



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## BOARD OF DIRECTORS SPECIAL MEETING

February 1, 2012

A meeting of the Bay Area Air Quality Management District Board of Directors will be held at the Port of Oakland located at 530 Water Street, Oakland, California 94607 at 9:45 a.m. The Board of Directors will meet in the Port of Oakland Commissioners' Board Room before embarking on a boat tour of the Port of Oakland.

### 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.

## 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 SPECIAL MEETING AGENDA

WEDNESDAY  
FEBRUARY 1, 2012  
9:45 A.M.

PORT OF OAKLAND  
COMMISSIONERS' BOARD ROOM  
530 WATER STREET  
OAKLAND, CALIFORNIA 94607

## CALL TO ORDER

Opening Comments  
Roll Call  
Pledge of Allegiance

Chairperson, John Gioia  
Clerk of the Boards

## PUBLIC COMMENT ON NON-AGENDA MATTERS

### **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.*

## COMMENDATIONS/PROCLAMATIONS/AWARDS

*The Board of Directors will recognize outgoing Director Gayle B. Uilkema for her service, leadership and dedication to protecting air quality in the Bay Area.*

## CONSENT CALENDAR (ITEMS 1 –4)

Staff/Phone (415) 749-

1. Minutes of the Board of Directors Special Meeting/Retreat of January 18, 2012  
Clerk of the Boards

2. Board Communications Received from January 18, 2012 through January 31, 2012  
J. Broadbent/5052  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*A list of communications directed to the Board of Directors received by the Air District from January 18, 2012 through January 31, 2012, if any, will be at each Board Member's place.*

3. Air District Personnel on Out-of-State Business Travel  
J. Broadbent/5052  
[jbroadbent@baaqmd.gov](mailto: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.*

4. Consideration of Authorization for Execution of a Purchase Order in Excess of \$70,000 for Replacement of Air Monitoring Instruments

J. Broadbent/5052

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Board of Directors will consider authorizing the Executive Officer/APCO to execute a purchase order to ThermoFisher Scientific in an amount not to exceed \$90,619 for air monitoring instruments.*

## **COMMITTEE REPORTS AND RECOMMENDATIONS**

5. Report of the **Budget and Finance Committee** Meeting of January 25, 2012

CHAIR: C. Groom

J. Broadbent/5052

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Consensus of Committee members present is that the Board of Directors approve the following item:*

1. *Authorize Expenditures for Production System Replacement of Databank*

*(A) Authorize the Executive Officer/APCO to execute agreements not to exceed \$450,000 with Vertigo Software and execute agreements not to exceed \$250,000 with Trinity Technologies Group for replacement of Air District legacy software systems.*

6. Report of the **Legislative Committee** Meeting of January 30, 2012

CHAIR: T. Bates

J. Broadbent/5052

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Committee may recommend positions on new and existing bills.*

## **PRESENTATION(S)**

7. Update on the Air District Emissions Reductions Efforts at the Port of Oakland

J. Broadbent/5052

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*Staff will present an informational item to the Board of Directors on Air District efforts to reduce diesel particulate matter emissions at the Port of Oakland.*

## **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.*

## **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**

8. Report of the Executive Officer/APCO
9. Chairperson's Report
10. Time and Place of Next Meeting is Wednesday, February 15, 2012, Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.
11. Board of Directors will Embark a Boat to Tour the Port of Oakland.
12. Adjournment

**CONTACT EXECUTIVE OFFICE - 939 ELLIS STREET SF, CA 94109**

**(415) 749-5130**  
**FAX: (415) 928-8560**  
**BAAQMD homepage:**  
[www.baaqmd.gov](http://www.baaqmd.gov)

- To submit written comments on an agenda item in advance of the 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 Executive Office should be given at least 3 working days prior to the date of the meeting 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 Air District's headquarters 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. Such writing(s) may also be posted on the Air District's website ([www.baaqmd.gov](http://www.baaqmd.gov)) at that time.

# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109

(415) 771-6000

## EXECUTIVE OFFICE: MONTHLY CALENDAR OF DISTRICT MEETINGS

### JANUARY 2012

| <u>TYPE OF MEETING</u>  | <u>DAY</u> | <u>DATE</u> | <u>TIME</u> | <u>ROOM</u>                         |
|---|------------|-------------|-------------|-------------------------------------|
| <b>Board of Directors Legislative Committee</b> <i>(At the Call of the Chair)</i> | Monday     | 30          | 9:30 a.m.   | 4 <sup>th</sup> Floor<br>Conf. Room |

### FEBRUARY 2012

| <u>TYPE OF MEETING</u>   | <u>DAY</u> | <u>DATE</u> | <u>TIME</u>                         | <u>ROOM</u>   |
|--|------------|-------------|-------------------------------------|---|
| <b>Board of Directors Regular Meeting</b><br><i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>  | Wednesday  | 1           | 9:45 a.m.                           | Port of Oakland<br>Commissioners' Board Room<br>530 Water Street<br>Oakland, CA 94607 |
| <b>Advisory Council Regular Meeting</b><br><i>(Meets 2<sup>nd</sup> Wednesday each Month)</i>  | Wednesday  | 8           | 9:00 a.m.                           | Board Room  |
| <b>Board of Directors Special Meeting as the Sole Member of the Bay Area Clean Air Foundation</b>  | Wednesday  | 15          | 9:30 a.m.                           | Board Room  |
| <b>Board of Directors Regular Meeting</b><br><i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>  | Wednesday  | 15          | 9:45 a.m.                           | Board Room  |
| <b>Board of Directors Executive Committee</b> <i>(Meets 3<sup>rd</sup> Monday Every Month)</i>   | Wednesday  | 15          | Immediately Following Board Meeting | Board Room  |
| <b>Board of Directors Public Outreach Committee</b>  | Thursday   | 16          | 9:30 a.m.                           | 4 <sup>th</sup> Floor<br>Conf. Room   |
| <b>Board of Directors Executive Committee</b> <i>(Meets 3<sup>rd</sup> Monday Every Month)</i><br>- CANCELLED and RESCHEDULED TO FEBRUARY 15, 2012 IMMEDIATELY FOLLOWING THE BOARD MEETING | Wednesday  | 20          | 9:30 a.m.                           | 4 <sup>th</sup> Floor<br>Conf. Room   |
| <b>Board of Directors Stationary Source Committee</b> <i>(Meet 3<sup>rd</sup> Monday Every Other Month) – CANCELLED</i>  | Monday     | 20          | 10:30 a.m.                          | 4 <sup>th</sup> Floor<br>Conf. Room   |
| <b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets the 4th Wednesday Each Month)</i>   | Wednesday  | 22          | 9:30 a.m.                           | 4 <sup>th</sup> Floor<br>Conf. Room   |
| <b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>  | Thursday   | 23          | 9:30 a.m.                           | 4 <sup>th</sup> Floor<br>Conf. Room   |

## MARCH 2012

| <u>TYPE OF MEETING</u>  | <u>DAY</u> | <u>DATE</u> | <u>TIME</u> | <u>ROOM</u>                         |
|---|------------|-------------|-------------|-------------------------------------|
| <b>Board of Directors Regular Meeting</b><br><i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i> | Wednesday  | 7           | 9:45 a.m.   | Board Room                          |
| <b>Advisory Council Regular Meeting</b><br><i>(Meets 2<sup>nd</sup> Wednesday each Month)</i>                           | Wednesday  | 14          | 9:00 a.m.   | Board Room                          |
| <b>Board of Directors Public Outreach Committee</b>   | Thursday   | 15          | 9:30 a.m.   | 4 <sup>th</sup> Floor<br>Conf. Room |
| <b>Board of Directors Executive Committee</b> <i>(Meets 3<sup>rd</sup> Monday of each Month)</i>                        | Monday     | 19          | 9:30 a.m.   | 4 <sup>th</sup> Floor<br>Conf. Room |
| <b>Board of Directors Stationary Source Committee</b> <i>(Meets 3<sup>rd</sup> Monday Every Other Month)</i>            | Monday     | 19          | 10:30 a.m.  | 4 <sup>th</sup> Floor<br>Conf. Room |
| <b>Board of Directors Regular Meeting</b><br><i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i> | Wednesday  | 21          | 9:45 a.m.   | Board Room                          |
| <b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>                     | Thursday   | 22          | 9:30 a.m.   | 4 <sup>th</sup> Floor<br>Conf. Room |
| <b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets the 4th Wednesday Each Month)</i>                    | Wednesday  | 28          | 9:30 a.m.   | 4 <sup>th</sup> Floor<br>Conf. Room |

MM – 1/26/12 (8:20 a.m.)

