



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS SPECIAL MEETING
AS THE SOLE MEMBER OF
THE BAY AREA CLEAN AIR FOUNDATION
MARCH 7, 2012

A meeting of the Bay Area Air Quality Management District Board of Directors as the sole member of the Bay Area Clean Air Foundation will be held at 9:30 a.m. in the 7th floor Board Room of the Bay Area Air Quality Management District's 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 9:30 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.

**BOARD OF DIRECTORS SPECIAL MEETING
AS THE SOLE MEMBER OF
THE BAY AREA CLEAN AIR FOUNDATION**

A G E N D A

**WEDNESDAY
MARCH 7, 2012
9:30 A.M.**

**7th FLOOR
BOARD ROOM
939 ELLIS STREET
SAN FRANCISCO, CA**

1. **CALL TO ORDER – ROLL CALL**

2. **PUBLIC COMMENT PERIOD** *(Public Comment on Non-Agenda Items, Pursuant to Government Code §54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at Air District headquarters, 939 Ellis Street, San Francisco, CA, and at the Air District website www.baaqmd.gov at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Board's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.*

Staff/Phone (415) 749-

3. **Approval of the Minutes of February 2, 2011** Clerk of the Boards

4. **Appoint Two Directors to the Bay Area Clean Air Foundation's Board of Directors**
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors as the sole member of the Bay Area Clean Air Foundation will fill the two vacant seats on the Bay Area Clean Air Foundation's Board of Directors. The Board of Directors will consider re-electing Jack Broadbent and Jeff McKay to a second two-year term as directors of the Bay Area Clean Air Foundation.

5. **Accept the Bay Area Clean Air Foundation 2011 Annual Report**
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors as the sole member of the Bay Area Clean Air Foundation will consider accepting the Bay Area Clean Air Foundation 2011 Annual Report.

6. **Approve adoption of the Bay Area Clean Air Foundation's Budget** J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will consider approving adoption of the Bay Area Clean Air Foundation's 2012 Budget.

OTHER BUSINESS

7. Adjournment

CONTACT EXECUTIVE OFFICE - 939 ELLIS STREET SF, CA 94109

(415) 749-5130
FAX: (415) 928-8560
BAAQMD homepage:
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) at that time.

BAY AREA CLEAN AIR FOUNDATION

Memorandum

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

From: Jack P. Broadbent
President, Bay Area Clean Air Foundation

Date: January 25, 2012

Re: Bay Area Clean Air Foundation Draft Sole Member Meeting Minutes

RECOMMENDED ACTION

Approve attached draft minutes of the Bay Area Clean Air Foundation Sole Member Meeting of February 2, 2011.

DISCUSSION

Attached for your review and approval are the draft minutes of the Bay Area Clean Air Foundation Sole Member Meeting of February 2, 2011.

Respectfully submitted,

Jack P. Broadbent
President, Bay Area Clean Air Foundation

Prepared by: Lisa Harper
Reviewed by: Jennifer C. Cooper

Attachment

Bay Area Air Quality Management District
939 Ellis Street, 7th Floor Board Room
San Francisco, CA 94109

Board of Directors Special Meeting
As the Sole Member of the Bay Area Clean Air Foundation
February 2, 2011

DRAFT MINUTES

CALL TO ORDER: Chairperson Tom Bates called the meeting to order at 9:49 a.m.

Roll Call: Chairperson Tom Bates; Vice Chairperson John Gioia; Secretary Ash Kalra; and Directors Carole Groom, Scott Haggerty, Jennifer Hosterman, David Hudson, Carol Klatt, Eric Mar, Nate Miley, Pamela Torliatt, Gayle B. Uilkema, Brad Wagenknecht, and Ken Yeager

Absent: Directors Harold Brown, Chris Daly, Susan Garner, Liz Kniss, Mark Ross, James Spering, and Shirlee Zane

PUBLIC COMMENTS: None

Appoint One Director to the Bay Area Clean Air Foundation's Board of Directors

Jeffrey McKay, Deputy Air Pollution Control Officer, stated that the Bay Area Clean Air Foundation was established September 2008 by the Board of Directors. Directors and Officers of the Foundation were appointed as Jack Broadbent, himself, and Marland Townsend. The first action required is to recommend that the Board of Directors elect Marland Townsend to a second, two-year term as Director of the Clean Air Foundation.

