarifications
Reg. 2, Rule 9	Interchangeable Emission Reduction Credits	Clarifications
Reg. 3	Fees	Cost recovery
Reg. 4	Air Pollution Episode Plan	Reduce emissions
Reg. 5	Open Burning	Reduce emissions
Reg. 6, Rule 1	Particulate Matter, General Limitations	Reduce emissions
Reg. 6, Rule 2	Commercial Cooking Devices	Reduce emissions
Reg. 6, Rule 3	Wood Burning Devices	Clarifications, reduce emissions
Reg. 6, Rule 5	Fugitive Particulate Matter Emissions	Reduce emissions
Reg. 6, Rule TBD	Fluid Catalytic Cracking Units	Reduce emissions
Reg. 7	Odorous Substances	Clarifications, reduce emissions
Reg. 8, All	General Provisions	Applicability, VOC definition
Reg. 8, Rule 2	Miscellaneous Operations	Clarifications
Reg. 8, Rule 3	Architectural Coatings	Clarifications, flexibility
Reg. 8, Rule 4	General Solvent and Surface Coating Operations	Reduce emissions
Reg. 8, Rule 5	Storage of Organic Liquids	Reduce emissions
Reg. 8, Rule 6	Organic Liquid Bulk Terminals and Bulk Plants	Clarifications
Reg. 8, Rule 7	Gasoline Dispensing Facilities	Reduce emissions
Reg. 8, Rule 9	Vacuum Producing Systems	Clarifications, VOC definition
Reg. 8, Rule 10	Process Vessel Depressurization	Clarifications, VOC definition, Reduce emissions
Reg. 8, Rule 11	Metal Container, Closure and Coil Coating	Clarifications, VOC definition
Reg. 8, Rule 12	Paper, Fabric and Film Coating	Clarifications, VOC definition
Reg. 8, Rule 13	Light and Medium Duty Motor Vehicle Assembly Plants	Clarifications, VOC definition
Reg. 8, Rule 14	Surface Preparation and Coating of Large Appliances and Metal Furniture	Clarifications, VOC definition
Reg. 8, Rule 16	Solvent Cleaning Operations	Clarifications, reduce emissions
Reg. 8, Rule 18	Equipment Leaks	Reduce emissions

AGENDA: 7 - Attachment
 BAY AREA AIR QUALITY MANAGEMENT DISTRICT
 2015 REGULATORY MEASURES LIST

Regulation, Rule	Title	Objectives¹
Reg. 8, Rule 19	Surface Preparation and Coating of Miscellaneous Metal Parts and Products	Clarifications, VOC definition
Reg. 8, Rule 20	Graphic Arts Operations	Clarifications, reduce emissions, EPA policy
Reg. 8, Rule 21	Rubber Tire Manufacturing Operations	Clarifications, VOC definition
Reg. 8, Rule 22	Valves and Flanges at Chemical Plants	Clarifications
Reg. 8, Rule 23	Coating of Flat Wood Paneling and Wood Flat Stock;	Clarifications, VOC definition
Reg. 8, Rule 24	Pharmaceutical and Cosmetic Manufacturing Operations;	Clarifications, VOC definition
Reg. 8, Rule 26	Magnet Wire Coating Operations	Clarifications, VOC definition
Reg. 8, Rule 28	Episodic Releases from Pressure Relief Devices at Petroleum Refineries and Chemical Plants	Clarifications, flexibility
Reg. 8, Rule 29	Aerospace Assembly and Component Coating Operations	Clarifications, VOC definition
Reg. 8, Rule 30	Semiconductor Manufacturing Operations	Reduce emissions
Reg. 8, Rule 31	Surface Coating of Plastic Parts and Products	Clarifications, VOC definition
Reg. 8, Rule 32	Wood Products Coatings	Clarifications, flexibility
Reg. 8, Rule 33	Gasoline Bulk Terminals and Gasoline Delivery Vehicles	Clarifications
Reg. 8, Rule 34	Solid Waste Disposal Sites	Reduce emissions
Reg. 8, Rule 35	Coating, Ink and Adhesive Manufacturing	Clarifications, VOC definition
Reg. 8, Rule 36	Resin Manufacturing	Clarifications, VOC definition
Reg. 8, Rule 37	Natural Gas and Crude Oil Production Facilities	Reduce emissions
Reg. 8, Rule 38	Flexible and Rigid Disc Manufacturing	Clarifications, VOC definition
Reg. 8, Rule 39	Gasoline Bulk Plants and Gasoline Delivery Vehicles	Clarifications
Reg. 8, Rule 40	Aeration of Contaminated Soil and Removal of Underground Storage Tanks	Clarifications
Reg. 8, Rule 41	Vegetable Oil Manufacturing Operations	Clarifications, VOC definition
Reg. 8, Rule 43	Surface Preparation and Coating of Marine Vessels	Clarifications, VOC definition
Reg. 8, Rule 44	Marine Vessel Loading	Reduce emissions
Reg. 8, Rule 45	Motor Vehicle and Mobile Equipment Coating Operations	Clarifications, flexibility
Reg. 8, Rule 49	Aerosol Paint Products	Consistency with ARB standards
Reg. 8, Rule 51	Adhesive and Sealant Products	Reduce emissions

AGENDA: 7 - Attachment
 BAY AREA AIR QUALITY MANAGEMENT DISTRICT
 2015 REGULATORY MEASURES LIST

Regulation, Rule	Title	Objectives¹
Reg. 8, Rule 52	Polystyrene, Polypropylene and Polyethylene Foam Product Mfg Ops.	Clarifications
Reg. 8, Rule 53	Vacuum Truck Operations	Clarifications
Reg. 8, Rule TBD	Composting Operations	Reduce emissions
Reg. 8, Rule TBD	Livestock Waste	Reduce emissions
Reg. 8, Rule TBD	Digital Printing	Reduce emissions
Reg. 8, Rule TBD	Natural Gas Transmission and Distribution	Reduce emissions
Reg. 8, Rule TBD	Cooling Towers	Reduce emissions
Reg. 8, Rule TBD	Wastewater from Coke Cutting	Reduce emissions
Reg. 8, Rule TBD	Wineries	Reduce emissions
Reg. 8, Rule TBD	Vanishing Oils and Rust Inhibitors	Reduce emissions
Reg. 8, Rule TBD	LPG, Propane, Butane, and other Pressurized Gases	Reduce emissions
Reg. 9, Rule 1	Sulfur Dioxide	Monitoring, recording requirements
Reg. 9, Rule 2	Hydrogen Sulfide	Monitoring, recording requirements
Reg. 9, Rule 4	NOx from Fan Type Residential Central Furnaces	Reduce emissions
Reg. 9, Rule 6	NOx from Natural Gas-Fired Water Heaters	Clarifications, reduce emissions
Reg. 9, Rule 7	NOx and CO from Boilers, Steam Generators and Process Heaters	Clarifications, reduce emissions
Reg. 9, Rule 8	Stationary IC Engines	Clarifications, reduce emissions
Reg. 9, Rule 9	Stationary Gas Turbines	Reduce emissions
Reg. 9, Rule 10	Refinery boilers, steam generators and process heaters	Reduce emissions
Reg. 9, Rule 12	NOx, SO ₂ and Particulate from Glass Melting Furnaces	Reduce emissions
Reg. 9, Rule 13	NOx, Particulate Matter and Toxic Air Contaminants from Cement Kilns	Clarifications, reduce emissions
Reg. 9, Rule 14	SOx from Petroleum Coke Calcining	Reduce emissions
Reg. 9, Rule TBD	NOx from Kilns, Ovens and Furnaces	Reduce emissions
Reg. 9, Rule TBD	NOx from Large Residential and Commercial Space Heating	Reduce emissions
Reg. 11	Hazardous Air Pollutants	Reference federal standards
Reg. 11, Rule 1	Lead	Clarifications, reference federal standards
Reg. 11, Rule 2	Asbestos Demolition, Renovation and Manufacturing	Clarifications
Reg. 11, Rule 14	Asbestos-Containing Serpentine	Clarifications
Reg. 11, Rule TBD	Air Toxics Hot Spots Mitigation	Reduce emissions
Reg. 12, Rule 11	Flare Monitoring at Petroleum Refineries	Clarifications
Reg. 12, Rule 12	Flares at Petroleum Refineries	Reduce emissions
Reg. 12, Rule 15	Refinery Emissions Tracking	Monitor emissions, assess health impacts