P/Library/Forms/Calendar/Calendar/Moncal

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson John Gioia and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 24, 2012

Re: Board of Directors Draft Meeting Minutes

RECOMMENDED ACTION

Approve attached draft minutes of the Board of Directors Special Meeting/Retreat of January 18, 2012.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Special Meeting/Retreat of January 18, 2012.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Maricela Martinez  
Reviewed by: Jennifer C. Cooper



Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, CA 94109  
(415) 749-5000

Board of Directors Special Meeting/Retreat  
January 18, 2012

## **DRAFT MINUTES**

### **CALL TO ORDER – ROLL CALL:**

Chairperson Tom Bates called the meeting to order at 10:02 a.m.

Present: Chairperson Tom Bates; Vice Chairperson John Gioia; Secretary Ash Kalra; and Directors Susan Garner, Susan Gorin, Carole Groom, Scott Haggerty, David E. Hudson, Mark Ross, Liz Kniss, Edwin M. Lee, Eric Mar, Nate Miley, Johanna Partin, Katie Rice, Jim Spering, Brad Wagenknecht and Ken Yeager.

Absent: Directors John Avalos, Jennifer Hosterman, Carol L. Klatt, Gayle B. Uilkema and Shirlee Zane.

**PLEDGE OF ALLEGIANCE:** Chairperson Bates led the Pledge of Allegiance.

### **PUBLIC COMMENTS:**

Susan Goldborough, Families for Clean Air, addressed the Board regarding concerns about wood smoke pollution and the need for further regulation.

Evan Reeves, Center for Creative Land Recycling, addressed the Board regarding the Board's scheduled Closed Session relative to California Building Industry Association v. Bay Area AQMD, specifically to urge the Board to accept the judge's ruling and not seek an appeal of the same.

### **COMMENDATIONS/PROCLAMATIONS/AWARDS**

The Board of Directors recognized Chairperson Bates for his outstanding leadership as Chairperson of the Board of Directors in 2011. Director Bates thanked and commended staff for their work and thanked the Board for the opportunity to have served as the Chairperson. Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), thanked Director Bates for his work with the District and presented a token of appreciation for his service.

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

The Board of Directors recognized Director Brown in absentia for his service, leadership and dedication to protecting air quality in the Bay Area. Mike Brown accepted the token of appreciation from the District and addressed the Board on behalf of his father Director Brown.

NOTED PRESENT: Directors Mar and Partin were noted present at 10:20 a.m.

Chairperson Gioia welcomed County of Marin Supervisor Katie Rice to the Board of Directors. Director Rice made introductory comments.

Chairperson Gioia stated that Director Uilkema will be acknowledged for her years of service and Supervisor Mary N. Piepho will be welcomed at the next meeting of the Board of Directors.

**BOARD MEMBER COMMENTS:** None

**CONSENT CALENDAR (Items 1 – 5):**

1. **Minutes of the Board of Directors Regular Meeting of December 14, 2011;**
2. **Board Communications Received from December 14, 2011, through January 17, 2012;**
3. **District Personnel on Out-of-State Business Travel;**
4. **Adoption of Proposed Amendments to the Air District's Administrative Code Division II Fiscal Policies and Procedures – Section 5.6 Receipts for Expenses; and**
5. **Quarterly Report of California Air Resources Board Representative – Honorable Ken Yeager.**

**Board Action:** Director Wagenknecht made a motion to approve Consent Calendar Items 1, 2, 3, 4 and 5; Director Kniss seconded the motion; unanimously approved without objection.

**COMMITTEE REPORTS AND RECOMMENDATIONS**

6. **Report of the Executive Committee Meeting of December 19, 2011**  
Chairperson: T. Bates

The Executive Committee met on December 19, 2011 and approved the minutes of July 6, 2011 and October 19, 2011.

The Committee received an update on the Joint Policy Committee (JPC) activities. The Committee discussed a replacement for Ted Droettboom and the JPC's role in facilitating the development of a Regional Climate Adaptation strategy. The Committee supports the recommendation of Will Travis as the new coordinator and policy advisor to the JPC.

The Committee also received the Quarterly Reports of the Hearing Board from April to June 2011 and from July to September 2011.

The Committee received a financial review of the Production System performed by IntelliBridge Partners. The Committee recommended staff provide an update at each of its future meetings.

The Committee then received a brief overview of the Air District work plan and preparation for the Board Retreat.

The Executive Committee will meet the 3rd Monday each month, with the exception of February 20, 2012, in honor of President Washington's birthday. Therefore, the next meeting of the Executive Committee is scheduled for Monday, March 19, 2012 at 9:30 a.m.

**Board Action:** Director Bates made a motion to approve the report and recommendations of the Executive Committee; Director Gioia seconded the motion; carried unanimously without opposition.

**7. Report of the Stationary Source Committee Meeting of January 9, 2012**

Vice Chairperson: J. Gioia, on behalf of Chairperson G. Uilkema

The Committee met on Monday, January 9, 2012 and, upon establishing a quorum, approved the minutes of September 29, 2011.

The Committee received a report on District's New Source Review (NSR) and Title V Permitting Programs, Amendments to Regulation 2, Rules 1, 2, 4 and 6. The Committee reviewed the current state of the programs, a summary of proposed amendments including new permit requirements for particulate matter and greenhouse gases, and discussed the collaborative work necessary with the U.S. Environmental Protection Agency and expectations regarding the public participation process. Next steps include sharing proposed amendments with the public, conducting public workshops and further public outreach, consideration of public comments, review and revision of proposed regulations, preparation of final documents, and scheduling public hearings in the summer of 2012.

The Committee received a report on proposed regulation regarding Vacuum Truck Operations, Regulation 8, Rule 53, including a summary of the use and functional parts of vacuum trucks, an overview of the rule development process and the types of industries subject to the regulations, the necessary equipment for industry to employ and the corresponding cost for said equipment. The Committee reviewed District anticipated costs and estimated emissions reductions. Next steps will be to post the final documents for public review, consider public comments and schedule public hearings in the first quarter of 2012.

The next meeting of the Committee is March 19, 2012, at 10:30 a.m.

**Board Action:** Chairperson Gioia made a motion to approve the report and recommendations of the Stationary Source Committee; Director Hudson seconded the motion; carried unanimously without opposition.

