

Bay Area Air Quality Management District
City of South San Francisco Municipal Services Building
33 Arroyo Drive
South San Francisco, CA 94080
(415) 749-5073

Board of Directors Special Meeting & Retreat
Wednesday, January 21, 2015

APPROVED MINUTES

1. CALL TO ORDER

Outgoing Chairperson Nate Miley called the meeting to order at 9:52 a.m.

Opening Comments: None.

Roll Call:

Present: Outgoing Chairperson Nate Miley; Chairperson-Elect Carole Groom; Vice-Chairperson Eric Mar; Secretary Liz Kniss; and Directors John Avalos, Teresa Barrett, David J. Canepa, Cindy Chavez, John Gioia, Scott Haggerty, David Hudson, Roger Kim (on behalf of Edwin Lee), Karen Mitchoff, Jan Pepper, Katie Rice, Mark Ross, Rod Sinks, Jim Spring, Brad Wagenknecht and Shirlee Zane.

Absent: Directors Tom Bates and Margaret Fujioka.

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

2. PUBLIC COMMENT ON NON-AGENDA MATTERS

Don Cuffel, Valero, addressed the Board of Directors (Board) to inquire whether refinery emissions have been proven scientifically to be more dangerous than the same emissions from other sources; to suggest that industry does not want to harm the public or its own employees; and to volunteer to be a participant in advancing a rational dialogue regarding refinery emissions.

Sylvia Gray-White, Communities for a Better Environment (CBE), submitted written material, *Stop Spraying California!*, and addressed the Board urging the Air District to engage with the federal government to stop the chemtrail program.

Guy Bjerke, Western State Petroleum Association, addressed the Board regarding a desire to advance the dialogue on refinery emissions rulemaking through the Clean Air Plan and the established rulemaking process.

NOTED PRESENT: Director Kniss was noted present at 10:00 a.m.

Bill Quinn, California Council for Environmental and Economic Balance (CCEEB), addressed the Board to explain the history, membership and mission of CCEEB and to encourage an open and transparent rulemaking process.

Joseph Weinstein, Odor Group, addressed the Board regarding the persistent, odor in Milpitas and the effectiveness of the Air District complaint line.

NOTED PRESENT: Director Mar was noted present at 10:05 a.m.

Raymond Wong addressed the Board regarding the odor in Milpitas and over 500 phone calls to the Air District hotline regarding the same; to suggest that the staff reports on the topic are inaccurate and the inspectors take several hours to respond; to suggest that inspectors be required to provide their name and phone number when responding to public reports; and to suggest the current monitoring of hydrogen sulfide is inadequate.

Andrés Soto, CBE, addressed the Board to express his gratitude to Outgoing Chairperson Miley and Chairperson-Elect Groom; to cite the letter delivered to the Board on January 16, 2015, by Diane Bailey, Natural Resources Defense Council, on behalf of a number of organizations; and to request an Air District response to the claim of two different permits to operate being issued to Kinder Morgan.

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

Ratha Lai, Sierra Club San Francisco Bay Chapter, addressed the Board in support of Mr. Soto's comments regarding refinery issues; to relay a community concern relative to petroleum coke emissions; and to suggest that the Kinder Morgan permit process is an example of Air District operations with room for improvement.

Marinell Daniel, CBE, addressed the Board to encourage action in response to the reports from the residents of Milpitas; to echo the comments of Messrs. Soto and Lai; to report that the Kinder Morgan facility whose permit is the subject of discussion is located within five blocks of an elementary school in Richmond, an area with asthma rates that indicate a need for change; and to request the reconsideration of the Kinder Morgan permit in a process that includes an environmental impact report.

Steve Nadel, Sunflower Alliance, addressed the Board regarding the need for faster Air District action; to note the static greenhouse gas (GHG) level in the Bay Area for the last 15 years; and to suggest that the question of how to get necessary GHG reductions is one that requires an immediate answer.

