

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

Board of Directors Regular Meeting
Wednesday, June 4, 2014

APPROVED MINUTES

1. **CALL TO ORDER:** Vice-Chairperson Carole Groom called the meeting to order at 9:47 a.m.

Opening Comments: None.

Roll Call:

Present: Chairperson Nate Miley; Vice-Chairperson Carole Groom; Secretary Eric Mar; and Directors John Avalos, Teresa Barrett, Tom Bates, Cindy Chavez, John Gioia, Scott Haggerty, David Hudson, Ash Kalra, Roger Kim (on behalf of Edwin Lee), Carol L. Klatt, Liz Kniss, Mary Piepho, Mark Ross, Jim Spring, Brad Wagenknecht and Shirlee Zane.

Absent: Directors Susan Adams, Jan Pepper and Tim Sbranti (resigned).

Pledge of Allegiance: Vice-Chairperson Groom led the Pledge of Allegiance.

PUBLIC COMMENT ON NON-AGENDA MATTERS

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

No requests received.

CONSENT CALENDAR (ITEMS 3 – 8)

3. **Minutes of the Board of Directors (Board) Special Budget Hearing and Regular Board of Directors Meetings of May 21, 2014;**
4. **Board Communications Received from May 21, 2014 through June 3, 2014;**
5. **Consideration of Contract Amendment for Janitorial Services;**
6. **Authorize Expenditure for the Enhancement of the Production System and Integration with JD Edwards Financial System;**
7. **Web Maintenance and Projects Contract Approval; and**
8. **Consider Authorizing the Executive Officer/Air Pollution Control Officer (APCO) to Execute a Contract Amendment with E4 Strategic Solutions, Inc.**

Board Comments: None.

Public Comments: No requests received.

Board Action:

Director Wagenknecht made a motion to approve Consent Calendar Items 3 through 8, inclusive; Director Piepho seconded; and the motion carried by the following vote of the Board:

AYES: Avalos, Barrett, Bates, Chavez, Gioia, Groom, Hudson, Kim, Klatt, Kniss, Piepho, Ross, Spering, Wagenknecht and Zane.

NOES: None.

ABSTAIN: None.

ABSENT: Adams, Haggerty, Kalra, Mar, Miley, Pepper and Sbranti.

COMMITTEE REPORTS AND RECOMMENDATIONS

9. Report of the Mobile Source Committee (MSC) Meeting of May 22, 2014

Committee Chairperson Haggerty (read by Director Piepho)

The MSC met on Thursday, May 22, 2014, and approved the minutes of April 24, 2014.

The MSC reviewed Projects and Contracts with Proposed Awards Over \$100,000 and recommends the Board:

1. Approve Carl Moyer Program (CMP) projects with proposed grant awards over \$100,000;
2. Allocate \$6.3 million in Mobile Source Incentive Funds to eligible Lower-Emission School Bus Program (LESBP) projects; and
3. Authorize the Executive Officer/APCO to enter into agreements with applicants for LESBP projects and the recommended CMP projects.

The MSC then reviewed the Transportation Fund for Clean Air (TFCA) Regional Fund Policies and Evaluation Criteria for Fiscal Year Ending (FYE) 2015, including information about the public input process and proposed revisions. The MSC recommends the Board approve the proposed FYE 2015 TFCA Regional Fund Policies and Evaluation Criteria presented in Attachment A of the MSC staff report, with an amendment on page 3, Policy 26.d. Shuttle/Feeder Bus Service Projects, to replace “0.6 miles” with “0.5 miles.”

The MSC then reviewed a recommendation for vendor selection for the next Bicycle Rack Voucher Program cycle, including a review of the program results from the first cycle and the process and results of the request for proposals for the upcoming cycle. The MSC recommends the Board authorize the Executive Officer/APCO to enter into and execute all necessary contracts with five vendors including Dero Bike Rack Co., Peak Racks Inc., Saris Cycling Group, Sportsworld Northwest Inc., and Urban Racks not to exceed a total of \$860,000.

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

Board Comments: None.

Public Comments: No requests received.

Board Action:

Director Piepho made a motion, seconded by Director Hudson, to approve the recommendations of the MSC; and the motion carried by the following vote of the Board:

AYES: Avalos, Barrett, Bates, Chavez, Gioia, Groom, Hudson, Kim, Klatt, Kniss, Piepho, Ross, Spering, Wagenknecht and Zane.

NOES: None.

ABSTAIN: None.

ABSENT: Adams, Haggerty, Kalra, Mar, Miley, Pepper and Sbranti.

10. Report of the Executive Committee (EC) Meeting of May 28, 2014
Committee Chairperson Miley (read by Vice-Chairperson Groom)

The EC met on Wednesday, May 28, 2014 without establishing a quorum.

The EC received the Quarterly Report of the Hearing Board for January through March 2014, including summaries of the cases and fees collected, from Terry Trumbull, Esq., Chairperson of the Hearing Board.

The EC then received a staff report *Update of Remote Participation Protocol for Committee Meetings* and discussed the concerns raised by Director Shirlee Zane in a letter to the Board, dated March 18, 2014. The EC referred the discussion to the full Board at its next meeting.