**BOARD OF DIRECTORS RETREAT**

**8. Opening Comments**

Chairperson Gioia related the history of and progress in air quality management in the Bay Area under the stewardship of the District. Chairperson Gioia suggested that future meetings of the Board of Directors occasionally be held offsite at various facilities that are regulated by the District, where the Board could get a first-hand impression of the work done there. Chairperson Gioia commended the implementation and continued use of the Bay Area Air Quality Management District Board of Directors List of Acronyms, and joins in Director Ross' ongoing desire to improve the accessibility of the District website. Chairperson Gioia commends and acknowledges his own and the staff of the other member of the Board.

## **9. State of the Air District**

Mr. Broadbent began presenting the State of the Air District, by providing an air quality summary and administrative overview and detail of key policy initiatives and regional coordination efforts with regional agencies and local governments. Jeffrey McKay, Deputy APCO, finished same.

## **10. Upcoming Committee Assignments and Goals**

Chairperson Gioia introduced the Upcoming Committee Assignments and Goals as follows and opened up the topic for discussion by the Directors:

### Executive Committee:

- John Gioia, Chairperson; Ash Kalra, Vice Chairperson; Nate Miley, Secretary
- Members: Avalos, Bates, Groom, Haggerty, Ross and Wagenknecht
- Meetings: 3<sup>rd</sup> Monday of every month at 9:30 a.m.

### Budget and Finance Committee:

- Carol Groom, Chairperson; Ash Kalra, Vice Chairperson
- Members: Haggerty, Hudson, Mar, Rice, Ross, Wagenknecht and Zane
- Meetings: 4<sup>th</sup> Wednesday of every month at 9:30 a.m.

### Public Outreach Committee:

- Mark Ross, Chairperson; Eric Mar, Vice Chairperson
- Members: Avalos, Garner, Haggerty, Klatt, Miley and Wagenknecht
- Meetings: Thursday, February 16, 2012 at 9:30 a.m.; Thursday, June 21, 2012 at 9:30 a.m.; Thursday, October 18, 2012 at 9:30 a.m.

### Legislative Committee:

- Tom Bates, Chairperson; Sue Garner, Vice Chairperson
- Members: Avalos, Haggerty, Hosterman, Hudson, Kalra, Miley and Partin
- Meetings: At the Call of the Chair

### Mobile Source Committee:

- Scott Haggerty, Chairperson; Nate Miley, Vice Chairperson
- Members: Avalos, Bates, Groom, Klatt, Partin, Piepho and Wagenknecht
- Meetings: 4<sup>th</sup> Thursday of every month at 9:30 a.m.

### Stationary Source Committee:

- John Avalos, Chairperson; Carole Groom, Vice Chairperson
- Members: Bates, Garner, Haggerty, Mar, Miley, Piepho and Spering
- Meetings: 3<sup>rd</sup> Monday of every other month at 10:30 a.m.

### Personnel Committee:

- Brad Wagenknecht, Chairperson; Eric Mar, Vice Chairperson
- Members: Groom, Haggerty, Hudson, Hosterman, Klatt and Kalra
- Meetings: At the Call of the Chair

Joint Policy Committee:

- Members: Bates, Kalra, Mar, Piepho and Ross
- Meetings: Set by the Joint Policy Committee

Climate Protection Committee:

- Jennifer Hosterman, Chairperson; Johanna Partin, Vice Chairperson
- Members: Garner, Gorin, Groom, Hudson, Rice, Ross and Zane
- Meetings: At the Call of the Chair

Director Haggerty spoke on behalf of the Mobile Source Committee, indicating that a regular meeting schedule had been successfully established; the Carl Moyer Memorial Air Quality Standards Attainment Program is set to expire in 2014 and work must be done to keep it moving and to see better public sector competition and sustainable leadership; continued work between the Committee and the Metropolitan Transportation Commission is necessary to achieve an effective reduction in greenhouse gases; the potential gains from a collaborative effort between the District and area school districts to reduce cold starts and encourage carpooling, perhaps in part by imposing parking permit fees at the high school level; the desire for continued funding of bike sharing programs and initializing of scooter sharing programs; and that more work is needed in conjunction with the Port of Oakland to maximize shore power, imposition of competitive container fees, and increased used of high quality fuel.

Director Ross spoke on behalf of the Public Outreach Committee, indicating that Committee outreach continues in various forms, the wood smoke program is clearly in need of fine tuning, and work on increasing the accessibility of the District website is absolutely necessary.

Director Bates spoke on behalf of the Legislative Committee and shared his sense that the Committee will take initiative in order to maintain recent gains and prevent losses in the legislature on air quality matters given the current political climate.

Director Groom spoke on behalf of the Budget and Finance Committee and shared her sense of a similar need for the Committee to take an especially conservative approach to management of the District's resources in order to protect District assets and impose an air of budgetary caution while continuing work to improve the permitting program.

Chairperson Gioia noted that the remaining Committees Chairpersons were not present and opened up the topic for general comment by the Directors.

Director Ross expressed his appreciation of the offsite meeting and tour concept suggested by Chairperson Gioia and reiterated the need for continuing the Community Air Risk Evaluation (CARE) communities program.

## **11. Air Quality Summary**

Jean Roggenkamp, Deputy APCO, presented an Air Quality summary for the Bay Area, including an overview of those issues requiring the District's attention, such as ozone, fine particulate matter, toxic air contaminants and greenhouse gases, a summary of the potential health care consequences of same and a generalized plan for improving air quality in the future.

**Board comments:** Director Hudson expressed, and Chairperson Gioia later agreed with, a concern about the general public's lack of knowledge about federal standards, pollution measurements and what these things mean for them. Director Hudson went on to suggest the possible goal of one day providing to the public the information used by the District in a way similar to the meteorological forecasts, with the data provided informing the public's decisions in much the same way that a forecast for rain does. Mr. Broadbent commended this thought and suggested that various constraints, namely budgetary and the extremely technical nature of the standards may interfere with actualizing this concept but assured the Board that this would be revisited at the close of the wood burning season. Director Gorin built on previous comments by suggesting continued work on increasing public awareness and understanding of the relevant statistics, healthier and more sustainable alternatives, the potential health consequences of disregarding the information, and by diversifying the District's work to better address specific regional needs rather than applying a blanket solution for the entire region. Director Haggerty suggested that the primary cause of the air issue in West Oakland is the trucks and expressed his dissatisfaction with the limitations of the CARE program when it comes to serving people of varying economic status. Chairperson Gioia suggested that the appropriate committee, perhaps Mobile or Stationary Source, should discuss the CARE program. Secretary Miley discussed the perceived sentiments of Secretary Miley's friends, family and acquaintances towards the wood smoke regulations during the holiday season and the general lack of knowledge about the levels of air pollution inside a home that has wood burning in the fireplace. Director Rice agreed with prior statements regarding the need for improving public awareness of the District as a public health agency just as much, if not more than, an environmental one.

## 12. Administrative Overview

Mr. Broadbent introduced the presentation of Administrative Overview by acknowledging that the current head count of District employees is 363 with 43 vacancies, a level that is not sustainable in the long term. Mr. McKay presented a status report on the implementation of the Production System, development of a cost recovery policy and relocation of the District headquarters to 390 Main Street.