Mr. McKay expressed gratitude for the work Mr. Townsend has done to date and looks forward to his continued participation.

Chairperson Bates commented that the Clean Air Foundation received contributions in the amount of \$250,000 established from settlement funds.

Board Action: Director Wagenknecht made a motion to elect Marland Townsend to a second, two-year term as a Director of the Bay Area Clean Air Foundation; Secretary Kalra seconded the motion; which carried unanimously without objection.

Accept the Bay Area Clean Air Foundation 2010 Annual Report

Board Action: Director Uilkema made a motion to accept the 2010 Annual Report of the Bay Area Clean Air Foundation; Director Wagenknecht seconded the motion; which carried unanimously without objection.

OTHER BUSINESS

Adjournment: The Board of Directors' special meeting adjourned at 9:55 a.m.

Lisa Harper
Clerk of the Boards

BAY AREA CLEAN AIR FOUNDATION

Memorandum

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

From: Jack P. Broadbent
President, Bay Area Clean Air Foundation

Date: February 9, 2012

Re: Appoint Two Directors to the Bay Area Clean Air Foundation's Board of Directors

RECOMMENDED ACTION

Appoint Jack Broadbent and Jeff McKay to a second two-year term as directors to the Bay Area Clean Air Foundation.

BACKGROUND

The Board of Directors, at its July 9, 2008 meeting, approved the establishment of an Air District foundation. In September 2008, the Bay Area Clean Air Foundation ("Foundation") was established. Pursuant to the Foundation's Bylaws, directors of the Foundation are to be elected by the Foundation's Sole Member, the Air District's Governing Board of Directors, at the annual meeting of the Foundation's Sole Member (the Air District's Governing Board of Directors).

Foundation directors serve staggered two-year terms. In 2009, the Board of Directors voted to appoint Jack Broadbent, Jeffrey McKay and Marland Townsend as interim directors and officers of the Bay Area Clean Air Foundation. In 2011, Marland Townsend was elected to a second two-year term as a director of the Bay Area Clean Air Foundation. The directors and officers of the Foundation recommend that the Air District's Governing Board elect Jack Broadbent and Jeff McKay to a second two-year term as directors of the Foundation.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
President, Bay Area Clean Air Foundation

Prepared by: Jennifer C. Cooper

BAY AREA CLEAN AIR FOUNDATION

Memorandum

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

From: Jack P. Broadbent
President, Bay Area Clean Air Foundation

Date: January 25, 2012

Re: Accept the 2011 Annual Report of the Bay Area Clean Air Foundation

RECOMMENDED ACTION

Accept the 2011 Annual Report of the Bay Area Clean Air Foundation.

BACKGROUND

The Board of Directors, at its July 9, 2008 meeting, approved the establishment of an Air District foundation. In September 2008, the Bay Area Clean Air Foundation (“Foundation”) was established. Pursuant to the Foundation’s Bylaws, the directors of the Foundation are to send an annual report to the Air District’s Governing Board of Directors. The Foundation’s directors and officers recommend that the Air District’s Governing Board accept the Foundation’s 2011 Annual Report, which is attached hereto.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
President, Bay Area Clean Air Foundation

Prepared by: Jennifer C. Cooper

Attachment: 2011 Annual Report of the Bay Area Clean Air Foundation

Bay Area Clean Air Foundation

2011 Annual Report

Background

On July 9, 2008, the Bay Area Air Quality Management District Board of Directors approved the establishment of an Air District foundation. In September 2008, the Bay Area Clean Air Foundation ("Foundation") was established. The purposes of the Foundation are (1) to provide financial, administrative, programmatic and other forms of support to the District; and (2) to engage in activities that further such purposes. The Foundation will fund various air quality emissions reduction, educational and service programs to support the mission of the District: to achieve clean air to protect public health and the environment in the San Francisco Bay Area and California.

