



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
EXECUTIVE COMMITTEE MEETING

COMMITTEE MEMBERS

JOHN GIOIA – CHAIR
NATE MILEY – SECRETARY
TOM BATES
SCOTT HAGGERTY
BRAD WAGENKNECHT

ASH KALRA – VICE-CHAIR
JOHN AVALOS
CAROLE GROOM
MARK ROSS

WEDNESDAY
FEBRUARY 15, 2012
9:30 a.m.

4TH FLOOR CONFERENCE ROOM
939 ELLIS STREET
SAN FRANCISCO, CA 94109

AGENDA

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, 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 Committee's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.
3. **APPROVAL OF THE MINUTES OF DECEMBER 19, 2011**
4. **UPDATE ON PROTOCOL FOR VIDEO CONFERENCING FROM THE FOURTH FLOOR CONFERENCE ROOM**
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee will reevaluate and consider amending its protocol for video conferencing from the fourth floor conference room.
5. **STATUS REPORT ON REGIONAL AGENCY HEADQUARTERS (RAHQ) PROJECT**
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee will receive a status report on the Regional Agency Headquarters (RAHQ) project.

CLOSED SESSION

6. EXISTING LITIGATION (Government Code Section 54956.9(a))

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

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

OPEN SESSION

7. COMMITTEE MEMBER COMMENTS/OTHER BUSINESS

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

8. TIME AND PLACE OF NEXT MEETING - Monday, March 19, 2012, Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, California 94109 at 9:30 a.m.

9. ADJOURNMENT

CONTACT EXECUTIVE OFFICE- 939 ELLIS STREET SAN FRANCISCO, 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 Clerk's Office should be given at least three 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 District's offices at 939 Ellis Street, San Francisco, CA 94109, at the time such writing is made available to all, or a majority of all, members of that body. Such writing(s) may also be posted on the District's website (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

FEBRUARY 2012

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Advisory Council Regular Meeting <i>(Meets 2nd Wednesday each Month)</i>	Wednesday	8	9:00 a.m.	Board Room
Board of Directors Special Meeting as the Sole Member of the Bay Area Clean Air Foundation – CANCELLED AND RESCHEDULED TO WEDNESDAY, MARCH 7, 2012	Wednesday	15	9:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i> - CANCELLED	Wednesday	15	9:45 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets 3rd Monday Every Month)</i>	Wednesday	15	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Public Outreach Committee	Thursday	16	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Executive Committee <i>(Meets 3rd Monday Every Month)</i> - CANCELLED and RESCHEDULED TO FEBRUARY 15, 2012 AT 9:30 A.M.	Wednesday	20	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Stationary Source Committee <i>(Meet 3rd Monday Every Other Month) – CANCELLED</i>	Monday	20	10:30 a.m.	4 th Floor Conf. Room
Board of Directors Budget & Finance Committee <i>(Meets the 4th Wednesday Each Month)</i>	Wednesday	22	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i>	Thursday	23	9:30 a.m.	4 th Floor Conf. Room

MARCH 2012

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Special Meeting as the Sole Member of the Bay Area Clean Air Foundation	Wednesday	7	9:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	7	9:45 a.m.	Board Room

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

APRIL 2012

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

HL – 2/2/12 (10:21 a.m.)

P/Library/Forms/Calendar/Calendar/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson John Gioia and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: January 19, 2012

Re: Executive Committee Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Executive Committee meetings of December 19, 2011.

DISCUSSION

Attached for your review and approval are the draft minutes of the December 19, 2011 Executive Committee meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Vanessa Johnson
Reviewed by: Jennifer C. Cooper

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

DRAFT MINUTES

Summary of Board of Directors
Executive Committee Meeting
Monday, December 19, 2011
9:30 a.m.

1) Call to Order - Roll Call: Chairperson Tom Bates called the meeting to order at 9:30 a.m.

Present: Chairperson Tom Bates; Committee Members Carole Groom, Scott Haggerty, Ash Kalra, Mark Ross, and Brad Wagenknecht.

Absent: Vice Chairperson John Gioia, Committee Members Susan Garner, and Jennifer Hosterman.

2) Public Comment Period: None.

3) Approval of Minutes: Approval of minutes of July 6, 2011 and October 19, 2011. Committee Action: Director Haggerty moved to approve minutes of July 6, 2011 and October 19, 2011; seconded by Director Wagenknecht; unanimously approved without objection.

4) Joint Policy Committee (JPC) Update

Jean Roggenkamp, Deputy Air Pollution Control Officer, provided an update on the Joint Policy Committee (JPC), stating JPC met on December 2, 2011 and covered numerous items, including the work plan which included:

- Electric Vehicles (Jean Roggenkamp)
- Energy Efficiency (Bruce Riordan, JPC Climate Consultant)
- Local Renewable Power (Bruce Riordan)
- Bay Area Climate/Energy Resilience Strategy (Bruce Riordan)
- Bay Area Economic Development Strategy (Sean Randolph, Bay Area Economic Institute)
- Regional Governance (upcoming SB 878 Hearing, several studies underway)

Ms. Roggenkamp stated JPC also discuss two additional items which were selecting a new staff coordinator for JPC, to replace Ted Droettboom who retired, and the other was the handoff of the proposal from Bay Conservation and Development Commission (BCDC) to JPC for facilitating stakeholders in discussing the development of the sea level rise adaptation strategy.

She also said the last two items were referred to back to each agency for discussion before JPC's next meeting on January 20, 2012. Regarding the Staff Advisor Coordinator for JPC, the Executive Directors have recommended Will Travis be selected serve as the new coordinator.

In addition, BCDC suggested JPC serve as facilitator with all stakeholders to develop a regional sea level rise adaptation strategy, for those areas beyond BCDC's jurisdiction. She said there were discussions regarding this matter and whether this should also be discussed by each of the agencies before JPC assumes the role or whether JPC should assume the role and then refer the items back to their agencies for all policy questions.

Committee Member Comments:

Jack Broadbent, Executive Officer/APCO, stated the Air District is seeking direction from the Committee with regard to the appointment of Mr. Travis as well as BCDC plan amendment process.

Chair Bates said the appointment of Mr. Travis was controversial and to have a discussion regarding this matter is important. Chair Bates stated that JPC on two separate occasions had voted unanimously to assume the role of sea rise level, as it was part of the work plan.