AGENDA: 7 - Attachment
 BAY AREA AIR QUALITY MANAGEMENT DISTRICT
 2015 REGULATORY MEASURES LIST

Regulation, Rule	Title	Objectives¹
Reg. 12, Rule 16	Refinery Emissions Thresholds and Mitigations	Set emissions increase thresholds and require mitigation
Reg. 14, Rule 1	Commuter Benefits Program	Reduce VMT, emissions
Reg. and Rule TBD	Indirect Source Mitigation	Reduce emissions
Reg. and Rule TBD	Episodic Controls	Reduce emissions
Reg. and Rule TBD	Sulfur Hexafluoride	Reduce emissions
Reg. and Rule TBD	Refrigeration Management	Reduce emissions
Reg. and Rule TBD	Magnet Source Rule	Reduce emissions
Reg. and Rule TBD	Emergency Stand-by Stationary IC Engines	Reduce emissions
Reg. and Rule TBD	Consideration of GHGs in Permitting	Climate Protection
Reg. and Rule TBD	Short-Lived Climate Pollutants	Climate Protection
Reg. and Rule TBD	GHGs from Power Plants	Climate Protection
Reg. and Rule TBD	Heat Mitigating Technologies Deployment	Climate Protection
Reg. and Rule TBD	Energy Use in Residential, Commercial and Industrial Sectors	Climate Protection
Reg. and Rule TBD	Refinery Sulfur emissions	Reduce emissions
Reg. and Rule TBD	Refinery Air Toxics	Reduce emissions
Reg. and Rule TBD	Refinery Delayed Cokers	Reduce emissions
Reg. and Rule TBD	Methane from capped wells	Reduce emissions
Reg. and Rule TBD	Stationary Diesel Engine Particulate Matter Controls	Reduce emissions
Reg. and Rule TBD	Refinery Emissions Best Practices Backstop Rule	Reduce emissions
Reg. and Rule TBD	Periodic Assessment of Significant Emission Sources	Reduce emissions
Reg. and Rule TBD	Air Toxics Hot Spots	Reduce emissions
MOP, Volume I	Enforcement Procedures	Clarification, improve data submittals
MOP, Volume II	Engineering Permitting Procedures	Consistency with EPA requirements, clarifications
MOP, Volume III	Laboratory Methods	New and improved analytical procedures
MOP, Volume IV	Source Test Methods	New and improved analytical procedures
MOP, Volume V	Continuous Emission Monitoring	New and improved analytical procedures
MOP, Volume VI	Ground Level Monitoring	Consistency with EPA requirements
New MOP, Volume IX	Procedures for Evaluating and Lists of Non-Precursor Organic Compounds, Group I and Group II	Evaluation and Listing of NPOCs

¹ Objectives are listed for information only and are subject to change. Rule development efforts for a rule are not limited to listed objectives.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 17, 2014

Re: Notification of Proposed Future Adoption of Amendments to the Air District's
Administrative Code, Division I: Operating Policies and Procedures, Section 7
Advisory Council

RECOMMENDED ACTION

None; receive and file.

At a future meeting, the Board of Directors will consider adoption of amendments to the Air District's Administrative Code, Division I: Operating Policies and Procedures, Section 7 Advisory Council

BACKGROUND

The Air District's Administrative Code contains a section describing Advisory Council activities. Existing law establishes the Bay Area Air Quality Management District Advisory Council, which consists of the chair of the district board and 20 members appointed by the district board, as specified, for the purposes of advising and consulting with the district board and air pollution control officer in the implementation of their authority to regulate air emissions.

However, SB1415, beginning July 1, 2015, abolishes the membership of the council, reconstitutes the membership of the council to include 7 appointed members, and requires the members to be skilled and experienced in the fields of air pollution, climate change, or the health impacts of air pollution and to include a diversity of perspectives, expertise, and backgrounds.

For this reason, staff is recommending that the Board of Directors approve amendments to the Administrative Code.

DISCUSSION

In accordance with Administrative Code Section 14.1, Amendments Mechanism, notice of these proposed amendments is given at this regular meeting of the Board of Directors.

The proposed amendments to the Administrative Code are attached for your review and consideration.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay

Attachment: Proposed Amendments to Administrative Code, Division I: Operating Policies and Procedures, Section 7 Advisory Council

SECTION 7

ADVISORY COUNCIL

7.1

ACTIVITIES OF COUNCIL. (Revised ~~1/7/09~~12/17/14)

- ~~(a) The Advisory Council shall meet as a full Council a total of up to ten four (104) times each year, for the following purposes: In or around January of each year the Advisory Council shall meet in a retreat format to consult with the Executive Officer/APCO to consider topics for no more than four (4) meetings in a symposium format at which presentations and discussion on specific topics shall take place. The topics for these meetings may include, but are not necessarily limited to, the following topics: (1) current developments in health information related to air quality; (2) current developments in technologies and techniques for control of air emissions from stationary sources; (3) current developments in technologies and techniques for control of air emissions from mobile sources; and (4) current developments related to air quality in land use planning and transportation planning. Each of these meetings shall be followed by one meeting at which the presentations made and materials received at the topical meeting are discussed and a report for the Board's consideration on the specific topic is agreed upon.~~
- ~~(b) For any single additional meeting, if at least two thirds (2/3) of the seated members of the Advisory Council determine by a vote taken in a regular meeting of the Advisory Council, or if at least two thirds (2/3) of the seated members of the Board of Directors determine by a vote taken during a regular meeting of the Board of Directors, that such additional meeting is necessary, the Advisory Council may meet at such additional times and occasions as the Advisory Council, itself, or the Board of Directors shall determine is necessary.~~
- ~~(c) The Advisory Council shall make recommendations and reports to the Board of Directors on the matters considered at its meetings as the Council determines to be advisable and in such manner and form as the Council determines advisable. The Advisory Council shall consider and report to the Board on specific matters which may be referred to the Council by the Board of Directors or by the Executive Committee of the Board of Directors through the Air Pollution Control Officer. The members of the Advisory Council are selected because of their eminence in their professions and fields of endeavor and as representatives of interest groups in the community. The Advisory Council shall consider for the Board of Directors matters which come before the Council to arrive at the best advice upon which the Council may agree, which advice may include the technical, social, economic, environmental and fiscal aspects of such issues.~~
- ~~(d) No more than four (4) Advisory Council members shall attend meetings other than meetings of the Advisory Council and meetings of the Board of Directors or Board of Directors' Committees at the District's expense.~~

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7.2

TERM OF OFFICE.

The terms of office for members of the Advisory Council are fixed by Health and Safety Code Section 40263.

7.3

LIMITS ON TERM OF OFFICE.

Effective with appointments for terms on the Advisory Council commencing on January 1, 1992, and thereafter, it is the policy of the Board of Directors that members with twelve (12) consecutive years of membership on the Council not be re-appointed to the Council, except that such members who were serving on the Council on the date of adoption of this policy may be appointed to one additional term. A member not re-appointed because of having served twelve (12) consecutive years on the Council shall again be eligible for appointment after an absence of two years from the Council.

7.4 EXPENSE REIMBURSEMENT. (Revised ~~1/14/09~~12/17/14)

Members of the Advisory Council shall be reimbursed for actual and necessary expenses incurred by them in attending meetings of the Advisory Council and meetings and public hearings conducted by the Board of Directors. ~~Transportation~~Mileage, tolls, parking fees, meals, lodging and other incidental expenses will be allowed at the same rate as is allowed to Members of the Board of Directors provided that receipts are presented pursuant to Section II-5.6.

7.5 OTHER EXPENSES. (Revised 1/14/09)

Other expenses may be allowed after prior specific approval by a majority of the Board of Directors.

7.6 CLERK CERTIFICATION OF ATTENDANCE AND EXPENSES.

The Clerk of the Boards shall certify to the Director of Administrative Services the attendance and the expense reports of members of the Advisory Council.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: December 3, 2014

Re: Report of the Personnel Committee Meeting of December 15, 2014

PROPOSED RECOMMENDED ACTION

Staff will recommend the Personnel Committee (Committee) recommend Board of Directors' (Board) approval of the following items:

- A) None; receive and file; and
- B) Approval of incumbent reappointments to the Air District's Advisory Council;
- C) None; receive and file.

BACKGROUND

The Committee will meet on Monday, December 15, 2014, and consider the following reports:

- A) Discussion Regarding Advisory Council Structure for 2015; and
- B) Consider Recommending Board Approval of Incumbent Reappointments to the Air District's Advisory Council;
- C) Presentation of the Air District's Administrative Code Division III Personnel Policies and Procedures - Section 2 Equal Employment Opportunity Policy and (2) Equal Employment Opportunity Plan.