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), said staff will further investigate the reports coming out of Milpitas, arrange a meeting with their city manager and report out to the Stationary Source Committee and Director Chavez.

3. COMMENDATION / PROCLAMATIONS / AWARDS

Chairperson-Elect Groom and Mr. Broadbent, in turn, each recognized Outgoing Chairperson Miley for his outstanding leadership as Chairperson of the Board of Directors in 2014.

Outgoing Chairperson Miley commended staff for the work of the Air District in 2014 and thanked the Board, public and staff for their involvement and efforts.

Outgoing Chairperson Miley passed the gavel to Chairperson-Elect Groom.

NOTED PRESENT: Director Gioia was noted present at 10:25 a.m.

Chairperson Groom recognized Susan Adams, Carol Klatt and Supervisor Mary Piepho, in absentia, for their outstanding leadership as members of the Board of Directors.

Chairperson Groom recognized Councilmember Ash Kalra for his outstanding leadership as a member of the Board of Directors.

CONSENT CALENDAR (ITEMS 4 – 10)

- 4. Minutes of the Regular Board Meeting of December 17, 2014;**
- 5. Board Communications Received from December 17, 2014 through January 20, 2015;**
- 6. Air District Personnel on Out-of-State Business Travel;**
- 7. Notices of Violations Issued and Settlements in Excess of \$10,000 in the month of December 2014;**
- 8. Adoption of Amendments to the Air District’s Administrative Code, Division I: Operating Policies and Procedures, Section 7 Advisory Council (Council);**
- 9. Consider Authorizing the Executive Officer/APCO to Execute a Contract, in an Amount Not to Exceed \$100,000, for the Development of an Expanded 60th Anniversary Annual Report; and**
- 10. Update on the My Air Online Program.**

Board Comments: None.

Public Comments: No requests received.

Board Action:

Director Wagenknecht made a motion, seconded by Director Ross, to approve Consent Calendar Items 4 through 10, inclusive; and the motion carried by the following vote of the Board:

AYES: Avalos, Barrett, Canepa, Chavez, Gioia, Groom, Haggerty, Hudson, Kim, Kniss, Mar, Miley, Mitchoff, Pepper, Rice, Ross, Sinks, Spring, Wagenknecht and Zane.
NOES: None.
ABSTAIN: None.
ABSENT: Bates and Fujioka.

COMMITTEE REPORTS

11. Report of the Mobile Source Committee (MSC) Meeting of December 18, 2014

Committee Chairperson Haggerty

The MSC met on Thursday, December 18, 2014, without establishing a quorum.

The MSC reviewed and discussed the staff presentation *Transportation Fund for Clean Air (TFCA) Cost-Effectiveness Report*, including background and the expenditures, emissions reductions, and cost-effectiveness of programs and projects closing in fiscal year ending (FYE) 2014.

The MSC then reviewed and discussed the staff presentation *Acceptance of Funds from the National Fish and Wildlife Foundation (NFWF) for a Commercial Lawn and Garden Equipment Replacement Program*, including background, project description and recommendations. The consensus recommendation of the MSC members present is for the Board to:

1. Accept \$470,000 in funds from the NFWF to implement a commercial lawn and garden equipment replacement program in Alameda and Contra Costa counties; and
2. Authorize the Executive Officer/APCO to enter into all necessary agreements to implement the program and expend the \$470,000 in funds from the NFWF for the commercial lawn and garden equipment replacement program.

The Committee then reviewed and discussed the staff presentation *Consideration of Amendments to the FYE 2015 TFCA Regional Fund Policies*, including background; prior Board approvals and the public comment process; proposed updates that will allow funding for three new project categories; and recommendations. The consensus recommendation of the MSC members present is for the Board to:

1. Approve of changes to the FYE 2015 TFCA Regional Fund Policies to include light-duty zero and partial zero emissions vehicles for fleets, heavy-duty zero emissions vehicles, and alternative fuel infrastructure (hydrogen and CNG) projects as eligible project types; and
2. Authorize the Executive Officer/APCO to enter into contracts for eligible projects.