**Board comments:** Chairperson Gioia and Mr. McKay discussed the cost recovery gap projected to be \$12 million. Chairperson Gioia and Mr. Broadbent discussed the identification of untapped and under-tapped revenue sources and the possibility of conducting internal and external audits to better identify same. Chairperson Gioia, Director Haggerty, Mr. Broadbent and Mr. McKay discussed the planning process for the new headquarters building and the degree of the District's involvement in those discussions. Inclusion of Air District board members in the planning process was discussed. Director Spring, Mr. Broadbent, Mr. McKay and Ms. Roggenkamp, and Legal Counsel Brian Bunger discuss the history of the District's low cost recovery, the mathematics of cost recovery and fees increases, the interplay of property taxes and fee increases and that a careful review of the matter and strategy development are already underway in the Budget and Finance Committee. Director Groom clarifies that cost recovery and fee increases have been in process in the Budget and Finance Committee and recommendations will be forthcoming. Director Garner notes and commends the gradual closing of the cost recovery gap and discussed with Mr. Broadbent and Director Gorin which departments in the District are shouldering the 43 vacancies and the difficulties with reassigning staff on an as-needed basis. Mr. Broadbent replied that enforcement was considerably reduced and Director Groom requested a breakdown showing, by department, where the vacancies exist so as to better identify where staff shortages may affect essential services and/or sources of revenue.

## 13. Key Policy Initiatives

Mr. Broadbent introduced the presentation of Key Policy Initiatives and Ms. Roggenkamp began the presentation of Healthy Communities, Clean Air Communities Initiative, including a summary of various tools available to the District in accomplishing its goals, in the form of monitoring, regulations, outreach/education, grants/incentives and enforcement. Lisa Fasano, Director of Communications & Outreach Office, continued presentation of same with a focus on the development of a service plan and maximizing communication with and engagement of the public.

**Board comments:** Director Haggerty noted that slide 3, Health Risks Near Freeways, provides a perfect example of the concern he harbors for the I-580 corridor. Director Partin suggested that dealing with transportation is key to success in this area. Secretary Miley, Ms. Fasano, Ms. Roggenkamp, and Mr. Broadbent discussed how the District collaborates with local governments, specifically their public health and planning departments, and the varying nature of these collaborations as having established regular meetings in some cases and being on an as-needed basis in others. Director Spering suggested the use of “healthy communities” is a misnomer and that the District would be better served working towards and utilizing the phrase “clean air and healthy economy communities,” namely by working with regulated industries so there is a better understanding of our objectives. Director Mar suggested that industry will always find a way to communicate with the District and its Board members and staff, and that the District’s attention would be better focused on community outreach, noting that Chairperson Gioia’s efforts to bring meetings out to the community is energy well spent.

**Public comments:** Andy Katz, for Breath California, addressed the Board regarding the indirect source rule as an important proposal that should be accelerated in its implementation and regarding the existing litigation that is the topic of the Closed Session, California Industry Association v. Bay Area AQMD, to encourage the District to maintain a strong course in implementing the California Environmental Quality Act thresholds and to urge caution in considering whether to appeal the order of the Court.

## **OTHER BUSINESS**

14. **Report of the Executive Officer/APCO:** Mr. Broadbent recognized Sean Gallagher, new Clerk of the Boards, and expressed his gratitude to the executive staff for organizing the meeting.
15. **Chairperson’s Report:** Chairperson Gioia noted that the San Mateo City Council Selection Committee appointed Director Klatt to the District Board of Directors for another two-year term on December 16, 2011, and that the Contra Costa County Supervisor Mary Piepho has been appointed to replace Supervisor Uilkema, both of which will be recognized at the next meeting of the Board of Directors.

## **CLOSED SESSION:**

The Board of Directors adjourned to Closed Session at 12:42 p.m.

**16. EXISTING LITIGATION (Government Code Section 54956.9(a))**

*Pursuant to Government Code Section 54956.9(a), a need existed to meet in closed session with legal counsel to consider the following case:*

California Building Industry Association v. Bay Area AQMD, Alameda County Superior Court, Case No. RG-10548693

**OPEN SESSION**

The Board of Directors resumed to Open Session at 1:32 p.m.

**Time and Place of Next Meeting:** Wednesday, February 1, 2012, at 9:45 a.m., at 939 Ellis Street, San Francisco, CA 94109.

**Adjournment:** The Board of Directors meeting adjourned at 1:33 p.m.

Sean Gallagher  
Clerk of the Boards



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson John Gioia and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 24, 2012

Re: Board Communications Received from January 18, 2012 through January 31, 2012

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

A list of communications directed to the Board of Directors received by the Air District from January 18, 2012 through January 31, 2012 if any, will be at each Board Member's place at the February 1, 2012 Board meeting.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Maricela Martinez  
Reviewed by: Jennifer C. Cooper

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chair John Gioia and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 19, 2012

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

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

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

The report covers the out-of-state business travel for the period January 1, 2012 through January 31, 2012. Out-of-state travel is reported in the month following travel completion.

DISCUSSION

No out of state travel occurred during the reporting period.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: David Glasser  
Reviewed by: Jack M. Colbourn

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chair John Gioia and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 23, 2012

Re: Consideration of Authorization for Execution of a Purchase Order in Excess of \$70,000 for Replacement of Air Monitoring Instruments

RECOMMENDED ACTION

The Board of Directors will consider Authorizing the Executive Officer to execute a purchase order to ThermoFisher Scientific in an amount not to exceed \$90,619 for air monitoring instruments.

SUMMARY

Division II, Section 4, 4.3 of the Administrative Code requires that the Board authorize all expenditures over \$70,000. Staff requests that the Board approve the issuance of a Purchase Order to ThermoFisher Scientific (ThermoFisher) in the amount not to exceed \$90,619 to replace air monitoring instrumentation.

Staff evaluated instruments from various manufacturers. The ThermoFisher instruments were selected as the best option to meet Air District needs based on initial and operational costs. Funds for these purchases were included in the FYE 2011-2012 Budget in the Air Monitoring Program Capital Equipment Account, item 10 (Air Monitoring Instruments/Parts/Repairs).

BACKGROUND

The Air District operates 27 monitoring stations, with a total of over 125 instruments. Staff developed a five-year plan to replace instruments that have reached the end of their useful service life in the existing air monitoring network. This is this fifth year of the plan's replacement schedule, and this request covers 8 instruments due for replacement at existing air monitoring stations. A 15% discount was obtained from the manufacturer for this order.

The Air Monitoring Section continues to upgrade older instruments to enhance the data recovery capability of internally stored instrument and ambient data in the event of external data collection system issues. In addition, this instrumentation allows for assignment of an individual IP address which is essential for the continued evolution of the Technical Division's data collection and data management systems.

## DISCUSSION

Currently, only two manufacturers produce the range of required criteria pollutant equipment certified by the U.S. Environmental Protection Agency for ambient air monitoring: Teledyne/Advanced Pollution Instrumentation (API), and ThermoFisher. Staff has operational experience with instruments from both API and ThermoFisher. Staff has found that ThermoFisher equipment better meets operational, with reduced downtime and more stable and accurate performance. Additionally, the Air Monitoring Section maintains a spare parts inventory for ThermoFisher instruments, whose parts are less expensive than API's, and has significant training and expertise in the operation and repair of the instruments.

The staff has evaluated equipment from both manufacturers based on performance specifications, operational experience and costs. Based on these criteria, staff found ThermoFisher instruments better meet the operational needs of the Air District at a lower overall cost.

Purchase of the ThermoFisher instruments will:

- result in less instrument downtime
- provide measurements with greater accuracy and stability
- increase standardization
- maintain the current spare parts inventory
- improved data recovery capabilities in the event of data collection system issues
- allow for continued evolution of the data collection and data management systems
- avoid additional operational, maintenance and training costs

Therefore, staff recommends purchasing the required air monitoring instruments from ThermoFisher because this represents the best overall value to the Air District.