Chairperson Brad Wagenknecht will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

A) None.

B) None.

C) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

Attachment A: 12/15/14 – Personnel Committee Meeting Agenda #4
Attachment B: 12/15/14 – Personnel Committee Meeting Agenda #5
Attachment C: 12/15/14 – Personnel Committee Meeting Agenda #6

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Personnel Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 3, 2014

Re: Discussion Regarding Advisory Council Structure for 2015

BACKGROUND

Existing law establishes the Bay Area Air Quality Management District, which is vested with the authority to regulate air emissions located in the boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara and portions of the Counties of Solano and Sonoma. Existing law establishes a district board to govern the district.

Existing law also establishes the Bay Area Air Quality Management Advisory Council, which consists of the chair of the district board and 20 members appointed by the district board, as specified, for the purposes of advising and consulting with the district board and air pollution control officer in the implementation of their authority to regulate air emissions.

Senate Bill 1415 (SB 1415), beginning July 1, 2015, abolishes the membership of the Council, reconstitutes the membership of the council to include seven appointed members, and requires the members to be skilled and experienced in the fields of air pollution, climate change, or the health impacts of air pollution and to include a diversity of perspectives, expertise, and backgrounds.

DISCUSSION

Staff will describe processes associated with initiation and maintenance of the new Council including recruitment, meeting calendars and Council deliverables.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Personnel Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 20, 2013

Re: Consider Recommending Board of Directors Approval of Incumbent Reappointments
to the Air District's Advisory Council

RECOMMENDED ACTION

Consider recommending Board of Directors approval of incumbent reappointments to the Air District's Advisory Council.

BACKGROUND

Pursuant to Section 40261 of the California Health and Safety Code the Air District is required to maintain an Advisory Council consisting of 20 members. Further, section 40262 requires that the member categories consist of at least three representatives of public health agencies; at least four representatives of private organizations active in conservation or protection of the environment within the bay district; at least one representative of colleges or universities in the state; and at least one representative of each of the following groups within the bay district: regional park district, park and recreation commissions or equivalent agencies of any city, public mass transportation system, agriculture, industry, community planning, transportation, registered professional engineers, general contractors, architects, and organized labor. To the extent that suitable persons cannot be found for each of the specified categories, council members may be appointed from the general public. Advisory Council members serve a term of two years.

DISCUSSION

The terms of office for eleven members in the following categories will expire on December 31, 2014: Agriculture (1), Mass Public Transportation (1), Conservation Organization (3), Registered Professional Engineer (1), General Contractor (1), College and Universities (1), Public Member (1), and Public Health Agency (2). Eight incumbent members reapplied for their respective categories. These incumbents have demonstrated excellent attendance and participation at the Advisory Council meetings. As such, Air District staff recommends the Personnel Committee to recommend their reappointment.

The eight incumbents are:

Sam Althsuler (Registered Professional Engineer)
Bob Bornstein (Colleges and Universities)
Stan Hayes (Public Member)
Frank Imhof (Agriculture)
Liza Lutzker (Public Health Agency)
Rick Marshall (Mass Public Transportation)
Bruce Mast (Conservation Organization)
Timothy O'Connor (Conservation Organization)

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Maricela Martinez

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Personnel Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 1, 2014

Re: Presentation of the Air District's Administrative Code Division III Personnel Policies
and Procedures - Section 2 Equal Employment Opportunity Policy and (2) Equal
Employment Opportunity Plan

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

At its March 24, 2014, Meeting, the Personnel Committee considered and denied an appeal to the Air District's Equal Opportunity Policy (EEOP or Policy) and Plan. Following that appeal, the Board of Directors directed staff to amend the Air District's Administrative Code to remove the appeal of the Air Pollution Control Officer/Executive Officer's decision on such complaints to the Personnel Committee. The Administrative Code was amended on May 21, 2014. At its September 22, 2014 meeting, the Personnel Committee considered and denied a second appeal that was filed prior to the Administrative Code revision removing the appeal to the Board. Following that appeal, the Board of Directors directed staff to provide a presentation of the Air District's EEOP and Plan at a future meeting.

DISCUSSION

The Air District's EEOP and Plan have been in place since the late 1960's. The Policy and the Plan ensure equal opportunity for all people to be recruited, employed, placed, selected for training, trained, evaluated, promoted, demoted, laid off, terminated, compensated, and otherwise treated within the workplace. The Plan is designed to implement the Policy. The Policy and Plan have been revised several times over the years, with a revision occurring on September 12, 2011. The 2011 revision changed all references from "affirmative action" to "equal employment opportunity" and deleted items that referred to affirmative action plan activities, (i.e., those activities that would favor applicants or employees based on gender or ethnic status) to update the policy and plan to comply with Proposition 209. Proposition 209 (also known as the California Civil Rights Initiative or CCRI) is a California ballot proposition which, upon approval in November 1996, amended the state constitution to prohibit state governmental institutions from considering race, sex, or ethnicity, specifically in the areas of public employment, public contracting, and public education. The most recent revision of the policy

and plan occurred May 21, 2014 and removed the appeal of the Air Pollution Control Officer/Executive Officer's decision on EEOP complaints to the Personnel Committee.

The Equal Opportunity Policy and Plan place the responsibility for implementation with the Director of Administrative Services acting as the Equal Employment Opportunity Officer and the Air Pollution Control Officer/Executive Officer and provide that division directors are responsible for implementation within a division.

The Policy and Plan ensure equal opportunity for all people to be recruited, employed, placed, selected for training, trained, evaluated, promoted, demoted, laid off, terminated, compensated, and otherwise treated within the workplace.

The recruitment process is an important area where Policy implementation is important in meeting the goals of the policy. The Air District's recruitment process includes the following steps to meet these goals:

Recruitment Steps

1. Vacancy Announcement – create the job description for each class to determine that the qualifications are job related and nondiscriminatory
2. Applications Accepted – personal information (gender and ethnicity) are optional information completed by the applicant but filed separately and are not included as part of the application materials
3. Minimum Qualifications Reviewed – applicants are screened based on the education and experience relative to the position
4. Application Screening Panel – personal information (name, address, references) are blinded prior to expert screening
5. Panel/Hiring Interview – questions are merit based and developed by a hiring manager and the Human Resources Office to determine the applicants' skills, qualifications, and experience
6. Disability Accommodations – are made when requested by the applicant.

The Administrative Code has other EEOP related provisions, including the following section: Admin Code Division III, Section 13 (3), "Questions related to race, color, national origin, ancestry, age, marital status, sex, sexual orientation, religious creed, political affiliation, medical condition, or physical or mental disability shall not be asked during an examination interview or interview for appointment."

The Human Resources Office monitors and oversees the entire process to ensure that the recruitment is conducted in a fair, consistent way. Staff involved in the recruitment process are trained on the Policy and these processes.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Rex Sanders
Reviewed by: Brian Bunger

Attachments:

- A) Administrative Code Division III Personnel Policies and Procedures, Section 2 Equal Employment Opportunity Policy
- B) Equal Employment Opportunity Plan

Air District Administrative Code
Division III, Section 2
Equal Opportunity Policy
(Revised 10/5/11, 05/21/2014)

SECTION 2 EQUAL EMPLOYMENT OPPORTUNITY POLICY

(Revised 10/5/11, 05/21/2014)

The Board of Directors of the Bay Area Air Quality Management District affirms its policy to provide equal employment opportunities for all persons to be recruited, employed, placed, selected for training, trained, evaluated, promoted, demoted, laid off, terminated, compensated, assigned work and otherwise treated without regard to race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, sex, age or sexual orientation.

The District is committed to maintaining a meaningful Equal Employment Opportunity Plan. It is the responsibility of the Human Resources Office, under the direction of the Director of Administrative Services and under the general direction of the Executive Officer/Air Pollution Control Officer, to ensure the spirit and intent of the Equal Employment Opportunity Plan is carried out.