Director Haggerty stated he did not agree with the process regarding Mr. Travis and was concerned about his questions not being answered by Steve Heminger of the Metropolitan Transportation Commission (MTC) and expressed concern regarding compensation for Mr. Travis.

Director Groom asked who would be responsible for paying Mr. Travis' salary and whether MTC would be responsible. Mr. Broadbent stated the cost of the salary is split evenly between the Air District and MTC.

Director Wagenknecht asked about the job description. Mr. Broadbent said the role includes serving as the lead staff person for JPC, which includes a core lead effort which includes the sea level adaptation strategy, as JPC does not have authority to undertake this strategy.

Director Ross said the Committee should move forward in the selection of Mr. Travis as there is a lot of work to do and not much time to complete it all.

Director Groom said she has served on BCDC's Board for the past three months and that sea level rise is something that needs to be visited. She said the policy has been changed by the staff of BCDC and that this is a policy that needs to be reviewed. She also stated that Mr. Travis would be the right person to get the work plan established.

Director Kalra said at the JPC's last meeting there seemed to be concern about the JPC's role regarding the regional sea level rise adaptation strategy and associated policies. He said the JPC could be an appropriate forum for all agencies to address the strategy.

Mr. Broadbent said the employment contract for Will Travis would be for twelve to eighteen months. Given Will Travis' involvement with BCDC and the regional sea level rise adaptation strategy, it is believed that his leadership would be valuable to the JPC.

Chairperson Bates state the sense of the Committee is in favor of moving forward with Mr. Travis serving in the role as staff advisor.

Public Comments: None.

Committee Member Action: None, informational only.

5) Quarterly Report of the Hearing Board: April-June 2011 and July-September 2011

Thomas Dailey, M.D., Chairperson of the Hearing Board, provided an update of the Hearing Board Quarterly Report for the period of April – June 2011 and July – September 2011.

During the second quarter of 2011:

The Hearing Board had a number of applications, and three (3) Accusations, Appeals, Variances. Most notable is the completion of the new Hearing Board Rules. He said the prior Hearing Board Rules were updated in December 2002, and it was time for a more recent version. Dr. Dailey said Hearing Board Subcommittee member Christian Colline was responsible for his efforts with revisions to the Hearing Board Rules.

- During the second quarter of 2011 (April to June), the Hearing Board held 1 hearing and processed a total of 11 applications; 3 of which were Accusations, 2 were Appeals, 3 Variances, and 3 Requests for Withdrawals or Dismissals. The Clerk processed a total of 2 Final Orders.
- The Hearing Board officially approved its New Hearing Board Rules on June 2, 2011, which had been outdated since December 2002.
- The Hearing Board collected a total of \$2,817.00 during the second quarter of 2011.

During the third quarter of 2011:

- During the third quarter of 2011 (July to September), the Hearing Board held 5 hearings and processed a total of 19 applications, 3 of which were Accusations, 2 Appeals, 4 Variances, and 10 Requests for Withdrawals or Dismissals and Status/Compliance Reports. The Clerk processed a total of 7 Final Orders.
- The Hearing Board collected a total of \$2,593.84 during the third quarter of 2011.

Dr. Dailey concluded his presentation.

Committee Member Comments:

Chair Bates asked if it were common for individuals to come to hearings after a rule has been implemented. Brian Bungler, Legal Counsel, said most it has been related to the gas stations and a couple of dry cleaners.

Chair Bates thanked Dr. Dailey for the report.

Public Comments: None.

Committee Member Action: None, informational only.

6) Financial Review of the Production System

Jack Broadbent, Executive Officer/APCO, provided the Committee with brief background of the financial review of the Production System. He said he initiated an effort to have an outside agency conduct a financial review of the monies that were set aside as communicated to the

Board of Directors, and over time, spent and drawn down to be able to develop the Production System.

Mr. Broadbent said the review was completed by the IntelliBridge Partners, and the purpose of conducting the review is that part of the project is scheduled to be up and running in the beginning of 2012. Mr. Broadbent introduced Greg Matayoshi of IntelliBridge Partners and Mr. Matayoshi provided the presentation with the results of his review.

Chair Bates asked Mr. Matayoshi to provide some background.

Mr. Matayoshi introduced Steven Anderson of IntelliBridge Partners, which is a consulting group with offices throughout California, including the Bay Area, Sacramento, San Diego and Los Angeles. He stated IntelliBridge Partners specializes in the government sector, and 95% of their clientele consist of cities, counties and special districts within the state of California.

Mr. Matayoshi said Mr. Broadbent requested a financial review be conducted of the Production System. Mr. Matayoshi said a couple of questions that arose were relative to the cost and funding of the project and as a result it was requested the IntelliBridge address questions which included:

- How much was projected to be spent and were projections properly communicated to the Board and Executive staff?
- How much was actually spent and was the actual financial status properly communicated to the Board and Executive staff?

Mr. Matayoshi said when looking at project costs, no dedicated project account codes were being used within the financial system to easily extract out all costs associated with the Production System. However, the Production System Project Managers were tracking the costs and assigning all incoming invoices to categories including Production System.

He said the information in the original scope of work for the Production System included:

System Development Expenditures	Amount	Funding Source
Original Project Scope	\$5.6 M	District Reserves
Project Scope Creep	<u>1.0 M</u>	Yearly Operating Budget
Total	\$6.6 M	
Additional Functionality	<u>3.8 M</u>	Yearly Operating Budget
Total System Software Development Costs	\$10.4 M	

Mr. Matayoshi continued that the project budget reported to the Board of Directors was always focused on the additional scope of \$5.6 million be taken from district reserves. He said this project scope/project budget did not include the costs of the scope for additional functionality that was to be included throughout this period. He also said that best practices of project management requires that a project plan or project work plan be developed and clearly define all the aspects of what should be included in the original project scope.

Mr. Matayoshi stated that project reporting was not consistent, although project reporting had been conducted periodically to the Board of Directors with focus on the original scope. He also said in April and October of 2011, additional information was presented to both the Board of Directors and Committees relative to the additional costs for the additional functionality of these projects.

As a result of the work conducted, Mr. Matayoshi recommended the following:

- Project plan should be updated, to include all the work required to implement the system fully to include not only what is expected within the original scope to replace DataBank and IRIS but all the aspects of the project.
- Formal project cost report format should be established.
- Dedicated project account codes should be used.