The next meeting of the MSC is on Thursday, January 22, 2015, at 9:30 a.m.

Board Comments: None.

Public Comments: No requests received.

Board Action:

Director Haggerty made a motion, seconded by Director Hudson, to approve the consensus recommendation of the MSC members present; and the motion carried by the following vote of the Board:

AYES: Avalos, Barrett, Canepa, Chavez, Gioia, Groom, Haggerty, Hudson, Kim, Kniss, Mar, Miley, Mitchoff, Pepper, Rice, Ross, Sinks, Spring, Wagenknecht and Zane.
NOES: None.
ABSTAIN: None.
ABSENT: Bates and Fujioka.

12. Report of the Climate Protection Committee (CPC) Meeting of January 15, 2015
Committee Chairperson Avalos

The CPC met on Thursday, January 15, 2015, and approved the minutes of December 1, 2014.

The CPC received the presentation *Climate Protection Program Update*, including background; overviews of the Regional Climate Protection Strategy, technical program, local government assistance, policy approaches, rule development and staffing resources; and next steps.

The CPC then received and discussed the presentation *Observing CO₂ [Carbon Dioxide] in the Bay Area: Documenting Emissions Changes as They Happen* by Dr. Ronald C. Cohen, Professor of Chemistry, Professor of Earth and Planetary Science, University of California Berkeley, including climate, emissions, CO₂ plans, mapping of CO₂ emissions in the Bay Area, an exploration of the number of measurements needed to verify CO₂ emissions from a source or area, an overview of the Berkeley Atmospheric CO₂ Observing Network and the instruments being utilized, and initial air quality measurements data.

The next meeting of the CPC is on Thursday, March 19, 2015, at 9:30 a.m.

Board Comments: None.

Public Comments: No requests received.

Board Action: None; receive and file.

BOARD RETREAT

13. Opening Comments

Chairperson Groom welcomed those present; thanked the City of South San Francisco for the use of the facility for today's meeting; welcomed new Directors Canepa, Mitchoff, Rice and Sinks; and commented on the number of recent Air District achievements and the amount of work remaining.

Board Comments: Directors Canepa, Mitchoff, Rice and Sinks each briefly introduced themselves.

Public Comments: No requests received.

Board Action: None; receive and file.

14. State of the Air District

Mr. Broadbent addressed the Board regarding the State of the Air District.

Board Comments: None.

Public Comments: No requests received.

Board Action: None; receive and file.

15. Air Quality Summary

Mr. Broadbent gave the staff presentation *Air Quality Summary*, including ozone exceedance, air toxics, and fine particulate matter (PM_{2.5}) trends over the years; a comparison of PM_{2.5} levels in 2007 and 2013; an overview of Winter Spare the Air PM_{2.5} reductions; Bay Area GHG emissions trends from 1990 to 2050; and pathways to improving Bay Area air quality.

The Board and staff discussed, at slide 8, *Ozone Exceedance Trends 1968 to Present*, the relevance of the slide for long-term residents of the Bay Area; how much federal standards are expected to change with the anticipated amendments and how the Air District intends to comply; current state and federal ambient air quality standards; the nature of the air quality index and the healthy/unhealthy messaging that results.

Mr. Broadbent continued the presentation.

The Board and staff discussed, at slide 9, *Air Toxics Trends 1990 – 2001 – 2014*, whether the current or new-but-not-yet-issued Office of Environmental Health Hazard Assessment (OEHHA) thresholds were used for the calculations in this slide; the importance of stating the scientific source of the data in light of statements from representatives of the petroleum industry; clarification that the decreases in various air toxics and average levels is not true of each and all of the air toxics; and an approximate timeline relative to rulemaking by the Air District to incorporate OEHHA's changes.

Mr. Broadbent continued the presentation.