## BUDGET CONSIDERATION/FINANCIAL IMPACT

Funds for this purchase were included in the FYE 2011-2012 Capital Equipment Budget items 10 (Air Monitoring Instruments/Parts/Repairs).

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Glen Colwell  
Reviewed by: Jean Roggenkamp

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson John Gioia and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 25, 2012

Re: Report of the Budget and Finance Meeting of January 25, 2012

RECOMMENDED ACTION

The consensus of Committee members present is that the Board of Directors' approve of the following:

- C) Authorize the Executive Officer/APCO to execute agreements not to exceed \$450,000 with Vertigo Software and execute agreements not to exceed \$250,000 with Trinity Technologies Group for replacement of Air District legacy software systems.

BACKGROUND

The Budget and Finance Committee met on Wednesday, January 25, 2012. The Committee received the following reports:

- A) Second Quarter Financial Report – Fiscal Year 2011-12
- B) Air District Financial Overview
- C) Authorize Expenditures for Production System Replacement of Databank

Attached are the staff reports presented in the Budget and Finance Committee packet.

Chairperson Carole Groom will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

- A) None.
- B) None.
- C) This recommendation is funded from the approved Air District Information Systems and Administrative Services FYE 2012 budget.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Maricela Martinez  
Reviewed by: Jennifer C. Cooper

Attachments

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
 Memorandum

To: Chairperson Groom and Members  
 of the Budget and Finance Committee

From: Jack P. Broadbent  
 Executive Officer/APCO

Date: January 10, 2012

Re: Second Quarter Financial Report – Fiscal Year 2011-12

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Finance staff will present an update on the Air District’s financial results for the second quarter of the 2011-12 fiscal year. The following information summarizes those results.

GENERAL FUND BUDGET: STATEMENT OF REVENUE

Comparison of Budget to Actual Revenue

- County receipts \$8,830,371 (42%) of budgeted revenue.
- Permit Fee receipts \$16,405,006 (65%) of budgeted revenue.
- Title V Permit Fees \$3,065,476 (101%) of budgeted revenue.
- Asbestos Fees \$1,079,560 (61%) of budgeted revenue.
- Toxic Inventory Fees \$286,844 (40%) of budgeted revenue.
- Penalties and Settlements \$1,427,304 (95%) of budgeted revenue.
- Miscellaneous Revenue \$32,958 (165%) of budgeted revenue.
- Interest Revenue \$45,580 (17%) of budgeted revenue.

GENERAL FUND BUDGET: STATEMENT OF EXPENDITURES

Comparison of Budget to Actual Expenditures

- Personnel – Salaries \$14,102,990 (46%) of budgeted expenditures.
- Personnel - Fringe Benefits \$6,166,742 (42%) of budgeted expenditures.
- Operational Services and Supplies \$6,993,434 (39%) of budgeted expenditures.
- Capital Outlay \$1,253,464 (72%) of budgeted expenditures

Cash and Investments in County Treasury:

( Based on the December 2011 Account Balance)

|                   |                      |
|-------------------|----------------------|
| General Fund      | \$13,323,423         |
| TFCA              | \$59,545,616         |
| MSIF              | \$32,668,338         |
| Carl Moyer        | \$9,284,274          |
| CA Goods Movement | \$26,287,327         |
|                   | <u>\$143,519,401</u> |

Investments Held as:

( Based on the August 2011 Account Balance)

|                          |                              |
|--------------------------|------------------------------|
| Fixed Income Investments | 60% of total investment pool |
| Short Term Investments   | 40% of total investment pool |

**FUND BALANCES**

|                          | <u>6/30/2010</u><br><u>Audited</u> | <u>6/30/2011</u><br><u>Unaudited</u> | <u>6/30/2012</u><br><u>Projected</u> |
|--------------------------|------------------------------------|--------------------------------------|--------------------------------------|
| Imprest Cash             | \$ -                               | -                                    | -                                    |
| Building and Facilities  | 1,731,690                          | 4,075,756                            | 3,912,154                            |
| PERS Funding             | 1,900,000                          | 1,500,000                            | 1,500,000                            |
| Radio Replacement        | 75,000                             | 75,000                               | -                                    |
| Capital Equipment        | -                                  | 1,219,818                            | 1,219,818                            |
| Contingencies            | 130,425                            | -                                    | -                                    |
| Post-Employment Benefits | -                                  | 2,000,000                            | 2,000,000                            |
| Worker's Compensation    | 1,000,000                          | 1,000,000                            | 1,000,000                            |
| Economic Uncertainties   | 7,816,963                          | 130,660                              | 130,660                              |
| TOTAL SPECIAL RESERVES   | <u>\$ 12,654,078</u>               | <u>\$ 10,001,234</u>                 | <u>\$ 8,704,428</u>                  |
| UNDESIGNATED             | <u>288,477</u>                     | <u>411,797</u>                       | <u>411,797</u>                       |
| TOTAL FUND BALANCES      | <u>\$ 12,942,555</u>               | <u>\$ 10,010,761</u>                 | <u>\$ 9,116,225</u>                  |



## VENDOR PAYMENTS

In accordance with provisions of the Administrative Code, Division II Fiscal Policies and Procedures - Section 4 Purchasing Procedures: 4.3 Contract Limitations, staff is required to provide the Board a listing of all of the vendors receiving payments in excess of \$70,000 under contracts that have not been previously reviewed by the Board. Prior Air District practice does not bring payments for recurring routine business costs such as utilities, licenses, office supplies and the like, before the Board, except as part of the Air District budget. The current practice now is to list such payments over \$70,000 in a quarterly financial report. The purpose is to increase the information flow to the Board, to maintain committee efficiency, and to clarify policy.

The following vendor information is provided:

| Vendor                               | Amount Paid | Service Provided             |
|--------------------------------------|-------------|------------------------------|
| CA PUBLIC EMP RET SYST- HEALTH Total | 1,872,531   | Medical Insurance            |
| PUBLIC EMPL RETIREMENT SYSTEM Total  | 1,853,703   | Pension                      |
| IQAir North America, Inc. Total      | 307,284     | Lab Supplies                 |
| DELTA DENTAL PLAN OF CALIF Total     | 254,801     | Dental Insurance             |
| ALLIANT INSURANCE SERVICES, IN Total | 244,235     | Insurance                    |
| CSAC EXCESS INSURANCE AUTHORIT Total | 204,860     | Insurance                    |
| EMPLOYEE BENEFIT SPECIALISTS, Total  | 192,709     | Medical / Childcare Spending |
| HARTFORD LIFE INS. CO. Total         | 138,648     | 457 Plan                     |
| ENTERPRISE FLEET SERVICES Total      | 131,443     | Fleet Maintenance            |
| COMPUCOM SYSTEMS, INC. Total         | 117,002     | Software Maintenance         |
| CUBIC TRANSPORTATIONS SYSTEMS, Total | 102,329     | Clipper Cards                |
| NETWORK TELEVISION TIME, INC. Total  | 75,678      | Webcasting                   |
|                                      |             |                              |

## BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: David Glasser  
Reviewed by: Jack M. Colbourn

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Groom and Members  
of the Budget and Finance Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 10, 2012

Re: Air District Financial Overview

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Staff will review the Air District response to fiscal challenges. The review will include a discussion of the strategies employed during the FYE 2012 budget cycle. Possible mid-year budget adjustments will be discussed. Implications for the coming FYE 2013 budget process will also be reviewed.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Jeffrey McKay

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Groom and Members  
of the Budget and Finance Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 24, 2012

Re: Authorize Expenditures for Production System Replacement of Databank

RECOMMENDED ACTION

Recommend that the Board of Directors authorize the Executive Officer/APCO to execute agreements not to exceed \$450,000 with Vertigo Software, and execute agreements not to exceed \$250,000 with Trinity Technology Group for replacement of Air District legacy software systems.