Mr. Matayoshi concluded his presentation.

Mr. Broadbent provided the Committee with additional information as a result of those findings which included:

- Implement IntelliBridge Recommendations:
 - Revise Project Plan
 - Establish Formal Project Cost Reporting Format & Regularly Communicate it
 - Identify Specific Accounting Codes
- Re-Organize the Production System Core Team
- Focus on Launching a Part of the Production System:
 - Gasoline Storage and Dispensing Facilities

Mr. Broadbent said the Air District has decided to take a different approach and that the Production System has been a multi-year process, several million dollars. He said he still feels very strongly and optimistic about the Production System, as it has lots of promise and more efficiency than the Air District currently has in place, as this is expected to link both the inspection and permitting activities in using the latest available tools.

However, the issue has been that the Air District has been trying to develop the Production System with all the different elements, all at the same time. He stated it was determined that this project would continue to exceed the timeframe that was initially established. He also said the Air District will begin focusing on a specific part of the Production System, to develop all of the necessary parts for a specific element and then begin expanding the Production System.

Mr. Broadbent stated staff is concentrating its efforts on the Gasoline Dispensing Facilities (GDF) portion of the Production System. Mr. Broadbent said the Executive Committee will be provided with an update and review of the entire Production System at a future meeting, which will include all developments as of date, timeframes and provide a demonstration of the GDF's.

Committee Member Comments:

Director Wagenknecht said he liked the recommendations from IntelliBridge and would like to know more about the Production System team. Mr. Broadbent said the Air District has relied upon a large core team.

Director Wagenknecht asked that the Production System be included as a recurring agenda item.

Director Haggerty asked the cost of the entire project since the 1990s. Mr. Broadbent said the budget information is from the period of beginning the 2006/2007 when the project began.

Chair Bates asked we be able to see the success once the recommendations are implemented. Mr. Broadbent replied that he asked IntelliBridge to provide a financial review, and over time staff has determined additional functionality than originally noted. He also said this will help better track the costs, and will implement the tools that IntelliBridge recommended in terms of accounting and communicating to the Committee and Board of Directors.

Director Groom asked if a cost benefit analysis was conducted with regard to long term savings for the Air District. Mr. Broadbent said the information would be made available at a future meeting.

Public Comments: None.

Committee Member Action: None, informational only.

7) Workplan and Preparation for Board Retreat

Jack Broadbent, Executive Officer/APCO, provided the Committee with an update on the workplan and preparation for the Board Retreat. Mr. Broadbent said he would discuss the initiatives and status of each one.

Mr. Broadbent highlighted the Production System and the Public Engagement Plan that will set forth a protocol for how the Air District operates with the public. He also highlighted the following key rules which included the Metal Melting Rule scheduled for April 2012 and the Vacuum Trucks. Mr. Broadbent stated there are Community Risk Reduction Plans (CRRP) that are ongoing, but the issue is resources.

Committee Member Comments:

Chair Bates asked if fundraising activities have begun for the Air District Conference. Mr. Broadbent said the Air District has not begun its fundraising efforts at this time.

Director Kalra asked whether the Board would be able to discuss items the Air District believes is of most importance at the Board of Directors Retreat. Mr. Broadbent said he would like the Board to focus on community issues relative to Clear Air Communities Initiatives (CACI). Mr. Broadbent said he would like to dedicate resources and concentrate on various communities, and feels it is worth revisiting where the Air District is now, how much monies have been spent, the accomplishments and how to move forward.

He said community groups are urging the Air District move forward toward CACI in terms of regulatory initiatives beyond the CRRP. He stated the Air District currently conducts community monitoring, roadway monitoring that is currently underway. Mr. Broadbent also stated with regard to the Climate Change Program, the State does not appear interested in having the Air District involved in the implementation of Assembly Bill 32. This is not limited to only the Bay Area Air District, but all regional Air Districts.

Director Kalra asked if there would be a presentation at the Board Retreat regarding the Production System. Mr. Broadbent said the Production System is a high priority and would like to provide a demonstration at a future meeting.

Director Groom asked if the Public Engagement Plan is on target for March and would like to hear more about the plan at the Board Retreat and Director Wagenknecht also asked if this was going to roll out sooner than expected.

Director Bates asked if there were any updates on the Building Industry Association (BIA) lawsuit. Mr. Bunger said there were no updates. Director Bates also asked if the Air District has a liaison for the Foundation. Mr. Bunger said yes, the Foundation consists of outside individuals.

Director Bates also asked about settlement funding. Ms. Roggenkamp said for some of the grants the Air District have applied for those funds will be forwarded to a non-profit company. In addition, the California Energy Commission (CEC) has worked with the Air District for the Calpine Facility for the purpose of Carl Moyer Mitigation Projects.

Public Comments: None.

Committee Member Action: None, informational only.

Time and Place of Next Meeting: At the call of the Chair.

Adjournment: Chair Bates adjourned the meeting at 10:35 a.m.

Vanessa Johnson
Executive Secretary II

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson John Gioia and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: January 25, 2012

Re: Update on the Video Conferencing Protocol from the Fourth Floor Conference Room

RECOMMENDED ACTION:

The Board of Directors Executive Committee will reevaluate and consider amending the Air District's protocol for video conferencing from the Fourth Floor Conference Room.

BACKGROUND

On October 20, 2010, the Board of Directors Executive Committee met and recommended approval of a video conferencing protocol that would allow Board Members the opportunity to participate remotely via both audio and video conferencing communication for all committee meetings hosted in the Fourth Floor Conference Room that do not include action items on the agenda. The two designated remote locations for video conferencing are the Santa Rosa Junior College in Santa Rosa and the County of Santa Clara Building in San Jose. On November 3, 2010, the Board of Directors unanimously adopted the proposed video conferencing protocol.

The Board of Directors Executive Committee has been asked to reevaluate and consider amending the video conferencing protocol to specifically allow Board Members the opportunity to participate remotely in all committee meetings hosted in the Fourth Floor Conference Room when there are both non-action and action items are on the agenda.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

The cost for hosting committee meetings via video conferencing has been set aside in the budget for Fiscal Year End 2012.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Vanessa Johnson
Reviewed by: Jennifer C. Cooper

Attachment(s): Board of Directors Executive Committee Minutes (October 20, 2010)
Board of Directors Regular Meeting Minutes (November 3, 2010)

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

DRAFT MINUTES

Summary of Board of Directors
Executive Committee Meeting
9:45 a.m., Wednesday, October 20, 2010

Call to Order - Roll Call: Chairperson Brad Wagenknecht called the meeting to order at 9:45 a.m.