2.1 OBJECTIVES. (Revised 10/5/11, 05/21/2014)

- (a) The District will insure that each employee and applicant is afforded an equal opportunity in all aspects of the employment process without regard to race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, sex, age or sexual orientation.
- (b) The District will analyze its work force and the population of the Bay Area.
- (c) The District will focus its equal opportunity efforts on enhanced outreach and training programs.
- (d) The District will establish and administer programs for employment, training and promotion of all employees without regard to race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, sex, age or sexual orientation.
- (e) The District will be responsible for Equal Employment Opportunity Plan and designate an Equal Employment Opportunity Officer.
- (f) The District is committed to making a good faith effort to successfully achieve Equal Employment Opportunity.
- (g) Sexual harassment is contrary to basic standards of conduct between individuals and is prohibited by EEOC regulations. The District will therefore insure that the workplace is free from sexual harassment. Sexual harassment is defined in EEOC regulations, and includes, but is not limited to, the following: unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when such conduct is made explicitly or implicitly a term or condition of employment, is used as a basis for employment decisions, or has the purpose or effect of interfering with work performance or creating an otherwise offensive working environment.
- (h) The District will insure that no qualified person will be discriminated against on the basis of a disability. All qualified persons that can perform the essential functions of the job, with or without reasonable accommodation that does not create "undue hardship" for the District, shall be provided an equal opportunity for employment and promotion. All terms used in this section are defined in the regulations implementing the Federal Americans with Disabilities Act.

2.2 RESPONSIBILITY FOR EQUAL EMPLOYMENT OPPORTUNITY. (Revised 10/5/11)

- (a) The Air Pollution Control Officer of the District has the overall responsibility to the Board of Directors for actions by the staff in planning, coordinating, implementing, evaluating and reporting on all phases of the Equal Employment Opportunity Plan.
- (b) The responsibilities of the Equal Employment Opportunity Officer are listed in the Equal Employment Opportunity Plan.

2.3 DISCRIMINATION COMPLAINT PROCEDURE (Revised 10/5/11; 05/21/2014)

Unlawful discrimination refers to discrimination based on race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, sex, age, or sexual orientation.

An employee or group of employees who believes an incident involving a violation of the District's equal employment opportunity policy has arisen, may submit the complaint (in writing) to the Equal Employment Opportunity Officer.

- STEP 1 The written complaint must be received by the Equal Employment Opportunity Officer within 30 days of the alleged discrimination and must specify the particulars of the alleged discrimination, including specific acts and/or statements. Although the specific act must have occurred within 30 days, supplementary or background information supporting the complaint may be included. If a complaint is received in an incomplete form, the Equal Employment Opportunity Officer will advise the complainant that help in its preparation can be arranged. A group of employees filing at the same time must allege acts of similar nature to be considered for class action.
- STEP 2 The Equal Employment Opportunity Officer will evaluate the complaint and, if necessary, conduct an investigation.
- STEP 3 Discrimination complaints found by the Equal Employment Opportunity Officer to be valid will be forwarded to the APCO for appropriate action. Complaints found by the Equal Employment Opportunity Officer to be invalid may be appealed to the APCO within ten (10) working days of the Equal Employment Opportunity Officer's decision. Any complaint decision forwarded or appealed to the APCO shall be acted upon within ten (10) working days of receipt.

EQUAL EMPLOYMENT OPPORTUNITY PLAN

for

**Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109
(415) 749-4980**

EEO Contact: Human Resources Officer
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 Ellis Street
San Francisco, CA 94109
(415) 749-4980

**EQUAL EMPLOYMENT OPPORTUNITY PLAN
FOR BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

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BACKGROUND

The Bay Area Air Quality Management District (Air District) is a regional government agency responsible for improving air quality in the San Francisco Bay Area. The Air District employs approximately 350 full-time employees in a variety of jobs ranging from Air Quality Engineers and Inspectors, to clerical and administrative support staff. Most of the Air District's employees work in the main office located in San Francisco, California.

The Air District affirms its policy to provide equal employment opportunities for all persons to be recruited, employed, placed, selected for training, trained, evaluated, promoted, demoted, laid off, terminated, compensated assigned work and otherwise treated without regard to race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, sex, age or sexual orientation.

To affect its policy of equal employment opportunity, the Board commits itself and the Air District to implementing an Equal Employment Opportunity Plan. The plan is designed to analyze the Air District's workforce and the population of the Bay Area and to set forth specific plans and procedures to ensure equal employment opportunity.

APPLICABLE REGULATIONS

The Air District's Equal Employment Opportunity Plan has been prepared according to the Air District's Administrative Code Division 3, Section 2: Equal Employment Opportunity Policy.

Federal and State equal employment opportunity laws and regulations include Title VII of the Civil Rights Act, the Equal Pay Act, the Americans with Disabilities Act, the Genetic Information Non-Discrimination Act, the California Fair Employment and Housing Act.

For purposes of the Equal Employment Opportunity Plan, the Air District collects data on gender, race or ethnic groups.

EQUAL EMPLOYMENT OPPORTUNITY PLAN

CHAPTER 1: COMMITMENT TO EQUAL EMPLOYMENT OPPORTUNITY

The Bay Area Air Quality Management District reaffirms its commitment to a policy of equal employment opportunity. The Air District will continue to administer its personnel policies and conduct its employment practices in a manner that treats each employee and applicant for employment on the basis of merit, experience, and other work related criteria, without regard to race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, sex, age, or sexual orientation.

The Air District is committed to maintaining a meaningful, result-oriented Equal Employment Opportunity Plan. It is the responsibility of the Human Resources Office, under the general direction of the Executive Officer/Air Pollution Control Officer, to ensure the spirit and intent of the Equal Employment Opportunity Plan is carried out.

The Air District will designate the Human Resources Officer to also serve as the Equal Employment Opportunity Officer, and will focus its equal employment opportunity efforts on enhanced outreach and training programs. The Air District is committed to making a good faith effort to successfully achieve equal employment opportunity.

(Signature)

Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

EQUAL EMPLOYMENT OPPORTUNITY PLAN

CHAPTER 2: ORGANIZATIONAL PROFILE

Workforce Analysis/Lines of Progression

The Air District conducts a workforce analysis to identify employees by gender and race/ethnicity in each job title. The data is collected from payroll records.

Job titles are listed by organizational unit. Job titles are listed from lowest to highest paid. The list includes all job titles, including departmental supervision, exempt, and nonexempt titles.

For each job title, the lower threshold of the salary range is provided, as well as the EEO Category to which the title is assigned. For each job title, the Air District identifies the total number of employees, the number of male and female employees, the total number of White, Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan Native employees, and the male and female employees within each of these race/ethnic groups.

Lines of Progression

In conjunction with the workforce analysis, the Air District develops lines of progression. Lines of progression (career ladders/career paths) identify the job titles through which an employee can move to the top of a line. For each line of progression, applicable departments are identified. These are the departments that employ persons in the job titles in the specified line of progression. Some lines of progression are limited to only one department, while others are found throughout several departments.

The lines of progression provide useful information regarding patterns of vertical and horizontal movement throughout our workforce. These patterns are evaluated to ascertain whether they provide to our employees the optimum career mobility and opportunities for advancement.

EQUAL EMPLOYMENT OPPORTUNITY PLAN

CHAPTER 3: JOB GROUP ANALYSIS

The Air District conducts the workforce analysis individually for every job title. The job titles are grouped for the comparison of incumbency to availability. There are several reasons for grouping jobs.

Many job titles are similar in content such that handling them individually in the Equal Employment Opportunity Plan is not necessary. Grouping together these very similar titles is appropriate for the comparison of incumbency to availability.

For many job titles, there is limited data available and the same data must be used for several related jobs. Therefore, grouping these related titles together is logical.

Many job titles have few incumbents. A meaningful comparison is conducted by grouping several similar titles and increasing the number of employees involved.

The most critical guideline in creating job groups is that job titles discuss "similar" or "related" jobs. Above all, the job titles placed into a job group must be more similar or related to each other than the job titles in other job groups.

Listed below are the guidelines that are followed in developing the job groups.

Job Grouping Guidelines

1. The content of the jobs in a group must be similar. Similar content refers to job responsibilities and requisite skills required.
2. The wage or salary rate for the jobs in a group must be similar. Pay rates are considered in conjunction with job content. Large apparent differences in pay, when associated with differences in job title and/or location within an organization, suggest an unacceptable job grouping.
3. Job titles placed in a job group should be similar in opportunity. Opportunity refers to the ability to take advantage of training, transfers, promotions, mobility to desirable situations, and other employment benefits. Ideally, each job within a job group should have opportunities similar to other job titles within the same job group.
4. The groups should not include jobs with clearly different representation patterns. For example, jobs predominately filled with males should not be combined in the same group with jobs predominately filled with females.
5. Many job groups, if appropriately constructed, should cut across departmental or organizational units, but not across EEO Categories.