The Board and staff discussed, at slide 12, *Winter Spare the Air PM_{2.5} Reductions*, the possibility of a grant program to incentivize the upgrading of residential fireplaces and the existence of a small grant program already in place in Marin County, a joint venture between the Air District and County.

Mr. Broadbent concluded the presentation.

Board Comments: None.

Public Comments: No requests received.

Board Action: None; receive and file.

16. Administrative and Financial Overview

Jeff McKay, Deputy APCO (DAPCO), gave the staff presentation *Administrative & Financial Overview*, including summaries of the recent financial history, topics for Fiscal Year Ending 2016 budget discussions, personnel costs and purchase of 375 Beale Street.

Board Comments: None.

Public Comments: No requests received.

Board Action: None; receive and file.

17. Update on Council Restructure

Mr. McKay gave the staff presentation *Update on Council Restructure*, including summaries of the Health and Safety Code amendments under Senate Bill 1415 and the Council restructure.

Board Comments:

The Board and staff discussed the ex officio membership of the Board Chair on the current Council and whether representatives or deputies can attend Council meetings on behalf of the Board Chair or APCO; the importance of screening prospective members of the restructured Council for conflicts of interest; the suggestion to appoint health officers from the Bay Area county governments to the restructured Council; the future delivery of a work plan with more details on the restructuring; the likelihood that the Health and Science Officer position on Air District staff will soon be filled; the possibility of staff recommending the appointment of one current Council member to the restructured Council for the sake of continuity; concerns about maintaining a democratic body that adequately provides geographic representation with a membership scaling from twenty seats down to seven; whether community input would be considered relative to the appointment of the subject matter experts; and the potential establishment of a Community Council.

Public Comments: No requests received.

Board Action: None; receive and file.

18. Update on Community Programs

Jean Roggenkamp, DAPCO, gave the staff presentation *Update on Community Programs*, including a summary of the community engagement program.

Board Comments:

The Board and staff discussed where the business community and prospective Community Council fit within the existing Air District structure relative to staff and the Board and its committees; the importance of meeting accessibility through a variety of tools, such as webcasting or meeting

locations throughout the Bay Area; the vision of the prospective Community Council as an additional channel for public interaction with the Board and staff; and the timelines for the appointment of the Community Engagement Manager and the proposed change of name and mission for the Public Outreach Committee.

Public Comments: No requests received.

Board Action: None; receive and file.

19. Update on 375 Beale Street

Damian Breen, DAPCO, gave the staff presentation *375 Beale Street Regional Agency Headquarters Status Report*, including a status report; construction, furniture procurement and move coordinator updates; internal move strategy; construction photos; and an artist's rendering of the main entrance.

Board Comments:

The Board and staff discussed changes planned for the elevators; a staff offer to make tour arrangements for interested members of the Board; which areas will be shared space and the variety of meeting rooms available; a comparison of the current and expected Board rooms; the facilities and technology that will be available in the various meeting rooms; and the ongoing work by Air District staff to make available the necessary equipment to enable remote participation, as previously discussed.

Public Comments: No requests received.

Board Action: None; receive and file.

20. Production System and Website Project Update

Mr. Breen introduced Jaime Williams, Information Technology Officer, who gave the staff presentation *Production System & Website Project Update*, including My Air Online 2014-2015 plan; My Air Online Roadmap; new website design samples; public website and public data access next steps; and a permitting and compliance system overview and next steps.

Board Comments:

The Board and staff discussed information security and the reliability of the public and Air District data exchange; whether real time exchanges between the public and staff will be possible; the possibility of providing complaint information as publicly accessible data; the public's appreciation for tailored and personalized updates; whether photographs can be uploaded as a component of a public complaint; the importance of accepting multimedia information given how much insight it provides; and that information relative to overall and specific staff response times should be available as a result of this new system.

Public Comments: No requests received.

Board Action: None; receive and file.

21. Key Policy Initiatives

Mr. Broadbent introduced Ms. Roggenkamp, who gave the staff presentation *Key Policy Initiatives*, including refinery emissions reduction strategy, climate action work program and other rulemaking.