Present: Chairperson Brad Wagenknecht; Vice Chairperson Tom Bates; Secretary John Gioia; Committee Members Susan Garner, Mark Ross, Pamela Torliatt and Gayle B. Uilkema

Absent: Committee Members Carole Groom and Scott Haggerty

Public Comment Period: Francisco Da Costa, Director of the Environmental Justice Advocacy, requested the District focus on empirical data of all adverse impacts, reported higher than usual instances of suicide in Bayview Hunters Point which he believes is linked to the environment, and asked that the District report on disbursement of Lennar settlement funds.

Approval of Minutes: **Committee Action:** Director Uilkema made a motion to approve the August 5, 2010 minutes; seconded by Secretary Gioia; unanimously approved without objection.

Update on the Strategic Facilities Planning Project – Phase II Study

Strategic Facilities Planning Manager, Mary Ann Okpalaugo, introduced representatives from CB Richard Ellis (CBRE), reviewed activities completed in the Strategic Facilities Planning Phase II Study, outlined Phase II project objectives, which include:

Conducting analysis of existing facilities:

- Operational Requirements
- Sustainability and environmental objectives
- Financial & market research analysis
- Real Estate Scenarios; and a
- Disposition Strategy for exiting current facilities

Developing a Strategy to achieve facility requirements for the Air District, MTC and ABAG, which:

- Promotes the core values;
- Provides for greater building efficiencies
- Lessens environmental impact; and
- Improves Inter-Agency cooperation and initiatives

Ms. Okpalaugo stated CBRE has completed the scope of work for Phase II which included a Needs Analysis, Scenario Planning and Strategy Development. She noted that ABAG and MTC Boards would be provided with an update on the project in mid-November, 2010. Next steps include presentation of study findings to the Air District Board of Directors.

Raul Campos, Managing Director and Senior Vice President, CBRE, presented study findings, alternatives of consolidating, extensive financial analysis, key issues of renovation costs for continued tenancy, disposition values, key planning drivers and reviewed tables of consolidation criteria for the Oakland and San Francisco markets. Mr. Campos then reviewed transit commute effects reviewed their strategy and next steps.

Key issues include the fact that the building is obsolete at 44 years old and in extensive need of renovation. Average square feet per person is 420 per person compared to 225 square feet per person, which is inefficient. CBRE estimates making repairs would cost about \$300/square foot, which is equivalent to buying a newer facility in move-in condition.

Director Uilkema confirmed with Mr. Campos that the District headquarters building is already five years beyond its useful life; remaining in the building is the most expensive option as the District would likely spend an exponential amount to maintain it. Newer building systems operate much more efficiently, and if the building is purchased, because it is in a non-core area, it most likely would be demolished.

Director Garner questioned square footage per employee and confirmed that an architect would ultimately determine the exact footprint for any new facility. CBRE reviewed existing functions and space for the entire District and arrived at a combined total of 150,000 square feet.

Director Torliatt questioned and confirmed zoning was non-conforming residential, that the Van Ness corridor includes a mix of multi-family and mixed use zoning.

Mr. Campos discussed MTC and ABAG buildings which are in good condition and are full, but their needs may change and become more growth-oriented. Regarding disposition values, the condition of the building and market and said the Air District building is valued at \$4 million which is mostly land value due to its location

Director Ross confirmed that the trigger point used was the 2/3 rule for legal, non-conforming use; there are issues of capital and financing which would be required for renovation, and Mr. Campos indicated that the building has only land value and little building value.

Director Torliatt questioned the possibility for residential units on the site and potential height. Mr. Campos indicated there is not a market to finance a residential project. Buildings could be as tall as 130 feet and if developed, the property would most likely remain dormant until the market returned. He said CBRE reviewed land value, value per unentitled unit, retrofitting the building, and they all penciled out evenly at around \$4 million value.

Director Torliatt questioned the timing for the Cathedral Hill hospital project, and confirmed it was several years away due to issues relating to uncertainty with the community, traffic and the market.

Director Ross questioned whether the District would have an obligation to offer the building to another public agency, and Mr. Broadbent agreed that District Legal Counsel would research this, as there may be some restriction.

Mr. Campos continued his presentation and discussed potential consolidation, which does make good sense. Strategy drivers were compelling as all three agencies have the same mission, accessible to public transit, have good employees use and need for public transit, retail and housing. There is also consolidation of office space for board meetings, training rooms, and consolidation would not disrupt commuting patterns.

He said all three agencies expressed sensitivity to cost drivers. CBRE also looked at the real estate market, rents, building values, debt, opportunities to purchase existing buildings of contiguous availability is limited. There are 7 existing options identified that met criteria in San Francisco, and 2 options in Oakland. He presented a graph for consolidation criteria for both markets, and noted that the information was current as of September 29, 2010, with new options appearing or disappearing.

Mr. Campos presented a transit commute effects chart and discussed results of consolidating all three agencies, the Air District only, MTC only and ABAG only in both downtown San Francisco and in Oakland, with minimal variations in commute times. CBRE looked at the base case to remain in the current building through retrofit or to expand for ABAG and MTC into other buildings. He presented cost comparisons of scenarios. The analysis used information for transit only.

Key findings reveal:

1. Consolidate occupancy
 - a. Supports strategic drivers and promotes interagency synergy
 - b. Benefits from economies of scale
 - c. Carbon footprint reduction of 40% or more

2. San Francisco and Oakland are appropriate locations
 - a. Consider options close to BART (within half mile) and other public transportation
 - b. Consolidations in either San Francisco or Oakland will have little adverse impacted on any of the agencies
 - c. Currently Oakland has two potential options for consolidation other than build-to-suit projects
 - d. San Francisco offers a greater feasibility for successful implementation given the number of alternatives

3. Develop specific options in the Market
 - a. Engage outside support to run a competitive process with existing options
 - b. Team to negotiate a non-binding "letter of intent" with best option
 - c. Provide Board with results for review and approval of next steps

Mr. Campos concluded by outlining the District's current carbon footprint, potential reductions, rental markets, leasing analysis, property valuations, and cost comparison of blended occupancy scenarios. Next steps are to take the study findings to the Boards of each agencies, as recommended by the SFPAHC.