The EC then received a staff presentation *My Air Online Program Update*, including the program goal, structure and plan; website project process and content organization; website design samples; permitting and compliance systems status; next steps; public data access status; geospatial mapping request for proposals results; and next steps. Staff will deliver a presentation on this topic at today's meeting. A consensus of EC members present recommended the Board:

1. Select Lightmaker USA, Inc. (Lightmaker) as the successful vendor for the Geospatial Mapping and Data Visualization Tool for the My Air Online program website; and
2. Authorize the Executive Officer/APCO to execute all contracts not to exceed \$193,320 with Lightmaker for this project.

The EC then received a staff presentation *Information Technology (IT) Infrastructure for 375 Beale Street*, including IT procurement cycle; 2010 equipment; IT infrastructure lease; and recommendation. The consensus of EC members present recommended the Board authorize the Executive Officer/APCO to prepay one annual payment of \$368,000 for the Air District's IT infrastructure capital lease.

Last, the EC met in closed session to confer with agency representatives in labor negotiations with the employee organization Bay Area Air Quality Employee's Association, Inc., with no reportable action. The EC Chairperson will brief the Board on the negotiations during today's closed session.

The next meeting of the EC is Monday, July 21, 2014, at 9:30 a.m.

Board Action:

Director Groom made a motion, seconded by Director Kniss, to approve the consensus recommendation of the EC.

Board Comments:

The Board and staff discussed the travel time required for Board members from remote counties and the viability of a less expensive alternative to the videoconferencing setup in the fourth floor conference room that could be implemented in the Board room until the Air District moves to 375 Beale Street.

Director Zane asked staff to research a less expensive alternative that could be implemented in the board room during the interim.

NOTED PRESENT: Chairperson Miley was noted present at 10:00 a.m. and Director Mar was noted present at 10:04 a.m.

Jack Broadbent, Executive Officer/APCO, introduced Jaime Williams, IT Officer, who gave the staff presentation *My Air Online Program Update*, including program goal, structure and plan; website project process and content organization; website design samples; permitting and compliance systems status; next steps; public data access status; geospatial mapping request for proposals results; and next steps.

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

The Board and staff discussed the heartening progress and the significant scope of this undertaking.

Public Comments: No requests received.

Board Action (continued):

The motion carried by the following vote of the Board:

AYES: Avalos, Barrett, Bates, Chavez, Gioia, Groom, Hudson, Kim, Klatt, Kniss, Mar, Miley, Piepho, Ross, Spering, Wagenknecht and Zane.

NOES: None.

ABSTAIN: None.

ABSENT: Adams, Haggerty, Kalra, Pepper and Sbranti.

PUBLIC HEARINGS

11. Public Hearing to Consider Adoption of Proposed Amendments to Air District Regulation 3: Fees

Mr. Broadbent introduced Jeff McKay, Deputy APCO, who gave the staff presentation *Proposed Amendments to Regulation 3: Fees*, including an overview of revenue sources in the FYE 2013 Budget, an explanation of the background and current cost recovery policy, trends in cost cutting, proposed changes to fee schedules, greenhouse gas fees, impact on small businesses, a fee comparison with South Coast Air Quality Management District, public comments, and the rule development schedule.

Public Comments:

Janet Whittick, California Council for Environmental and Economic Balance (CCEEB), addressed the Board in support of the staff recommendation.

Board Action:

Director Piepho made a motion, seconded by Director Wagenknecht, to adopt a resolution adopting the proposed amendments to Air District Regulation 3: Fees, as attached to the staff report, effective July 1, 2014; approve the filing of a California Environmental Quality Act (CEQA) Notice of Exemption; and a two year phase-in of the greenhouse gas (GHG) fee increase.

Board Comments:

The Board and staff discussed the reason for considering a two year phase-in of the GHG fee increase and whether or not it is appropriate.

Board Action (continued):

Director Zane made a substitute motion, seconded by Director Bates, to adopt a resolution adopting the proposed amendments to Air District Regulation 3: Fees, as attached to the staff report, effective July 1, 2014, and approve the filing of a CEQA Notice of Exemption.

Board Comments (continued):

The Board and staff discussed the GHG fee increase, including the nexus of the recommendation to consider a two year phase-in; whether or not a phase-in is appropriate; how it impacts the Air District's Climate Action Plan; how many facilities will see a significant fee increase; CCEEB's recommendation record; the importance of maintaining strong relationships with Air District stakeholders and the value of compromise; impact on the Air District cost recovery plan; the past

successes of the phase-in approach and importance of supporting staff recommendations in general; impact on staffing plans and future operations; Air District record of environmental stewardship for the public benefit; CCEEB's mission and membership; and the varying impacts of the immediate versus phased-in approaches on Air District programs and operations.

NOTED PRESENT: Director Haggerty was noted present at 10:37 a.m.

Ms. Whittick, at the request of the Board, provided additional information regarding the mission and membership of CCEEB.

Board Action (continued):

Director Zane withdrew the substitute motion, which withdrawal was seconded by Director Bates.