Directors and Officers

The Directors of the Foundation are:

Jack Broadbent
Marland Townsend
Jeffrey McKay

The Foundation's staff is:

Jack Broadbent, President
Marland Townsend, Vice President
Jeffrey McKay, Secretary and Chief Financial Officer

1. **Report on the Foundation's Activities**

The Clean Air Foundation received funds for two emission reduction projects during calendar year 2011, the City CarShare Project and Oakley Generating Station Mitigation Project.

City CarShare

On August 4, 2010, the Foundation, in partnership with City CarShare, submitted a grant application to the Reformulated Gasoline (RFG) Settlement Fund's Open Grants Program for a project to: 1) convert 10 hybrid electric vehicles to plug-in hybrid electric vehicles, 2) deploy the vehicles as part of City CarShare's fleet to

promote car sharing, 3) evaluate deployment of plug-in electric vehicles in a CarShare environment, and 4) compile lessons learned and disseminate a best practices guide for Carsharing. On November 29, 2010, the U.S. District Court approved a \$546,097 grant to the Foundation for the Project. The funding agreement between the CyPres Administrators (for the RFG Settlement Fund) and the Foundation was executed on April 7, 2011, and a first payment installment in the amount of \$500,000 was received from CyPres on August 31, 2011.

On October 26, 2011, the Foundation executed a funding agreement with City CarShare for the Project in the amount of \$505,137. Under this agreement, City CarShare will

- Purchase ten hybrid vehicles, convert them into extended range, plug-in hybrids and equip them with GPS to collect data;
- Deploy the converted vehicles as part of City CarShare's fleet and equip those locations with Level II electric charging stations;
- Conduct an outreach and awareness campaign and offer incentives in the form of discounts to encourage use of the plug-in vehicles for short city trips which will maximize use of electric drive and thus maximize emissions and fuel benefits;
- Evaluate the project in terms of fuel efficiency and use, emission reductions, member uptake and satisfaction and the vehicles' operational efficiencies in the shared use environment; and
- Prepare a White Paper and Best Practices Guide to compile project data and transfer knowledge to air districts and fleet operators (car-sharing, municipal and corporate fleets) in California.

To date, City CarShare has completed the purchase of 9 out of the 10 vehicles and has been working with their subcontractors to develop the engineering components required for the conversions. Vehicle purchases and conversions are scheduled to be completed by July 1, 2012 with outreach and incentive programs taking place later this year and continuing in 2013. In December 2011, the Foundation made its first payment for expenses incurred to date in the amount of \$41,446.82.

Oakley Generating Station Mitigation Project

Contra Costa Generating Station, LLC (CCGS)/ Radback Energy, Inc., is developing a 624 megawatt power facility/ generating station in Oakley, California. CCGS filed Application for Certification 09-AFC-4 with the California Energy Commission (CEC) on June 30, 2009 to obtain a license to construct, operate and maintain the Oakley Generating Station. The CEC approved CCGS's Application on May 18, 2011 subject to conditions, including permit

condition AQ-SC8, which requires that CCGS mitigate 63.88 tons per year (tpy) of particulate matter (PM) 10/PM2.5 and 12.55 tpy of sulfur oxides (SOx) emissions from the Oakley Generating Station.

The CEC further required CCGS to enter into an agreement with the Foundation in which CCGS would contribute \$32,750 per tpy (inclusive of a 20% administration fee) for PM10/PM2.5 and SOx emissions to be mitigated by projects funded by the Foundation with funds from CCGS. The CEC further required that the funds contributed by CCGS be used to fund emissions reductions projects based on the proximity of the emissions reduction project to the Oakley Generating Station and the relative health benefit to the local community surrounding the Oakley Generating Station by including the following project specific conditions:

1. Diesel emission reduction projects funded by the Foundation with the funds contributed by the project owner shall be weighted for evaluation, qualification, and selection, in accordance with the California Air Resources Board's Carl Moyer Program Guidelines. Other emission reduction projects with the cost-effectiveness of \$32,750 per tpy may be selected by the Foundation.
2. Funding shall initially be made available to qualified projects located preferentially within the boundaries of the City of Oakley, City of Antioch, City of Brentwood, and City of Pittsburg. After twelve (12) months from the date on which the administration funding has been provided to the Foundation, the program shall expand to include qualified projects located in Contra Costa County and Alameda County, with priority given to those projects located within areas designated by the Air District as "priority communities" in the Community Air Risk Evaluation (CARE) program.
3. At all times, identified qualifying emission reduction projects located within the City of Oakley will be given the highest priority.