Committee Comments/Questions:

Director Bates suggested CBRE review the Ashby BART station, noting that the City of Berkeley owns its air rights.

Director Uilkema questioned financing and bonding capability and suggested private investment groups also be approached. Alex Somerville, CBRE's First Vice President stated there may be

capacity to do bond financing for the building itself. However, build-out would need to be separate financing and CBRE could research bonding capabilities for the District and ABAG.

Mr. Broadbent noted that of critical determination is whether or not the District consolidates. He said it has been the Board's direction to also look at a stand-alone option. The recommendation is for CBRE representatives to make a presentation to the Board on December 1, 2010, and in November, MTC and ABAG Boards will meet and discuss issues relating to consolidation. Chairperson Wagenknecht supported continuing pursuit of a stand-alone option for the District and said financing could also soon be clearer.

Director Torliatt referred to the cost comparison scenario and questioned and confirmed with CBRE that they take into account operating costs such as utilities and maintenance operational costs of the building.

Director Ross reiterated his desire for Legal Counsel to determine whether the District must first offer its building to other public agencies if it is placed on the market.

Director Garner questioned the potential timeframe for a new District headquarters, and Mr. Campos said relocation could be accomplished by 2012, but a lot depends on the option chosen.

Public Comments: None

Committee Action: None; for information only.

7. CEQA Guidelines Implementation Update:

Henry Hilken, Director of Planning and Research, gave an update on the implementation of the District's California Environmental Quality Act (CEQA) guidelines, reviewed District work with local governments and stakeholders in responding to inquiries, providing data and technical assistance, and agency staff are familiar with the guidelines and using them, while contacting staff for assistance when necessary.

Mr. Hilken discussed regional agency collaboration with ABAG and MTC and noted that staff has convened an Air Quality PDA workgroup to identify concerns and provide assistance in streamlining the CEQA process. Staff has issued numerous technical tools, and described a new CAPCOA greenhouse gas mitigation measure quantification tool, and a suite of documents that help consultants and staff, which are helpful but not mandated to be used.

Mr. Hilken discussed Community Risk Reduction Plans and pilot projects underway in San Jose and San Francisco, staff is working with agencies to prepare local emission inventories, have presented and reviewed CRRP Guidelines with the CARE Task Force, and he discussed the development of Community Development Guidelines which further refine mitigations in CRRPs, streamline mitigation measures, standardize setbacks and mitigation measures from various sources/receptors, and establish standard setbacks in CARE communities.

Mr. Hilken said staff has received a lot of comments from affordable housing advocates who are concerned that sites do not pass initial screening; thresholds could be misused and make it harder to develop infill and affordable housing. He briefly reviewed the comments and responses of District staff.

Next steps include:

- Continuing work with cities, counties and regional agency staff;
- Continuing work with affordable housing advocates and other stakeholders;
- Updating screening tables and technical resources as new information becomes available;
- Continuing to make progress with CRRP development; and
- Developing Community Development Guidelines

Committee Comments/Questions:

Director Ross questioned whether or not projects are qualifying under the thresholds. Mr. Hilken cited the positive outcome of developing relationships with local planning departments, and stated that where EIR's were done, in no case has air quality been the only issue.

Public Comment:

Evan Reeves, Center for Creative Land Recycling (CCLR), submitted a letter into the record regarding Toxic Air Contaminant Screening Method, asked that screening models be removed from the website and the deadline be extended, citing thresholds create problems for affordable housing projects.

Stephanie Shakofsky, CCLR, submitted and read a portion of a letter into the record regarding concerns with the effective date for the risk and hazard thresholds for receptor projects relating to calculation of major sources, use of a worst case dispersion model, and non-inclusion of new regulations that limit the TAC levels above stationary and mobile sources in screening models.

Deni Adaniya, Resources for Community Development (RCD), said RCD is an infill developer in Berkeley and most, if not all new projects, are within two blocks of major thoroughfares, transit corridors and/or rail. They are concerned many would not pass and would trigger an EIR, that regulations would be a significant factor in new site selection, and encouraged the District to defer the effective date of January 1, 2011.

Evelyn Stivers, Nonprofit Housing Association, submitted a letter into the record, and voiced concerns that new thresholds conflict with Housing Element sites and Priority Development Area (PDA) regional plans, and questioned the ability for projects to meet the threshold. She asked that the table be removed from the District's website until it was made clearer and more refined.

Francisco Da Costa, Environmental Justice Advocacy (EJA), said what is needed is more empirical data, accountability and transparency, and he asked that the website be updated for consistency and that housing development not occur along freeways.

Directors confirmed with staff the existence of 355 inactive housing element sites in various jurisdictions where affordable housing could potentially be located, discussed the review of screening levels and traffic volumes in preparing the checklist, and acknowledged that the Board's June 2, 2010 action was to make thresholds effective immediately, except for the risk and hazard thresholds for new receptors, which would take effect January 1, 2011, with the idea that CRRPs are underway. Directors acknowledged that the District is a health-based organization, that some affordable housing is being developed in zone districts other than residential, and recognized that some are developed with a mix of both market rate and affordable housing.

Mr. Broadbent supported comments from Directors about the District being a health-based organization and said staff believes that in the long-term, infill development is the way to

approach meeting thresholds. He supported continuation of the dialogue, thinking it would take another 4 to 5 months, and supported the development guidelines and tools in place.

Director Garner agreed, stated the progress made to date in San Francisco and San Jose, and confirmed that the District will work with affordable housing representatives regarding concerns regarding risk and hazard thresholds for receptor projects.

Director Ross supports additional time for further developing guidelines and extending the deadline of January 1, 2011. Infill is a good strategy whether it is affordable, moderate or market rate, acknowledges concerns of affordable housing advocates, but all levels must be considered.

Director Torliatt cited the importance of policy and vision and briefly discussed Petaluma's success in affordable housing development.

Vice Chair Bates understands there are ways to create affordable projects, and recognized that no exceptions should be made for unhealthy development.

Mr. Broadbent stated staff would return to the Board of Directors for consideration of extending thresholds for receptor projects.

5. Update on Webcasting from the Board Room

Mr. Broadbent gave a brief staff report, stating staff is recommending the Committee recommend authorization to issue an RFP for bids to install webcasting equipment in the District Board Room, the results of which would return to the Executive Committee.