DISCUSSION

The Air District has used resources from Vertigo Software and Trinity Technology Group in prior fiscal years, and staff recommends the continued use of proven resources familiar with Air District systems. Vertigo is familiar with the Air District's Microsoft environment. Trinity Technology is familiar with our business processes and with our data sets.

BUDGET CONSIDERATION/FINANCIAL IMPACT

This recommendation is funded from the approved District Information Systems and Administrative Services FYE 2012 budget.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Jeffrey McKay

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson John Gioia and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 24, 2012

Re: Report of the Legislative Committee Meeting of January 30, 2012

RECOMMENDED ACTION

The Committee will discuss and review new and existing bills and consider recommending Board of Directors' positions where appropriate.

BACKGROUND

The Legislative Committee will meet on January 30, 2012 and will receive the following reports and recommendations:

- A) District 2012 Legislative Agenda
- B) Discussion of Governor's Proposed Budget for 2012-2013 Fiscal Year
- C) Review New and Existing Bills and Consider Recommending Positions

Attached are the staff reports presented in the Legislative Committee Meeting packet.

Chairperson Tom Bates will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

- A) None.
- B) None.
- C) None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Maricela Martinez  
Reviewed by: Jennifer C. Cooper

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Bates and  
Members of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 24, 2012

Re: District Legislative Agenda for 2012

RECOMMENDED ACTION:

The Committee will discuss a legislative agenda for the upcoming legislative year and propose an agenda to the Board.

BACKGROUND

At its last meeting, the Legislative Committee discussed priorities and whether to sponsor a bill in 2012. Staff was directed to explore amending the transit commute benefits bill the District sponsored in 2011. This bill, Senate Bill (SB) 582, ultimately passed both houses of the Legislature, only to be vetoed by the Governor. The measure was authored for most of the year by Senator Bill Emmerson (R-Riverside), and later by Senator Leland Yee (D-San Francisco). While the measure was supported by multiple businesses and business associations, it ultimately was opposed by three organizations: the California Chamber of Commerce, the California Taxpayers Association, and the California Manufacturing and Technology Association. Additionally, the Air Resources Board recommended the Governor veto the measure, to the great surprise of District staff and others. Staff met with the Governor's legislative staff, the Air Resources Board Chair and staff, and others at the Capitol, and based on those discussions, have crafted amendments (discussed below) to address concerns expressed by the Administration.

DISCUSSION

2012 is the second year of the current California legislative session and an election year. The November election will be the first election to use the newly-redrawn State Senate and Assembly districts, as well as the 'top two' primary system. Both of these factors will undoubtedly influence how current members of the Legislature vote on issues this year, with some members trending more conservative and others trending more liberal, depending on their perception of their new districts and their opponents' political stances.

Perhaps even more significant is that the State's fiscal problems continue to be severe, despite the unprecedented magnitude of cuts made in the last several years. These continuing economic problems are expected to again have profound impacts on the legislative climate

this year, with measures that either have State costs or are perceived as bad for business or the economy unlikely to advance. In this cautious political climate, major new initiatives are unlikely to fare well.

Unfortunately, staff believes there will continue to be pressure to waive or relax environmental programs this year, particularly those perceived as having costs to California businesses. Thus, we expect to see multiple bills introduced cutting air quality programs, as well as efforts to accomplish this in the budget process.

At the direction of Legislative Committee Chair Bates, staff have investigated a number of legislative ideas addressing the public health impacts of land use decisions. Staff is prepared to present these ideas at our January 30<sup>th</sup> meeting for the Committee's consideration.

Staff recommend a two-part legislative agenda for 2012. Given the dire state of California's finances, and its continuing economic problems, staff recommend the District prioritize trying to prevent efforts to weaken existing air quality regulations or programs, either through changes in policy or funding.

Additionally, staff recommend the District sponsor an amended version of last year's transit commute benefits legislation. SB 582 would have authorized metropolitan planning organizations and air districts across the State to jointly adopt transit commute benefit programs. These essentially would have required employers to offer their employees one of three options: funding for transit or vanpooling, shuttle service to the worksite, or allowing their employees to pay for their own transit, vanpooling, or bicycling expenses with pre-tax dollars. The third option, sometimes referred to as Commuter Check, is already allowed under Federal and State law. It significantly cuts the cost of taking transit for employees, but it also saves money for employers by reducing their payroll taxes. The bill is modeled after local ordinances in San Francisco, Berkeley, and Richmond.

Senator Yee is anxious to try again this year, and would like to work with us on an amended version of the bill. After consultation with the Governor's legislative staff and ARB, as well as others in the Capitol, staff suggests two primary amendments to the bill. One would limit the pilot program to the Bay Area, so the program would take effect if both the Metropolitan Transportation Commission and the District jointly adopt it. The second would increase the size of employers who would be covered by the program, from 20 or more in last year's bill, to 50 or more in this year's bill.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Thomas Addison  
Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Bates and  
Members of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 24, 2012

Re: Discussion of Governor's Proposed Budget for 2012-2013 Fiscal Year

RECOMMENDED ACTION:

None; informational item.

DISCUSSION

California's annual budget deliberations begin with the January release of the Governor's proposed budget for the Fiscal Year starting July 1, 2012. Next, the budget subcommittees in both the Assembly and Senate begin work with a continuing series of budget hearings. In May, the Governor puts out a revised version of his budget, using updated financial information. The Legislature then, at least in theory although rarely in practice, merges their budgets, and adopts a combined budget by its June 15, 2012 deadline. Thus, while this report discusses the recently-released Governor's proposed budget, staff stress that the final budget will invariably be different.

Nevertheless, staff are pleased to report that the Governor's proposed budget contains no cuts to the District. There is neither a diversion to the State of local property tax revenues the District receives, nor a reduction in the roughly \$1.8 million in State funding the District receives. This direct State funding is passed through the Air Resources Board, and is called the State subvention, and all local air districts receive such funds. Given the level of other cuts proposed, and the poor fiscal health of the State, this is very good news for the District.

The Governor and the Department of Finance believe that California currently faces a gap of \$9.2 billion between revenues and expenditures. This is a very significant shortfall, given the total revenue projections for the year are less than \$90 billion. To close that gap, the proposed budget relies on placing a constitutional amendment in front of the voters in November that ostensibly would raise \$6.9 billion. If the voters approve the amendment in November, there would be temporary increases in primarily sales and income taxes. If this is defeated by the voters, another \$5.4 billion of cuts (primarily to education) would be triggered. Regardless of the outcome in November, the proposal also contains major cuts, primarily in social services and child care, as well as increased borrowing. Obviously, the budget depends on the mood of the voters this November. But there is other uncertainty, with the nonpartisan Legislative Analyst stating that the revenues raised by the tax increases are likely to be significantly less than the Governor believes. In fact, their estimate is that if approved by the voters, the measure would raise only \$4.8 billion in the 2012-2013 Fiscal Year.



Staff will continue to monitor budget proposals, and report significant developments to the Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Thomas Addison

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Bates and  
Members of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 24, 2012

Re: Discussion of New Bills

RECOMMENDED ACTION:

The Committee will discuss new bills, and consider recommending positions on them to the Board.

BACKGROUND

February 24, 2012 is the last day for new bills to be introduced, and most legislators do not introduce their measures significantly in advance of this deadline. Thus, most bills will not be in print and available to review until after that date. There will be far more bills for the committee to review at its subsequent meeting.