The original motion carried by the following vote of the Board:

AYES: Barrett, Bates, Chavez, Gioia, Groom, Haggerty, Hudson, Kalra, Kim, Klatt, Kniss, Mar, Miley, Piepho, Ross, Spering, Wagenknecht and Zane.

NOES: None.

ABSTAIN: None.

ABSENT: Adams, Avalos, Pepper and Sbranti.

12. Public Hearing to Consider Adoption of the Air District's Proposed Budget for FYE 2015

Mr. Broadbent introduced Mr. McKay who, at the request of Chairperson Miley, gave an abbreviated version of the staff presentation *Proposed FYE 2015 Budget*, focused on Other Post-Employment Benefits (OPEB) and the presentation summary.

Public Comments: No requests received.

Board Action:

Director Kniss made a motion, seconded by Director Piepho, to adopt a resolution to approve the Budget for FYE 2015 and various budget related items.

Board Comments:

The Board and staff discussed, regarding slide 15, *Illustration Funded OPEB*, how instructive the material was to the Budget and Finance Committee who recommended approval of the proposed Budget for FYE 2015; the likely value of the material for all public agencies; the current benchmark for full funding of OPEB; and what benchmark the current funding proposal is based upon.

Board Action (continued):

The motion carried by the following vote of the Board:

AYES: Barrett, Bates, Chavez, Gioia, Groom, Haggerty, Hudson, Kalra, Kim, Klatt, Kniss, Mar, Miley, Piepho, Ross, Spering, Wagenknecht and Zane.

NOES: None.

ABSTAIN: None.

ABSENT: Adams, Avalos, Pepper and Sbranti.

PRESENTATION

13. Discussion of Procedures for the Vote Reporting in Compliance with Senate Bill (SB) 751

Mr. Broadbent introduced Brian Bunger, District Counsel, who gave the staff presentation *Discussion of Compliance with SB 751*, including introduction and background; SB 571 requirements and considerations; and possible voting methods.

Board Comments:

The Board and staff discussed the purpose of the legislation; the expected facilities at 375 Beale Street; the use of a vote tally board; and whether a voice vote is appropriate.

Board Action:

Director Bates made a motion, seconded by Director Hudson, to initiate use of the voice vote method.

Board Comments (continued):

The Board and staff discussed the burden placed on the clerk and possible impact on the accuracy of the record by utilizing the voice vote; use of voice vote being at the discretion of the Chairperson; and the applicable provisions of the current Administrative Code.

Public Comments: No requests received.

Board Action (continued):

Director Bates made an amended motion, seconded by Director Hudson, to initiate use of the voice vote method at the discretion of the Chairperson unless the vote is not unanimous, in which case a roll call vote will be taken; and the motion carried by the following vote of the Board:

AYES: Barrett, Bates, Chavez, Gioia, Haggerty, Hudson, Kalra, Kim, Klatt, Piepho, Ross, Spering, Wagenknecht and Zane.

NOES: Groom and Kniss.

ABSTAIN: Miley.

ABSENT: Adams, Avalos, Mar, Pepper and Sbranti.

CLOSED SESSION

The Board adjourned to Closed Session at 11:18 a.m.

14. CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6(a))

Pursuant to Government Code Section 54957.6(a), the Board met in closed session to confer with agency negotiators to discuss the status of labor negotiations as follows:

Agency Negotiators: Jack P. Broadbent, Executive Officer/APCO
Jack M. Colbourn, Director of Administrative Services

Employee Organization: Bay Area Air Quality Employee’s Association, Inc.

OPEN SESSION

The Board resumed Open Session at 11:45 a.m. with no reportable action.

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

BOARD MEMBERS’ COMMENTS:

Directors Piepho and Gioia thanked staff for attending a public meeting in Contra Costa County regarding the proposed Shell refinery project.

Director Hudson suggested the Board consider increasing the 85% fee recovery target for the future.

OTHER BUSINESS

15. Report of the Executive Officer/APCO:

Mr. Broadbent gave the staff presentation *Summary of Ozone Seasons*; announced the sale of 939 Ellis Street and thanked staff; gave an update on the status of the headquarters move; delivered the 2013 Annual Report; highlighted the upcoming committee meetings related to refinery activities and requested time for staff to obtain critical information on the projects of interest; reported that the Stationary Source Committee meeting in July will include an update on the proposed refinery tracking rule and the Public Outreach Committee will receive an update on outreach relative to the Commuter Benefits Program; provided an update on staff review of budget allocations to monitoring equipment purchases; and announced the scheduling of a Climate Protection Committee meeting that will include a discussion of possible grant options available under the Climate Action Program.

16. Chairperson's Report:

Chairperson Miley congratulated Directors Gioia, Groom, Spering and Wagenknecht on the June 3, 2014 election results and announced the screening of excerpts from a new documentary "Toxic Hot Seat" at the Board meeting on June 18, 2014.

17. Time and Place of Next Meeting:

Wednesday, June 18, 2014, Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

18. Adjournment: The Board meeting adjourned at 11:56 a.m.

15/ Sean Gallagher

Sean Gallagher
Clerk of the Boards