Committee Action: Director Garner made a motion to authorize issuance of an RFP for bids to install webcasting equipment in the District Board Room; Secretary Gioia seconded the motion; unanimously approved without objection.

6. Update on Video Conferencing from the Fourth Floor Conference Room

Mr. Broadbent discussed the recommendation to allow video conferencing for Committee meetings for items not requiring action and/or when information items are of short duration. This will allow for greater efficiencies in Committee member time and reductions in emissions. He confirmed the meeting would be completely interactive with available access from the two locations in Santa Clara and Sonoma.

Directors clarified that, depending upon agenda items, attendance would be required at either the District Headquarters, Santa Rosa Junior College in Santa Rosa or the County of Santa Clara Building in San Jose. Directors would be notified 72 hours ahead of the meeting as to whether or not meetings were informational and could be conducted via remote location or required attendance at District Headquarters. And, the agenda would identify all three locations.

Committee Action: Director Garner made a motion to recommend approval of a video conferencing protocol that will allow remote interactions via both audio and video communication for Committee meetings in the Fourth Floor Conference Room that do not include action items; Director Uilkema seconded the motion; unanimously approved without objection.

8. Workplan and Preparation for Board Retreat

The Committee received Air District accomplishments and major initiatives (draft) for the upcoming year, as an informational item, which included the following:

Major Initiatives 2010:

- Contract with Employees Association (EA)
- Proposed Changes to Fees
- Update to CEQA Guidelines
- 2010/2011 budget
- Clean Air Plan
- Refinery NOx Rule
- Production System – Live
- Metal Melting Rule
- Summer/Winter Spare the Air Season Reviews
- Green Port Initiative
- CAPCOA Climate Change Forum

Major Initiatives 2011 (draft):

- Refinery NOx Rule (Amendment)
- Metal Melting Rule
- Community Risk Reduction Plans
- Community Development Guidelines
- Cement Kilns
- General PM Rule
- Indirect Source Rule
- Vacuum Trucks
- Public Engagement Plan
- Facility Relocation
- Contract with Employee Association (EA)
- Production System – Live
- GHG Fee
- Bay Area business Assistance Program

Time and Place of Next Meeting: At the call of the Chair

Adjournment: The meeting was adjourned at 11:35 a.m.

Lisa Harper
Clerk of the Boards

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

Board of Directors Regular Meeting
November 3, 2010

DRAFT MINUTES

CALL TO ORDER: Chairperson Brad Wagenknecht called the meeting to order at 9:45 a.m.

Roll Call: Chairperson Brad Wagenknecht; Vice Chairperson Tom Bates; Secretary John Gioia; and Directors Harold Brown, Chris Daly, Susan Garner, Carole Groom, Scott Haggerty, David Hudson, Ash Kalra, Carol Klatt, Liz Kniss, Nate Miley, Mark Ross, James Spering

Absent: Directors Dan Dunnigan, Jennifer Hosterman, Eric Mar, Pamela Torliatt, Gayle B. Uilkema, Ken Yeager and Shirlee Zane

PLEDGE OF ALLEGIANCE: Chairperson Wagenknecht led the Pledge of Allegiance.

PUBLIC COMMENTS: None

BOARD MEMBER COMMENTS: None

CONSENT CALENDAR (Items 1-4):

1. Minutes of October 6, 2010 Regular Meeting;
2. Communications
3. District Personnel on Out-of-State Business Travel
4. Quarterly Report of Air Resources Board Representative – Honorable Ken Yeager

Board Action: Vice Chair Bates made a motion to approve Consent Calendar Items 1, 2, 3 and 4; Director Spering seconded the motion; unanimously approved without objection.

COMMITTEE REPORTS AND RECOMMENDATIONS

5. **Report of the Executive Committee Meeting of October 20, 2010**
Chair: B. Wagenknecht

The Executive Committee met on Wednesday, October 20, 2010 and approved the minutes of August 5, 2010.

The Committee received an update on the Strategic Facilities Planning Project—Phase II study findings with the primary objective of exploring alternative locations and a real estate strategy that best fits the needs of the District, MTC and ABAG. CB Richard Ellis presented study findings, consolidation alternatives, extensive financial analysis, and renovation costs for continued tenancy,

disposition values, commute statistics, key planning drivers, and reviewed tables of consolidation criteria for the Oakland and San Francisco markets. Next steps are to take study findings to the Boards of each of the three agencies. The Board will be provided with a presentation on December 1, 2010.

The Committee then received an update on the implementation of the District's CEQA Guidelines and thresholds of significance adopted by the Board at its June 2, 2010 meeting, an overview of District staff's coordination with local governments and stakeholders, regional agency collaboration, and the use and further refinement of technical tools and resources. The Committee reviewed Community Risk Reduction Plan (CRRP) pilot projects underway in San Jose and San Francisco, and discussed the development of Community Development Guidelines which will further refine mitigations in sources/receptors, and establish standard setbacks in CARE communities.

Public comment was received regarding possible unintended consequences relating to screening levels for affordable housing and infill development, potential conflicts between thresholds and housing element sites and Priority Development Areas (PDA's), and general concern regarding development of affordable housing in impacted areas. The Committee held discussion regarding the January 1, 2011 effective date for the risk and hazards thresholds for new receptors, and asked staff to continue to work with affordable housing representatives, and bring back the issue of possible extension of the January 1, 2011 deadline.

The Committee briefly discussed webcasting technology and unanimously recommended that staff issue an RFP and return to the Executive Committee with the cost to install webcasting equipment in the District Board Room.

The Committee then discussed video conferencing from the Fourth Floor Conference Room to two remote locations: the Santa Rosa Junior College in Santa Rosa, and the County of Santa Clara Building in San Jose. **The Committee unanimously recommended that the Board of Directors approve a protocol for video conferencing that will allow remote interactions via both audio and video communication for Committee meetings held in the Fourth Floor Conference Room that do not include action items.**

The Committee then received the Bay Area Air Quality Management District's Major Initiatives 2010 and 2011 (draft), which will be discussed at the Board Retreat in early 2011.

The next meeting of the Committee is at the Call of the Chair.

Board Action: Chairperson Wagenknecht made a motion to approve the report and recommendations of the Executive Committee; Secretary Gioia seconded the motion; carried unanimously without opposition.