6. Employers with over 150 employees should not use EEO occupational categories as the only job groups in an Equal Employment Opportunity Plan. EEO categories are generally much too broad for proper availability analysis purposes. However, jobs placed in a group should generally belong to the same EEO Category.
7. Employers with less than 150 employers may use EEO categories as the only job groups.
8. The size of the employer's workforce is a major factor in determining how well the criteria above can be met in creating job groups.
 - A. Job groups must have enough incumbents to permit meaningful comparisons of incumbency to availability. No minimum size has been established for this purpose, however, since it is dependent not only on the size of the job group, but also on the size of the availability percentage.

Although the Air District recognizes that it is not possible to adhere to every guideline above when creating job groups, the Air District does not combine job titles with different content, wages, or opportunities.

EQUAL EMPLOYMENT OPPORTUNITY PLAN

CHAPTER 4: PLACEMENT OF INCUMBENTS IN JOB GROUPS

Each job group appears on a Job Group Report with a job group name and number. The report lists each job title in the job group. For each job title, the worksheet provides the following information: EEO reporting category, pay grade, job title, employee headcounts for each job title, and overall percentages by gender and race/ethnicity.

EQUAL EMPLOYMENT OPPORTUNITY PLAN

CHAPTER 5: DETERMINING AVAILABILITY

"Availability" is an estimate of the proportion of each sex and race/ethnic group available and qualified for employment at the Air District for a given job group in the relevant labor market during the life of the Equal Employment Opportunity Plan. Availability indicates the approximate level at which each race/ethnic and sex group could reasonably be expected to be represented in a job group if the Air District's employment decisions are being made without regard to gender, race, or ethnic origin. Correct comparisons of incumbency to availability depend on competent and accurate availability analyses. With valid availability data, we can compare the percentages of those who could reasonably be expected to be employed versus our current employment (from the workforce analysis).

Steps in Comparison of Incumbency to Availability

Identify Availability Factors

The following availability factors are for consideration when developing availability estimates for each job group:

1. External Factor: The external requisite skills data comes from the most recent Census of Population.
 - a. Local labor area: An employee residence zip code analysis was conducted to identify the local labor areas.
 - b. Reasonable labor area: National: 100.0%
2. Internal Factor: The percentage of employees promotable, transferable, and trainable within the Air District.

Assign Internal and External Factor Weights: Weights are assigned to each factor for each job group. A combination of historical data and experience are used to determine the weights. Weights are never assigned in an effort to hide or reduce problem areas.

Identify Final Availability: Weights are multiplied by the component-specific data to produce weighted data for each component. Weighted data for each component are summed. This produces a final availability estimate for each sex and race/ethnic group.

EQUAL EMPLOYMENT OPPORTUNITY PLAN

CHAPTER 6: COMPARING INCUMBENCY TO AVAILABILITY

Availability estimates are made for each job group. The Air District compares the percentage of incumbents in each job group to their corresponding availability. A comparison is made between the percentage and that group's final availability.

EQUAL EMPLOYMENT OPPORTUNITY PLAN

CHAPTER 7: DESIGNATION OF RESPONSIBILITY

The Executive Officer/Air Pollution Control Officer of the Air District has the overall responsibility to the Board of Directors for actions by the staff in planning, coordinating, implementing, evaluating and reporting on all phases of the Equal Employment Opportunity Plan. The Executive Officer/Air Pollution Control Officer or his designee reports to the Board of Directors on the progress and objectives of the plan.

The Executive Officer/Air Pollution Control Officer designates the Human Resources Officer to also serve in the role of Equal Employment Opportunity Officer and be responsible to ensure that the equal employment policies and programs are implemented.

Division Directors are responsible to implement the Equal Employment Opportunity Plan within a division, including informing all supervisory personnel of the Air District's Equal Employment Opportunity policy and ensuring hiring, promotion, and employee development are consistent with program objectives.

It is the responsibility of Management to ensure that the workplace is free of sexual harassment and that the Air District takes corrective action when an employee is determined to have violated the Equal Employment Opportunity Plan's objective regarding harassment.

Equal Employment Opportunity Officer

The responsibilities of the Equal Employment Opportunity Officer will include:

1. Reviewing the Air District's personnel policies to ensure they are consistent with the equal opportunity laws and the Air District's Equal Employment Opportunity Plan.
2. Reviewing, evaluating, and updating the Equal Employment Opportunity Plan as necessary, and with the approval of the Executive Officer/Air Pollution Control Officer.
3. Providing assistance to divisions in implementing the Equal Employment Opportunity Plan.
4. Reporting progress of equal employment opportunity programs to the Executive Officer/Air Pollution Control Officer.
5. Advising divisions on training needs and encouraging development of training programs.
6. Recommending revision of job description forms when necessary so forms accurately reflect duties, responsibilities, and qualifications required for each job.

Human Resources Officer

The responsibilities of the Human Resources Officer will include:

1. Disseminating the Equal Employment Opportunity Plan to all employees and other interested parties.
2. Providing all recruiting and hiring data to aid in monitoring the equal employment opportunity program, including the number hired, the number of terminations, the number of promotions, the number of persons trained, the number of persons interviewed, and other relevant data.
3. Providing the liaison between the Air District and school, community, and professional organizations, both inside and outside the Air District.
4. Providing the liaison between the Air District and compliance agencies.
5. Developing and implementing training programs that support the Equal Employment Opportunity Plan.
6. Reviewing all recruiting procedures, to ensure that they conform to equal opportunity and employment practice guidelines.
7. Providing various training programs.
8. Advising employees on availability of training inside and outside the Air District with emphasis on individual career development and training.
9. Submitting employment pattern reports to the Executive Officer/Air Pollution Control Officer.
10. Reviewing hiring and promotion procedures to ensure equal employment opportunity-guidelines are followed.
11. Reviewing the desirable qualifications on job descriptions to ensure that job requirements are non-discriminatory.
12. Reviewing the effectiveness of the Equal Employment Opportunity Plan from time to time and suggest changes as necessary.

EQUAL EMPLOYMENT OPPORTUNITY PLAN

CHAPTER 8: ACTION-ORIENTED PROGRAMS

The following programs have been developed to meet the Air District's Equal Employment Opportunity Plan:

A. SELECTION PROCESS

1. Review all class descriptions to ensure that they accurately reflect the position functions and contain the essential functions of the position in order to conform with the Americans With Disabilities Act.
2. Review the qualifications for each class to determine that the qualifications are job-related and nondiscriminatory.
3. Distribute class descriptions to management staff involved in recruiting, screening, selection, and promotion process.
4. Train all personnel involved in a selection process.
5. Evaluate selection tests to ensure that they are based on valid job-related criteria.

B. RECRUITMENT PROCEDURES

1. Maintain an extensive recruitment list of state and local community and professional organizations, state and local organizations representing persons with disabilities, state employment development departments, state vocational agencies, local sheltered workshops, college placement offices, and state and local educational institutions.
2. Actively encourage employees to refer applicants.
3. Make employees available for participation in Career Days, Job Fairs, and related activities in the community.
4. Maintain active interest file of applicants and distribute position announcements.
5. Contact community and professional organizations representing persons with disabilities for referrals.
6. Remain active in community organizations and encourage Air District employees to participate.
7. Advertise in various Bay Area newspapers and publications.
8. Continue recruitment efforts at colleges and schools. Provide brochures, conduct

informational presentations, and participate in career day activities.

9. Participate in career fairs.

PROMOTIONAL OPPORTUNITIES AND TRAINING

1. Post job announcements for promotional opportunities on bulletin boards, electronic bulletin boards, and distribute to all personnel.
2. Provide training to employees for positions of greater responsibility and afford employees the opportunity to demonstrate leadership and supervisory capabilities.
3. Inform employees about the Air District's Educational Reimbursement Program and Leave Policy for educational purposes.
4. Provide educational courses that will aid employees in obtaining mobility through promotions.
5. Provide career counseling to employees.
6. Continue to offer speech classes to employees who are non-native speakers of English.

EQUAL EMPLOYMENT OPPORTUNITY PLAN

CHAPTER 9: INTERNAL AUDIT AND REPORTING

To assure that the Air District's Equal Employment Opportunity Plan is fully implemented, the following internal audit system has been established.