CCGS provided \$500,000 initial funding for emission reduction projects and administrative fees to the Foundation in August 2011. CCGS shall provide additional funding to the Foundation on a monthly basis as necessary to fund the qualifying emission reduction projects selected for that month. These requests will total (inclusive of a 20% administration fee) no more than \$2,003,083.00 over the term of the project.

The Foundation and CCGS agreed to enter into this Agreement to assist CCGS in satisfying the requirements of Condition of Certification AQ-SC8, and to ensure the proper funding and management of an emissions reduction program. Program implementation is anticipated to commence in spring 2012. There have been no project expenses incurred to date.

These funding sources come with administrative funds that will be used to implement these programs in accordance with the ***Agreement for Allocation of Costs and Reimbursement of Expenses***, between the Foundation and the Air District.

3. **Financial Report**

As of December 31, 2011, the Foundation had a cash balance of \$861,007.70. Following is an accounting of the Foundation's operations since its inception (9/19/2008):

1/1/2011	Beginning Cash Balance		<u>\$ 250,443.00</u>
	Revenue From Operations		
	Contributions		\$ 650,000.00
		City Carshare - Electric Vehicle Grant	150,000.00
		Oakley Generating Station	500,000.00
	Gifts		\$ -
	Interest Income		\$ 2,029.50
	Operating Expenses		
	Grants Awarded		\$ 41,446.82
	Bank Charges		<u>\$ 18.00</u>
12/31/2011	Ending Cash Balance		\$ 861,007.68

4. **Plans for Upcoming Year**

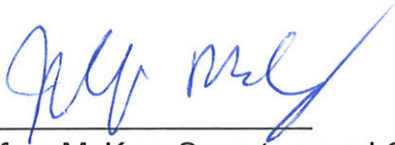
The Foundation will disburse existing funding and evaluate and research new sources of funding.

5. **Election of Foundation Directors**

The Foundation's Bylaws provide that directors of the Foundation may serve up to three consecutive two-year terms. It is proposed that the sole member of the Foundation re-appoint Jack Broadbent and Jeffrey McKay to serve second two-year terms as directors of the Foundation.

***Certification:**

The financial statements herein were prepared without audit from the books and records of the Foundation.



Jeffrey McKay, Secretary and Chief Financial Officer

BAY AREA CLEAN AIR FOUNDATION

Memorandum

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

From: Jack P. Broadbent
President, Bay Area Clean Air Foundation

Date: January 25, 2012

Re: Approve Adoption of the 2012 Budget for the Bay Area Clean Air Foundation

RECOMMENDED ACTION

Approve adoption of the 2012 Budget for the Bay Area Clean Air Foundation.

BACKGROUND

The Board of Directors, at its July 9, 2008 meeting, approved the establishment of an Air District foundation. In September 2008, the Bay Area Clean Air Foundation (“Foundation”) was established. Pursuant to the Foundation’s Bylaws, the Air District’s Board of Directors, as Sole Member of the Foundation, is required to approve the adoption of an annual budget by the Foundation. The Foundation’s directors and officers recommend that the Air District’s Governing Board approve adoption of the Foundation’s 2012 Budget, which is attached hereto.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
President, Bay Area Clean Air Foundation

Prepared by: Jennifer C. Cooper

Attachment: 2012 Budget for the Bay Area Clean Air Foundation

**BAY AREA
CLEAN AIR
FOUNDATION**

Proposed Budget Calendar Year 2012

Revenues

	Recommended
Interest Income	\$ 3,500
District Contribution	\$ 1,000
Grants / Admin Overhead	\$ 9,200
Other	
Total Revenues	\$ 13,700

Expenditures

Administrative Support	\$ 8,500
Tax Filings / Audit	\$ 5,000
Bank Charges	\$ 200
Total Expenditures	\$ 13,700