6. Report of the Public Outreach Committee Meeting of October 25, 2010
Chair: M. Ross

The Public Outreach Committee met on Monday, October 25, 2010 and, due to the lack of initial quorum, deferred approval of the minutes of July 21, 2010.

The Committee received an update on the 2010 Spare the Air Every Day Campaign. This year's campaign targeted young adults between the ages of 17-35. The Committee discussed the use of social media networks through Facebook and Twitter, received an overview of the year's campaign elements, advertising and media highlights, discussed events held throughout the Bay Area, and reviewed results of the 2010 Great Race for Clean Air contest and public awareness survey results.

The Committee received an overview of the 2010/11 Winter Spare the Air Campaign which informs residents about the Wood Burning Rule. The Committee reviewed a comparison of enforcement statistics from the first two Winter Spare the Air seasons, the District's advertising approach which is built on previous years, expansion of a multi-cultural outreach strategy, and targeted advertisement throughout the Bay Area.

The Committee received an overview of a District-initiated assessment which analyzed current Limited English Proficiency (LEP) practices, guidance, and Bay Area demographics. Staff discussed current laws and guidance governing language access, presented statistics of Bay Area residents who speak English *less than very well*, and reviewed current District services provided to LEP populations and potential improvements. Next steps include development of a comprehensive Public Engagement Policy and Plan.

The Public Engagement Policy and Plan will provide the District with guidance and tools for engaging stakeholders. The Committee reviewed next steps and a timeline of actions.

Public comment was received from speakers who voiced support of development of the Public Engagement Policy and Plan.

The next meeting of the Public Outreach Committee is at the Call of the Chair.

Board Action: Chairperson Ross made a motion to approve the report of the Public Outreach Committee; Director Brown seconded the motion; carried unanimously without opposition.

7. Report of the Mobile Source Committee Meeting of October 28, 2010

Chair: S. Haggerty

The Mobile Source Committee met on Thursday, October 28, 2010 and approved the minutes of September 23, 2010.

The Committee discussed and considered recommending Board of Director's approval of the Carl Moyer Program projects with proposed grant awards over \$100,000. Recommended projects include four marine engines, and five off-road engines. Based on its review, the Committee recommends the Board of Directors authorize the Executive Officer/APCO to enter into these agreements.

The Committee then discussed and considered recommending Board of Directors' approval to accept up to \$6.7 million in Climate Innovation Program (CIP) grant funding from the Metropolitan Transportation Commission (MTC) for bicycle sharing pilot and electric vehicle (EV) charging infrastructure projects. These projects will deploy 1,000 bicycles along the Cal Trans Mass Transportation Corridor in a pilot project, and develop a regional public charger deployment plan. The Committee recommends that the Board of Directors authorize the Executive Officer/APCO to enter into agreements for the recommended projects.

The Committee also discussed and considered allocating \$5 million in Mobile Source Incentive Funds for the Lower Emission School Bus Replacement Program. This funding will replace 30 of the highest emitting buses in service in the Bay Area. Based on this discussion, the Committee is requesting the Board of Directors approve the allocation of \$5 million in Mobile Source Incentive funds (MSIF) to fund public school bus replacement projects under the Lower-Emission School Bus Program (LESBP).

The next meeting of the Mobile Source Committee will be Thursday, November 18, 2010 at 9:30 a.m.

Board Action: Chairperson Haggerty made a motion to approve the report and recommendations of the Mobile Source Committee Meeting; Director Klatt seconded the motion; carried unanimously without opposition.

8. Report of the Nominating Committee Meeting of November 3, 2010

Chair: B. Wagenknecht

The Nominating Committee met on Wednesday, November 3, 2010 and approved the Nominating Committee minutes of November 4, 2009.

The Committee considered the 2011 Board Officers for the 2011 Term of Office, discussed Board Member interest, diversity of representation, and recommended the following Board Officers for 2011:

Chairperson Tom Bates
Vice Chairperson John Gioia
Secretary Ash Kalra

The next meeting of the Nominating Committee is at the call of the Chair.

Board Action: Chairperson Wagenknecht made a motion to approve the report and recommendations of the Nominating Committee; Director Brown seconded the motion; carried unanimously without opposition.

PRESENTATION

9. Advisory Council Report and Recommendations from the June 9, 2010 Meeting on California's 2050 GHG Emission Reduction Target – Control Technologies and Strategies for the Industrial and Electric Power Sectors

Advisory Council Member Mike Sandler said the Advisory Council spent several months working on the report and recommendations from the June 9, 2010 meeting on California's 2050 GHG emission reduction target for control technologies and strategies for the industrial and electric power sectors.

Mr. Sandler gave a PowerPoint presentation, reviewed key points provided by speakers as being carbon capture, sequestration, and cap and trade and briefly discussed what each involves in the context of reducing emissions from the industrial and electric power sectors to receive an 80% reduction in greenhouse gases below 1990 levels by 2050.

He said the Advisory Council reviewed the draft and new cap and trade regulation which has a 45-day comment period open until December 16, 2010. They discussed regulating upstream companies, the allocation of permits, beneficiaries of the permit value or auction revenues, offsets and cost containment, as well as complaints from agencies regarding the current cap and trade systems, over allocation of permits, and equity issues.

Mr. Sandler reviewed the Advisory Council's recommendations:

Carbon Capture:

- Promote technologies
- Research alternative, lower carbon cement; work with cities
- Consider recognition of the use of lower net carbon footprint materials in materials and infrastructure projects.

Sequestration:

- Track progress, consider risks

Cap and Trade:

- Encourage carbon price (even beyond cost recovery)
- Support Health Impact Assessment recommendations

Director Comments/Questions:

Director Hudson questioned geologic risks of injecting carbon, recycled water, the existence of coal power plants, and the potential for using membrane technology. Mr. Sandler said with injection of water, there is not a worry that it will not come back up into the air. CO₂ is a gas and it flows differently.

Vice Chair Bates questioned and confirmed there was a small scale, coal power plant at Moss Landing which was created for study in their pilot project. There was a question regarding whether Calera is looking at their process for a natural gas plant and they indicated their first choice was to go with coal because it is a high CO₂ source and a big problem for climate change. Director Hudson believed there is one or possibly two small coal burning plants in Stockton which may or may not be in operation.