1. The Human Resources Office will maintain and monitor accurate records of all employment activities, including, but not limited to, applicants, hires, promotions, transfers, and terminations.
2. The Executive Officer/Air Pollution Control Officer will review reports provided by the Equal Employment Opportunity Officer to ensure that the Air District's Equal Employment Opportunity program is being carried out.
3. The Human Resources Officer will file an EEO-4 Report as required by the federal guidelines.
4. The Executive Officer/Air Pollution Control Officer or his designee will present the Equal Employment Opportunity Plan to the Executive Committee of the Board of Directors.
5. The Equal Employment Opportunity Plan will be provided to interested parties upon request.
6. The reporting and auditing system will be utilized to measure the status and effectiveness of the Air District's Equal Employment Opportunity Plan.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: December 3, 2014

Re: Report of the Ad Hoc Building Oversight Committee Meeting of December 15, 2014

PROPOSED RECOMMENDED ACTION

The staff will recommend the Ad Hoc Building Oversight Committee (Committee) recommend Board of Directors' (Board) approval of the following items:

- A) None; receive and file; and
- B) Authorize the Executive Officer/APCO to reimburse the Bay Area Headquarters Authority for building construction redesign work, network redesign work, furniture and electric vehicle infrastructure costs associated with the Air District's tenant improvements at 375 Beale Street, in an amount not to exceed \$500,000.00, and increase the Fiscal Year Ending (FYE) 2015, Program 702 budget by a corresponding \$500,000.00, to be transferred from the Air District's General Fund Building and Facilities reserve.

BACKGROUND

The Committee will meet on Monday, December 15, 2014, and receive the following reports:

- A) Regional Agency Headquarters at 375 Beale Street – Project Status Report – December, 2014; and
- B) Construction, Furniture and Network Redesign Costs.

Chairperson Nate Miley will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None.
- B) If approved, this action will increase the FYE 2015, Program 702 budget by \$500,000.00, to be transferred from the Air District's General Fund Building and Facilities reserve.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

Attachment A: 12/15/14 – Ad Hoc Building Committee Meeting Agenda #4
Attachment B: 12/15/14 – Ad Hoc Building Committee Meeting Agenda #5

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Ad Hoc Building Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 2, 2014

Re: Regional Agency Headquarters at 375 Beale Street – Project Status Report –
December, 2014

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Air District is currently scheduled to relocate its operations to the new Regional Agency Headquarters (RAHQ) located at 375 Beale Street in December, 2015.

The vision for the RAHQ includes the sharing of business operations and technology solutions among the agencies at move in. The 375 Beale Committee is reviewing options for jointly shared functions along with the governance, legal, personnel and financial changes required to implement shared services. The 375 Beale Committee is comprised of the Executive Directors/Officer from the Air District, MTC, and ABAG. The Committee was formed to be able to make binding decisions in advance of creating the 375 Beale Street Condominium Corporation to establish a written record of agreements made.

Construction at 375 Beale Street began in January, 2013, with excavation, foundation strengthening, and demolition of the interior of the building including the atrium demolition that concluded in January, 2014. The framing of offices and installation of utilities work began in July, 2014 and is continuing on Levels 1, 2, and 6.

DISCUSSION

The Ad Hoc Building Oversight Committee will receive a status report on the RAHQ project at its December 15, 2014, meeting. The items to be covered will include an update on construction; the project master schedule; furniture procurement, and selection of a move coordinator. A copy of recent construction photos is included as Attachment A.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Okpalaugo
Reviewed by: Damian Breen



Figure 1: On Level 6, installation of framing, utilities and plumbing overhead.



Figure 2: View across atrium of framing on Level 6

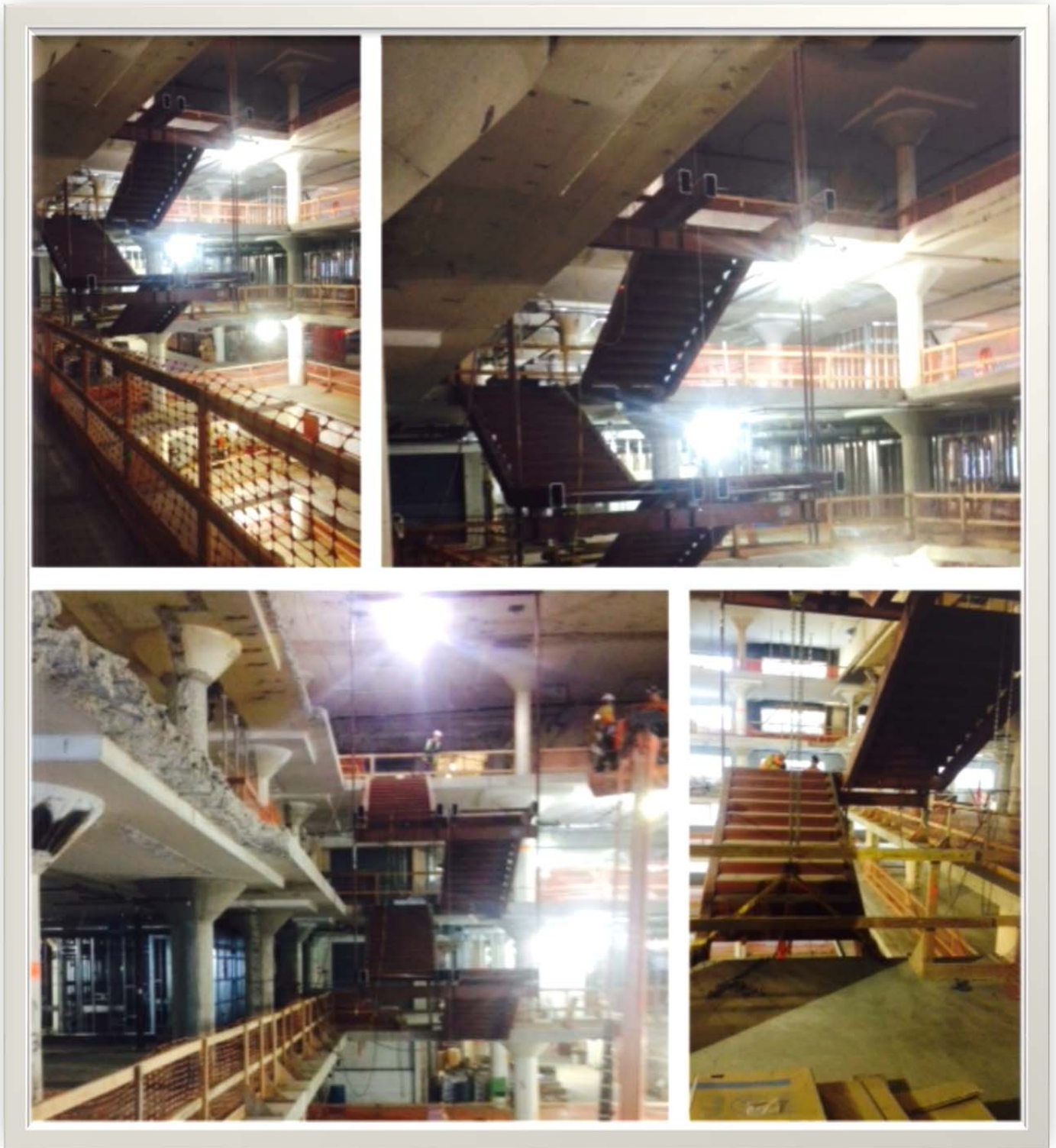


Figure 3: Installation of stair 5 in the atrium, connecting Levels 6, 7, and 8 of the agency floors.



Figure 4: Mock atrium glass enclosure on Level 6 & 7.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Ad Hoc Building Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 8, 2014

Re: Construction, Furniture and Network Redesign Costs

RECOMMENDED ACTION

Recommend Board of Directors:

- Authorize the Executive Officer/APCO to reimburse the Bay Area Headquarters Authority an additional \$500,000 for building redesign and construction; furniture; network redesign and consulting work associated with the Air District's tenant improvements and shared services costs at 375 Beale Street.
- Increase the Fiscal Year Ending (FYE) 2015, Program 702, budget by a corresponding \$500,000, to be transferred from the Air District's Building and Facilities reserve.

BACKGROUND

On May 21, 2014, the Board of Directors (Board) authorized the Executive Officer/APCO to reimburse the Bay Area Headquarters Authority (BAHA) for change orders and third party services in the development of the Air District's space at the new Regional Agency Headquarters (RAHQ) in an amount not to exceed \$500,000 dollars. In order to develop a complete picture of these costs, on June 18, 2014, the Board further authorized the Executive Officer/APCO to enter into a \$300,000 contract with a professional construction manager (consultants Cassidy Turley) to assist staff with review of construction and any change orders required at 375 Beale Street. The combination of these allocations (\$800,000) represents the current budget for changes and consulting work for the RAHQ project.