DISCUSSION

Staff wants to alert the committee to one bill that would affect the District directly. Senator DeSaulnier's Senate Bill (SB) 878 deals primarily with the Joint Policy Committee (JPC). A copy of the bill is attached. This bill was amended last summer to address regional government issues in the San Francisco Bay region. While the bill was not heard in 2011, it has moved rapidly through Senate policy and fiscal committees in January of 2012.

The bill would require the JPC to report to the Legislature on multiple topics, including:

- 1) Developing and implementing a multiagency set of policies and guidelines for the Bay Area's sustainable communities strategy
- 2) Improving coordination among the four regional agencies
- 3) Ensuring public input into the JPC's work on sustainable communities
- 4) Recommending organizational reform to implement this work, including how to achieve interagency collaboration.

It would also require the JPC to prepare an economic development plan for the region, and submit that to the Legislature. Finally, it requires each of the four JPC member agencies, including the District, to report to the Legislature on our public outreach efforts and strategies. Staff presents this bill to the Committee for its consideration.

Additionally, staff may present other measures for the Committee to consider, if relevant measures are introduced between the preparation of this memorandum and January 30, 2012.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

SB 878 would have some staff costs for compliance, although these are anticipated to be relatively minor.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Thomas Addison

AMENDED IN SENATE JUNE 9, 2011

SENATE BILL

No. 878

---

Introduced by Senator DeSaulnier

February 18, 2011

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~~An act to amend Section 24409 of the Vehicle Code, relating to vehicles.~~ *An act to add Section 66536.3 to the Government Code, relating to regional planning.*

LEGISLATIVE COUNSEL'S DIGEST

SB 878, as amended, DeSaulnier. ~~Vehicles: headlights: use of multiple beams.~~ *Regional planning: Bay Area.*

*(1) The Metropolitan Transportation Commission Act creates the Metropolitan Transportation Commission as a regional agency in the 9-county Bay Area with comprehensive regional transportation planning and other related responsibilities, including development of a regional transportation plan with a sustainable communities strategy. Existing law requires a joint policy committee of the commission, the Association of Bay Area Governments, the Bay Area Air Quality Management District, and the San Francisco Bay Conservation and Development Commission to coordinate the development and drafting of major planning documents prepared by the 4 agencies.*

*This bill would require the joint policy committee to submit a report to the Legislature by January 31, 2013, on, among other things, methods and strategies for developing and implementing a multiagency set of policies and guidelines relative to the Bay Area region's sustainable communities strategy, including recommendations on organizational reforms for the regional agencies. The bill would require preparation of a work plan for a regional economic development strategy to be submitted to the Legislature on that date. The bill would also require*

*the member agencies to report on public outreach efforts that they individually or jointly perform. The bill would require public meetings in each of the region's 9 counties and creation of advisory committees, as specified. By imposing new duties on local agencies, the bill would impose a state-mandated local program.*

*(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.*

~~(1) Existing law requires, whenever a motor vehicle is being operated during darkness, a driver to use a distribution of light, or composite beam, directed high enough and of sufficient intensity to reveal persons and vehicles at a safe distance in advance of the vehicle, subject to the specified requirements and limitations. A violation of the Vehicle Code is a crime.~~

~~This bill would revise these specified requirements and limitations to prohibit the use of light of such an intensity that it poses a distraction to drivers of oncoming vehicles and to drivers of vehicles being followed. By expanding the scope of an existing crime, the bill would impose a state-mandated local program.~~

~~(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. *The Legislature finds and declares all of the*  
2 *following:*

3 (a) *The Counties of Alameda, Contra Costa, Marin, Napa, San*  
4 *Francisco, San Mateo, Santa Clara, Solano, and Sonoma share*  
5 *the shoreline of the San Francisco Bay estuary system.*

1     **(b)** *The transportation technologies of the 19th and 20th*  
2 *centuries progressively integrated the movement of people and*  
3 *goods among the nine counties, beginning with ferryboats plying*  
4 *the San Francisco Bay and the rivers flowing into it; the passenger*  
5 *railroad service between San Jose and San Francisco beginning*  
6 *in 1864; the interurban rail networks linking the communities*  
7 *within the East Bay and the communities of the North Bay; the*  
8 *Golden Gate Bridge and the San Francisco-Oakland Bay Bridge,*  
9 *erected as public works projects during the Great Depression to*  
10 *facilitate the movement of motor vehicles throughout the region;*  
11 *the construction of the regional freeway network after World War*  
12 *II; and the creation of the Bay Area Rapid Transit District in 1957*  
13 *and the inauguration of BART transit service in 1972.*

14     **(c)** *The investments in a multimodal transportation network*  
15 *created an integrated regional manufacturing, financial, and*  
16 *technology economy as well as opportunities for housing a growing*  
17 *population. Regional business, governmental, and conservation*  
18 *interests recognized that the infrastructure investments and the*  
19 *dynamic economy they support created unintended consequences,*  
20 *including the degradation of the atmosphere, despoiling of the*  
21 *shoreline shared by the counties, land use decisions often*  
22 *inconsistent and at cross purposes with neighboring communities,*  
23 *and a continuing need to rationalize the transportation system and*  
24 *to marshal resources for its expansion, maintenance, and*  
25 *operations.*

26     **(d)** *Various institutional reforms were initiated during the*  
27 *mid-20th century to address the unintended consequences of*  
28 *economic development, including the formation of the Bay Area*  
29 *Air Quality Management District in 1955; the formation of a*  
30 *voluntary council of governments, the Association of Bay Area*  
31 *Governments, in 1961 to enhance the coordination of policy*  
32 *decision across municipal and county boundaries; the formation*  
33 *of the Bay Conservation and Development Commission in 1965*  
34 *with the mission of persevering in protection of San Francisco Bay*  
35 *and its estuary system from destructive and ill-planned*  
36 *encroachment; and the establishment of the Metropolitan*  
37 *Transportation Commission in 1970, California's first statutorily*  
38 *created regional transportation planning agency, to plan the*  
39 *region's transportation infrastructure, to prioritize transportation*

1 *investments, and to organize and manage the allocation of financial*  
2 *resources necessary to implement the regional transportation plan.*

3 *(e) The accomplishments of the above-referenced regional*  
4 *institutions are among the most significant in the state and nation*  
5 *and have been acknowledged by emulation or peer recognition.*  
6 *The Legislature recognized that the accomplishments of the special*  
7 *purpose regional institutions are noteworthy, but a new benchmark,*  
8 *the integration of regional planning and environmental regulations,*  
9 *is necessary to achieve the goals of sustainable communities as*  
10 *called for in SB 375 of the 2007–2008 Regular Session (Chapter*  
11 *728, Statutes of 2008). To this end, it is necessary to direct the*  
12 *imagination and talent of the San Francisco Bay Area’s most*  
13 *significant regional institutions to addressing the new benchmarks*  
14 *and expectations established by SB 375.*

15 *SEC. 2. Section 66536.3 is added to the Government Code, to*  
16 *read:*

17 *66536.3. (a) The joint policy committee shall prepare a report*  
18 *for submission to the Senate Committee on Transportation and*  
19 *Housing and the Assembly Committee on Transportation on or*  
20 *before January 31, 2013, addressing all of the following:*

21 *(1) Methods and strategies for developing and promulgating a*  
22 *multiagency set of policies and guidelines governing the*  
23 *sustainable communities strategy required pursuant to*  
24 *subparagraph (B) of paragraph (2) of subdivision (b) of Section*  
25 *65080.*