The Board and staff discussed, at slide 55, *Refinery Emission Reduction Strategy*, whether the goal of a 20% reduction in health risk will be based on the current or expected new guidelines.

Ms. Roggenkamp concluded the presentation.

Board Comments:

The Board and staff discussed the meaning of “Explore Bay Area’s Energy Future” on slide 56, *Climate Action Work Program*; whether new rules can be expected in 2015 that will address the GHG trends shown in slide 13, *Bay Area GHG Emission Trends 1990 – 2050*; the need at the city and county level for help and support in not only establishing policy objectives but in holding them accountable for achieving them; the timeline for and likely components of the refinery emission reduction strategy; and the possibility of inviting Richard Corey, Executive Officer, California Air Resources Board, to present first to the CPC and then the Board on local opportunities to achieve regional and statewide goals.

Public Comments:

Mr. Soto addressed the Board to request the implementation of refinery emission reductions, a 20% GHG reduction and toxic air contaminants reduction as soon as possible; to argue that the science of air quality is established well enough for immediate action; to provide notice that the U.S. Chemical Safety Board (CSB) is expected to issue its final report on the 2012 Chevron refinery incident in the immediate future; and to suggest the Air District take up the recommendations from the CSB report.

Mr. Lai addressed the Board in support of Mr. Soto’s comments; to request work be done on petroleum coke emissions as soon as possible; and to request the review of the Kinder Morgan permit be made an urgent item.

Claire Broome, 350 Bay Area, addressed the Board regarding the positive progress shown in the presentation with the exception of GHGs, which were revealed to be trending upward; the significant discussion of wood-burning stoves and fireplaces coupled with little or no discussion of permitted sources, a group that accounts for approximately one third of Bay Area pollutants; to suggest acceptance of the urgency of the situation and engagement with any aspects in which the Air District can effect change; to request an evaluation of the permitting process in order to incorporate reductions; to advocate for the prioritization of clean power to decrease GHG emissions; and to propose that reduction opportunities currently exist in residential and commercial building.

Andy Katz, Breathe California, addressed the Board regarding the commendable leadership and accomplishments of the Air District, as well as the work remaining; to suggest the current Council is difficult to engage in a meaningful way and to urge for the inclusion of community-based expertise on

the restructured council, stating the Community Air Risk Evaluation Task Force is an example of the success of that model; the importance of openness and transparency; the positive development of strengthened thresholds and the appropriateness of a broader discussion; to echo the prior public speakers relative to refineries; the expectation of Bay Area residents for bold action on climate change; and the importance of California Environmental Quality Act thresholds and serious concerns about the offsets program established by the California Association of Air Pollution Control Officers, specifically its compatibility with future regional work and reductions achieved in the past.

Board Action: None; receive and file.

22. Upcoming Committee Assignments and Goals

Chairperson Groom stated that the committee assignments will be delivered to the Board members in the next forty-eight hours.

Board Comments: None.

Public Comments: No requests received.

Board Action: None; receive and file.

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

24. BOARD MEMBERS' COMMENTS:

Director Hudson commended the new Winter Spare the Air campaign that focuses on the impacts of wood-burning fires on indoor air quality and urged for more of the same and inquired about a correlation between air quality and exercise-induced asthma.

Director Gioia noted that the Consent Calendar routinely includes a report on Notices of Violations Issued and Settlements in Excess of \$10,000 and asked that a few word description be inserted for each item in the future.

OTHER BUSINESS

25. Report of the Executive Officer/APCO: None.

26. Chairperson's Report:

Chairperson Groom announced the cancellation of the Board meeting on February 4, 2015.

27. Time and Place of Next Meeting:

Wednesday, February 18, 2015, Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

28. Adjournment: The Board meeting adjourned at 12:38 p.m.

/s/ Sean Gallagher

Sean Gallagher
Clerk of the Boards