Since June 18, 2014, the Air District has taken a number of significant steps to clarify the scope of its operational requirements and of shared services at 375 Beale St. These steps include: approving the final working and construction drawings for its space at the new RAHQ; selecting furniture for Air District staff; and assigning staff office and workstation spaces in the new building. As part of this process and in an effort to design shared computer network, staff has identified a number of additional changes that it believes necessary for successful operations in the new building. These changes will result in additional design work, construction, furniture, network redesign and consulting costs that will exceed the current \$800,000 budget by approximately \$500,000 (for a total of \$1.3 million). As part of this agenda item, staff will

outline these costs and will request an increase in the fiscal year ending (FYE) 2015 Air District budget to cover the cost.

DISCUSSION

Based on review of construction drawings and final space plans, staff has concluded that it will require additional construction for certain spaces on the sixth, seventh and eighth floor. These changes are due to customizations that are necessary for Air District operations, for example: uninterruptible power for the laboratory and radio room, additional wiring for an Information Technology (IT) operations center, door locks with card readers for the Air District’s finance files, etc. Additionally, the Air District has added a number of positions to its overall headcount since it originally approved space plans for RAHQ in February 2013. These additions require additional furniture in terms of workstations and offices on the sixth floor not originally programmed.

The Air District has also been working with its agency partners (the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG)) on sharing services at the new facility. As part of this effort, over 30 separate businesses and IT functions are being examined for sharing at the RAHQ. In order to set up the sharing arrangements, a number of “shared costs” are being proposed. These include costs for a shared services technology consultant (Accenture) and some limited network redesign. For shared costs, an allocation formula has been agreed upon by the agency Executives based on the square footage of agency space each organization owns at 375 Beale Street. Table 1, below shows the square footage of agency space for the Air District, MTC and ABAG at RAHQ and the percentage of “shared costs” each agency is expected to assume based on that square footage.

Table 1- Percentage of Shared Costs Allocation based on Agency Square Footage

	Air District	ABAG	MTC	Total
Square feet owned	67,000	15,000	61,000	143,000
% of Shared Costs	47%	10%	43%	100%

Based on this formula, the total additional construction and shared costs (including those for MTC and ABAG) for the project to date are as follows:

Table 2 – Air District Shared and Construction Costs for RAHQ

Shared Costs				
Description	Air District	ABAG	MTC	Total
Accenture Consulting	\$ 325,000	\$ 69,149	\$ 297,340	\$ 691,489
Network Redesign	\$ 126,000*	\$104,895	\$ 426,573	\$ 657,468
Subtotal:	\$ 451,000	\$ 174,044	\$ 723,913	\$ 1,348,957
Construction Costs				
Architecture Costs	\$ 100,000			
Construction Changes	\$ 269,000			
Furniture	\$ 180,000			
Subtotal:	\$549,000			
Construction Consulting				
Cassidy Turley**	\$300,000			
Total	\$1,300,000			

*Air District costs limited to redesign elements due to lease requirement for BAHA to provide network at move in

**Funds to be expended over the course of a contract from June 2014 and move in in January 2016.

BUDGET CONSIDERATION/FINANCIAL IMPACT

If approved, this action will increase the FYE 2015, Program 702 budget by \$500,000, to be transferred from the Air District’s General Fund Building and Facilities reserve.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Okpalaugo
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 9, 2014

Re: Emission Reduction Strategy for Bay Area Petroleum Refineries

RECOMMENDED ACTION

Seeking Board concurrence.

BACKGROUND

Historically, the Air District has achieved additional emission reductions of criteria pollutants and toxic air contaminants through regulations that require Best Available Retrofit Control Technology (BARCT) on specific, existing source categories. This regulatory approach is one of the principal elements of the Air District's Clean Air Plans.

On October 15, 2014, the Air District Board of Directors adopted Resolution 2014-07. In addition to directing staff to continue preparing refinery-specific Rules 12-15 and 12-16 for Board consideration, the resolution also directed staff to develop a strategy to achieve additional emission reductions from refineries based on various approaches suggested by stakeholders and staff. Staff briefed the Stationary Source Committee on this analysis at the November 24, 2014 meeting.

DISCUSSION

Staff will provide the Board of Directors with the following information:

- A discussion and comparative analysis of the emission reduction approaches identified in Board Resolution 2014-07, as well as other approaches;
- A proposed refinery emission reduction strategy.

Staff's evaluation and proposal are summarized in the attachment.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

Enhanced regulation of petroleum refineries will require significant additional resources; staff will analyze these impacts in future cost recovery analysis and rulemaking.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Victor Douglas
Reviewed by: Greg Nudd/Henry Hilken

Attachment: Analysis of Approaches and Development of a Refinery Emission Reduction Strategy

Analysis of Approaches and Development of a Refinery Emission Reduction Strategy

Background:

On October 15, 2014, the Air District Board of Directors adopted Resolution 2014-07 addressing refinery emissions. The resolution directed staff to develop a strategy to achieve further emission reductions from refineries based on various approaches suggested by stakeholders and staff. Staff evaluated five different approaches considering input from both community/advocacy groups and the Western States Petroleum Association (WSPA) representing the refineries; these are summarized in the table below. The approaches were evaluated against key criteria developed by the staff.

Summary of Approaches

Approach	Description
Bay Area RECLAIM	A market-based system to reduce emissions.
Community-Worker Proposal	Twenty percent reduction of criteria pollutants, greenhouse gasses, and key air toxics, with exceptions for sources that have installed Best Available Control Technology (BACT).
WSPA	Continue to use the current process of identifying potential control measures in the Clean Air Plan and then conducting rulemaking on those proposals. No particular controls were suggested.
Periodic Technology Review	Staff would develop new Best Available Retrofit Control Technology (BARCT) findings on an ongoing and timely basis in order to trigger a requirement that sources install BARCT.
BARCT/ Focused Toxics	Staff identifies emission reductions from specific source categories based on the emissions and/or toxic risk contribution of that source category and the feasibility of emission control technology.

Staff Evaluation

Criteria	Bay Area RECLAIM	Community-Worker Proposal	WSPA	Periodic Technology Review	BARCT/ Focused Toxics
H&SC Compliance	Medium	Low	High	Medium	High
Reduction in health risk from toxics	Low	Medium	Low	Medium	High
Reduction in criteria pollutants	High	High	Medium	High	High
Process transparency	Medium	Low	High	High	High
Technology forcing	High	Medium	Low	Low	Low
Implementation speed/complexity	Low	Medium	Medium	Medium	Medium
Reduced impact on neighboring communities	Low	High	Medium	High	High
Net reduction of GHGs	Low	Low	Low	Low	Low

Refinery Emission Reduction Strategy

Staff proposes a strategy that blends the best of the suggested approaches. The strategy is based on the BARCT/Focused Toxics approach for addressing criteria pollutants and precursors and reducing risk from emissions of air toxics. It includes the quantitative environmental improvement goals found in the Community-Worker proposal, the continuous improvement embodied on the Periodic Technology Review approach and retains the needed compliance with the Health and Safety Code and the process transparency advocated by WSPA. The strategy includes the following 5 components:

1. **Overall Goals.** The strategy will strive to achieve at least a 20% reduction in criteria pollutants from the refineries in the next five years. Staff will also strive to achieve a 20% reduction in health risk to the communities in the next five years.
2. **Reduction of Criteria Pollutants and Precursors.** The Air District would pursue the following measures to reduce criteria pollutants and precursors in 2015:

Component	Expected Benefits
Improved SO ₂ controls on coke calciners	Reduced SO ₂ emissions
PM from Fluid Catalytic Cracking Units	Reduce condensable PM and PM precursors
Stationary Gas Turbines	Reduce NO _x from turbines
Further reduce equipment leaks	Reduce ROG and toxic emissions
Limit sulfur content of refinery fuel gas	Reduce SO ₂ emissions

In addition, the Air District would analyze the following further study measures to determine if it is feasible to further reduce emissions from the following sources: refinery flares, sulfur recovery units, sulfuric acid regeneration plants, refinery boilers and heaters.