26 *(2) Methods and strategies for improving the efficiency and*  
27 *effectiveness of policy setting and managerial coordination among*  
28 *the regional agencies constituting the joint policy committee.*

29 *(3) Methods and strategies for ensuring that the public in the*  
30 *nine counties of the region has an opportunity to comment on the*  
31 *proposed policies and standards that will be promulgated by the*  
32 *joint policy committee for implementing the sustainable*  
33 *communities strategies. When preparing the strategies, there shall*  
34 *be included criteria to assess the transparency in regional*  
35 *decisionmaking.*

36 *(4) Recommendations on organizational reform to effectuate*  
37 *the above requirements, including recommendations as to whether*  
38 *such a regional organization shall be established by legislation,*  
39 *a joint exercise of power agreement, or some other institutional*  
40 *arrangement specifying the terms of interagency collaboration*

1 *that address the sustainable communities requirements. The report*  
2 *should include the criteria for selecting the recommended*  
3 *institutional arrangement.*

4 *(b) The joint policy committee shall prepare a work plan for a*  
5 *nine-county economic development strategy to be submitted to the*  
6 *Senate Committee on Transportation and Housing and the*  
7 *Assembly Committee on Transportation on or before January 31,*  
8 *2013. The report shall include, but not be limited to, the following:*

9 *(1) Coordination of the regional sustainable communities*  
10 *strategy with local goals for the recruitment and retention of*  
11 *manufacturing, production facilities, business services, and other*  
12 *business enterprises providing high quality jobs that will*  
13 *remunerate employees sufficiently so that their household incomes*  
14 *will allow them to live in the Bay Area, educate their children, and*  
15 *enjoy the region's amenities.*

16 *(2) Regional strategies to ensure the coordination of*  
17 *infrastructure investments, including transportation facilities and*  
18 *services, for planned employment centers.*

19 *(3) Strategies for ensuring a common regulatory system for*  
20 *deployment and permitting of energy conservation facilities and*  
21 *improvements.*

22 *(4) Regional strategies for adaptation to climate change.*

23 *(c) The activities associated with development of the reports in*  
24 *subdivisions (a) and (b) shall include public meetings in each of*  
25 *the region's counties. In addition, communication with the public*  
26 *in that regard shall include the use of conventional media as well*  
27 *as social media. Advisory committees shall be formed that include*  
28 *representation from the regional business community, labor, and*  
29 *other interests.*

30 *(d) The member agencies of the joint policy committee shall*  
31 *also prepare a report identifying the public outreach and*  
32 *community outreach efforts that they individually or jointly perform*  
33 *under federal and state law when carrying out the respective*  
34 *missions of their agencies. The report shall identify the criteria*  
35 *they use to determine the communities and groups that will be the*  
36 *subject of outreach. The report shall identify the actions and*  
37 *methods that the agencies employ to ensure that policy decisions*  
38 *are made in a transparent and accessible fashion. The report*  
39 *prepared by each agency shall be submitted to the Senate*  
40 *Committee on Transportation and Housing and the Assembly*



1 *Committee on Transportation on or before January 31, 2013, and*  
2 *may be incorporated with the other reports required by*  
3 *subdivisions (a) and (b).*

4 *SEC. 3. If the Commission on State Mandates determines that*  
5 *this act contains costs mandated by the state, reimbursement to*  
6 *local agencies and school districts for those costs shall be made*  
7 *pursuant to Part 7 (commencing with Section 17500) of Division*  
8 *4 of Title 2 of the Government Code.*

9 ~~SECTION 1. Section 24409 of the Vehicle Code is amended~~  
10 ~~to read:~~

11 ~~24409. Whenever a motor vehicle is being operated during~~  
12 ~~darkness, the driver shall use a distribution of light, or composite~~  
13 ~~beam, directed high enough and of sufficient intensity to reveal~~  
14 ~~persons and vehicles at a safe distance in advance of the vehicle,~~  
15 ~~subject to the following requirements and limitations:~~

16 ~~(a) Whenever the driver of a vehicle approaches an oncoming~~  
17 ~~vehicle within 500 feet, the driver shall use a distribution of light~~  
18 ~~or composite beam so aimed that the glaring rays are not projected~~  
19 ~~into the eyes of the oncoming driver and shall not use a light of~~  
20 ~~such intensity that it poses a distraction to drivers of oncoming~~  
21 ~~vehicles. The lowermost distribution of light specified in this article~~  
22 ~~shall be deemed to avoid glare at all times regardless of road~~  
23 ~~contour.~~

24 ~~(b) Whenever the driver of a vehicle follows another vehicle~~  
25 ~~within 300 feet to the rear, he shall use the lowermost distribution~~  
26 ~~of light specified in this article and shall ensure that it is not of~~  
27 ~~such an intensity as to pose a distraction to the driver of the vehicle~~  
28 ~~being followed.~~

29 ~~SEC. 2. No reimbursement is required by this act pursuant to~~  
30 ~~Section 6 of Article XIII B of the California Constitution because~~  
31 ~~the only costs that may be incurred by a local agency or school~~  
32 ~~district will be incurred because this act creates a new crime or~~  
33 ~~infraction, eliminates a crime or infraction, or changes the penalty~~  
34 ~~for a crime or infraction, within the meaning of Section 17556 of~~  
35 ~~the Government Code, or changes the definition of a crime within~~  
36 ~~the meaning of Section 6 of Article XIII B of the California~~  
37 ~~Constitution.~~

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson John Gioia and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: January 25, 2012

Re: Update on the Air District Emissions Reductions Efforts at the Port of Oakland

**RECOMMENDED ACTION**

None; receive and file.

**BACKGROUND**

The Port of Oakland (Port) was established in 1927, and was among the first ports globally to specialize in intermodal container operations internationally. Since 1962, the Port has supported intermodal cargo traffic by constructing marine terminals, intermodal rail facilities, and a maritime support area. That construction has led to a facility which consists of 20 deep-water berths which are equipped with 35 container cranes, backed by a network of local roads, interstate freeways, warehouses and intermodal rail yards. Ten Container terminals and two intermodal rail facilities (the Union Pacific and BNSF railroad facilities) currently operate at the Port. The Port loads and discharges more than 99 percent of the containerized goods moving through Northern California, the nation's fourth largest metropolitan area. Oakland's cargo volume also makes it the fifth busiest container port in the United States (2.3 million 20 foot equivalent units (TEU) in 2011 or approximately 1.15 million containers), and ranks San Francisco Bay among the three principal Pacific Coast gateways for U.S. containerized cargoes, along with San Pedro Bay in southern California and Puget Sound in the Pacific Northwest.

The Port is located in the West Oakland community; an area bounded by the Port, the I-580, I-880, and I-980 freeways. A 2008 Health Risk Assessment, conducted by the California Air Resources Board (ARB) in conjunction with the Bay Area Air Quality Management District (Air District), identified that community as having a cancer risk from toxic air contaminants of 2 to 3 times the Bay Area average. This cancer health risk is primarily caused by diesel particulate material (DPM) emissions. Additionally, both the Port's Marine Air Quality Improvement Plan (MAQIP) and the Air District's Community Air Risk Evaluation (CARE) Program have identified controlling DPM emissions from Port sources as being an important component of reducing this risk.

**DISCUSSION**

As part of the presentation, staff will update the Board of Directors on Air District and Port efforts to reduce diesel particulate matter emissions and health risk in the West Oakland community.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Damian Breen  
Reviewed by: Jean Roggenkamp