Mr. Broadbent referred to the CARB cap and trade rule and he noted that District staff will be commenting on the cap and trade rule.

Chairperson Wagenknecht thanked the Advisory Council for their recommendations, said he was impressed with speaker presentations and ensuing discussion.

Director Ross said CARB released their cap and trade regulations, which may overlay in the District's efforts. He noted that Proposition 26 requires 2/3 vote for a fee, and he asked Mr. Sandler whether this would affect cap and trade and the District. Mr. Sandler said Proposition 23 did not pass and AB 32 will continue. Proposition 26 passed which would change the definition of the fee and require voter approval. This could come up in terms of auctioning the permits depending on whether there are lawsuits, and it might force a vote in order to auction permits. Mr. Broadbent said staff would pose this question back to the Advisory Council, staff will comment on cap and trade, and CARB is considering it at their December Board meeting.

10. 2010-2011 Winter Wood Smoke Reduction Program

Air Quality Program Manager, Barbara Coler, gave a brief overview of the Wood Smoke Reduction Program. She said the program continues to be successful, it is critical to attain PM2.5 air quality standards, the District is protecting the Bay Area health by implementing the rule, and noted essential program components include education and outreach, compliance assistance, and a robust enforcement program.

Ms. Coler reviewed survey results, key components of Regulation 6, Rule 3 which was adopted July 9, 2008, and said the District is in non-attainment for PM2.5. She presented a particulate matter pyramid of health effects, emphasizing this is the most serious health related air pollutant in the Bay Area because it causes immediate health effects. She reviewed wood smoke enforcement, complaints and warning letter statistics for the 2008/09 and 2009/2010 programs and reviewed 2010/2011 program highlights.

Communications and Outreach Director, Lisa Fasano, presented the Winter Spare the Air (WSTA) program outreach, stating the District will continue to blanket the area with messaging and will target message to non-English speaking communities and those more likely to exceed the 24 hour standard. Staff will stress health impacts this year and expand multi-cultural outreach. She then presented a video of the campaign, an outreach map with various types of targeting with billboards, transit shelters, TV, radio, bicycle, family events, door to door, and Treasure Island banner advertising. Ms. Fasano then presented a video of WSTA commercial, and presented a map of outreach in the Bay area.

Ms. Fasano also indicated staff will be messaging with the Livermore Amador Valley Transit Authority (LAVTA). She said messages will be to Check Before You Burn, Call 1-877-4NO-BURN, Check with WSTA Alert status at www.sparetheair.org or www.baaqmd.gov, and listen for Alerts on local news and TV.

Director Comments/Questions:

Director Hudson stated LAVTA and County Connection are affiliated in how they provide transit to Pleasanton, Dublin and Bishop Ranch, and he asked about advertising on some of the Bishop Ranch Express buses with County Connection.

Director Ross commended staff with their approach, hoped that the program is institutionalized in people's minds, feels it has a lot of resonance with residents, and noted that 50% of people have reduced wood smoke burning.

Vice Chair Bates confirmed that 24 hour notice is provided when Spare the Air days are called, and it runs midnight to midnight.

Director Haggerty asked staff to focus on what he believes is a missed opportunity with barbeques. Ms. Fasano noted that outside fireplaces are included; however, cooking over a fire outdoors is exempt under the regulation.

Chairperson Wagenknecht stressed that education and broadening of the message will continue to resonate with people, and Directors agreed.

OTHER BUSINESS

11. Report of the Executive Officer/APCO:

- Staff is meeting with representatives of the affordable housing and development community regarding CEQA guidelines and will be recommending a series of actions at either the Board of Directors meeting on December 1 or 15, 2010. Part of the actions will

include a recommendation to move the date of the toxics receptor portion which becomes effective January 1, 2011 and provide more time. Staff will be preparing additional information that will serve to simplify the process of preparing CEQA analyses and refined inventory analyses.

- Staff is working with the new owners of the former NUMMI facility; Tesla, to transfer credits and in making sure the plant operates smoothly in building electric vehicles for the Bay Area.
- Staff is working closely with the Lehigh Cement community of Cupertino and others to address concerns. Staff will be going out with public process for Title V permit in late November/early December.
- The Air and Waste Management Association's People to People program 2011 delegation to India, which was assembled two years ago was canceled and postponed. He said A&WMA is now asking for delegates to join them in February 2011 and an email was sent to the Board to garner interest in being part of the delegation. The subject of Board expenses had been thoroughly discussed in 2007, and it was decided at that time to cover half the amount of total costs. He confirmed that the Board will be asked to make a decision no later than the end of November in order to properly plan and reported that three Directors had previously been scheduled to attend.
- Chairperson Wagenknecht requested staff to agendize the discussion about reimbursement for travel to India at the next Executive Committee meeting. Director Ross confirmed with Mr. Bunger that when the vote was taken for the last trip, the Board set aside a total amount of money which was divided amongst those who attended.

12. Chairperson's Report:

- Acknowledged the festivities of the San Francisco Giants' World Series parade which is being held downtown this date;
- The November 17, 2010 Board of Directors meeting is canceled.

13. Time and Place of Next Meeting: Regular Meeting - Wednesday, December 1, 2010, 9:45 a.m., Board Room, 939 Ellis Street, San Francisco, CA 94109

16. Adjournment: The Board of Directors meeting adjourned at 10:45 a.m.

Lisa Harper
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson John Gioia and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 6, 2012

Re: Status Report of Regional Agency Headquarters Project

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On October 12, 2011, the Bay Area Toll Authority (BATA) and the Metropolitan Transportation Commission (MTC) approved the purchase of 390 Main Street in San Francisco. The Bay Area Headquarters Authority (BAHA) was created as a Joint Powers Authority (JPA) between the BATA and MTC to purchase 390 Main Street.

On October 14, 2011, BAHA purchased 390 Main Street for \$93 million dollars and authorized approximately \$53 million dollars for renovations.

In preparation for Air District acquisition of a portion of the building, a condominium agreement and lease purchase agreement are being finalized.

BAHA has contracted with Perkins + Will as the architectural and engineering firm for the renovation and seismic retrofit work. The contract with Perkins + Will was signed January 20, 2012.

Staff will review the Air District Acquisition process and the transition from its current location, 939 Ellis Street, San Francisco, California.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None at this time.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Okpalauugo
Approved by: Jack M. Colbourn