3. **Reduction of Health Risks from Air Toxics.** The Air District would take the following actions to reduce health risks from air toxics:
 - Review proposed EPA MACT rule for areas where it is more stringent than Air District rules.
 - Initiate rulemaking to address any opportunities that arise from review of proposed MACT.
 - Complete rulemaking on 12-15 to require refineries to complete comprehensive health risk assessments (HRA) using the best current science.
 - Review HRAs conducted by refineries to ensure appropriate methods were used.
 - Review results of HRAs to determine which sources are driving health risks.
 - Reduce emissions from these key sources, using health benefits as the key determination of the reasonableness of costs.

4. GHG Emissions

The cap and trade system under AB32 for GHGs makes it difficult for the refinery strategy to address these pollutants. The strategy includes the following three part approach for addressing GHGs:

1. Track GHG emissions reductions achieved by the refineries, including co-benefits from criteria pollutant controls.
2. Compare refinery performance against third party standards for best practices.
3. Report to the Board of Directors on how Bay Area refineries are performing as compared to these third party standards. If it appears that there are further opportunities for GHG reductions, staff would propose rulemaking to the Board.

5. **Continuous Improvement.** To assure continuous improvement and to further reduce emissions and ensure that refiners are using the best control technology and practices, staff proposes that refiners periodically evaluate the sources of the majority of emissions to determine the level of control and whether additional controls are needed. This approach differs from the current rule development process in that it requires a mandatory periodic review of emission sources.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: December 3, 2014

Re: Resolution Regarding Safety of Transporting Crude Oil by Rail

RECOMMENDED ACTION

Approve a Resolution encouraging agencies responsible for rail safety to adopt and implement the most stringent possible safety standards to ensure safe delivery of crude oil and other hazardous cargo delivered by rail.

BACKGROUND

Over the past several months, many public commenters have attended meetings of the Bay Area Air Quality Management District Board of Directors and its various committees and provided comments regarding the safety of transporting crude oil by rail. These comments have been prompted by various facilities and proposed projects in the Bay Area, including the Kinder Morgan Rail Terminal in Richmond, the proposed Valero Crude-by-Rail project at Valero's Benicia Refinery, and the rail and marine terminal in Pittsburg proposed by WesPac. Concern has also been expressed about crude oil being transported on rail routes that run through the Bay Area to more distant refineries and terminals.

Although the Bay Area Air Quality Management District has some limited legal authority related to air emissions resulting from transfer of products from railcars to other vehicles or storage tanks, it has no authority over rail transportation or rail safety. Authority, financial resources and expertise to address rail transportation and safety reside in the federal government and, to a lesser extent, in state governments. District staff has reviewed various reports, orders, and proposals from the State of California Interagency Rail Safety Working Group, the United States Department of Transportation (USDOT), including its Pipeline and Hazardous Materials Safety Administration (PHMSA), and the Federal Railway Administration (FRA). Each of these bodies has some responsibility for rail transportation and safety.

Much of the commenters' concerns, mentioned above, seem to focus on the safety of transporting crude oil produced from the so-called Bakken Shale Formation which covers approximately 200,000 square miles in Montana, North Dakota and Saskatchewan, Canada. According to the USDOT, oil production in the Bakken region had nearly tripled from 2010-2013, contributing significantly to historic high oil and gas production in the United States, and associated decreases in the price of crude oil on the world market and lower pump prices for refined products. Oil from the Bakken region is classified as a "light" crude oil. Attention has focused on the Bakken formation oil because it has been found to be more volatile and have a

lower flash point than many other crude oils. In addition to the volatility of Bakken crude, it is often transported by rail in unit trains containing 100 or more cars, constituting at least 2.5 million gallons in a single train. These trains can travel over a thousand miles from the Bakken region through populated areas, to refineries on the coasts, contributing to an increased risk of a significant incident involving this oil. According to the California Energy Commission, imports of crude oil transported by rail into California have increased significantly over the past few years and are projected to continue to do so.

There have been several notable incidents involving Bakken region oil in the past 18 months. On July 6, 2013, a train containing more than 70 tank cars of Bakken oil was improperly secured on the mainline on a hill outside the town of Lac Megantic, Quebec, Canada, and rolled downhill into the town where it derailed and 63 of the tank cars exploded and burned. The explosion and ensuing fire destroyed much of the town, took 47 lives, and caused approximately \$1 Billion in damage. Additional accidents in Aliceville, Alabama; Casselton, North Dakota; and Lynchburg, Virginia, have further highlighted the potential for significant accidents.

In response to these incidents, USDOT, PHMSA, and the FRA have initiated rule-making and issued emergency orders. Rule-making has focused on requirements for safer tank car designs, including structural integrity and improved brake systems. Orders have been issued regarding routing trains and speed limits for trains carrying hazardous materials, including Bakken oil. Also in response to these incidents and the focus of the regulators on the transport of Bakken oil, the railroads have implemented voluntary measures to quickly implement some of the proposed safety measures, such as speed limits and enhanced braking systems.

DISCUSSION

The attached draft resolution expresses the Board of Directors' concern with the safety of transporting crude oil by rail and calls on the agencies charged with regulating rail transportation and safety to adopt and implement the most stringent possible safety regulations on the transport of crude oil and other hazardous materials. The Resolution also encourages those agencies to move as quickly as possible to adopt and implement those regulations. Finally, the resolution encourages state and federal legislatures to mandate safety measures and provide appropriate funding for those measures.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Attachment: Draft Resolution Addressing Safety of Transporting Crude Oil by Rail

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
RESOLUTION NO. _____**

A Resolution of the Board of Directors of the Bay Area Air Quality Management District

Addressing Safety of Transporting Crude Oil by Rail

WHEREAS, the Bay Area is home to five petroleum refineries and multiple terminal facilities handling bulk petroleum materials and products;

WHEREAS, the Bay Area has one rail terminal with an Air District permit for pumps to transfer crude oil from rail tank cars to trucks, and there are proposals for additional facilities that, if approved, are intended to receive crude oil by rail;

WHEREAS, multiple rail lines on which trains carrying crude oil may be transported run through the Bay Area, including through, or near, densely populated areas;

WHEREAS, the volume of hazardous freight being transported to California and the Bay Area by rail, including crude oil and ethanol, has increased dramatically, and is expected to increase further;

WHEREAS, "light" crude oil produced in the Bakken Region has been identified as more volatile and having a lower flash point than many other crude oils;

WHEREAS, in addition to being more volatile and having a lower flash point, crude oil from the Bakken Region is often transported by rail in unit trains containing 100 or more cars, constituting at least 2.5 million gallons in a single train, and traveling over one thousand miles to coastal refineries, including those in the Bay Area and other parts of California, which contributes to an increased risk of significant incidents involving this oil;

WHEREAS, incidents in the past 18 months, including in Lac Megantic, Quebec, Canada; Aliceville, Alabama; Casselton, North Dakota; and Lynchburg Virginia have highlighted the potential for significant accidents involving crude oil from the Bakken Region;

WHEREAS, rail safety is a critical concern of residents and leaders in the Bay Area, including the Board of Directors of the Bay Area Air Quality Management District;

WHEREAS, rail safety is the responsibility of Federal and State agencies;

WHEREAS, those agencies have issued orders and initiated rule-making to address deficiencies in rail safety related to transport by rail of crude oil produced in the Bakken Region;

WHEREAS improvements in tank car safety being implemented, including structural integrity and braking systems, as well as speed limits and routing trains through less populated areas, where feasible, are proven methods for improving the safety of transportation of hazardous

materials, including crude oil and ethanol, by rail;

WHEREAS, state and federal elected officials are working on legislation to address potential inadequacies, and provide funding for improvements, in rail safety;

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors of the Bay Area Air Quality Management District calls on all Federal and State agencies with responsibility for rail safety to adopt, implement, and enforce the most stringent possible regulations to ensure the safe transport and delivery of crude oil and other hazardous materials by rail;

AND BE IT FURTHER RESOLVED THAT the Board of Directors of the Bay Area Air Quality Management District urges all Federal and State agencies with responsibility for rail safety to move as expeditiously as possible to adopt, implement and enforce any and all feasible enhanced rail safety measures;

AND BE IT FURTHER RESOLVED THAT the Board of Directors of the Bay Area Air Quality District encourages State and Federal legislators to enact legislation at the earliest possible time to mandate enhanced rail safety measures, and adopt budgets to support the efforts of the agencies responsible for implementing those measures.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director _____, seconded by Director _____, on the ____ day of _____, 2014 by the following vote of the Board:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Nate Miley
Chairperson of the Board of Directors

ATTEST:

Eric Mar
Secretary of the Board of Directors

DRAFT