

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

Board of Directors Regular Meeting  
Wednesday, April 15, 2015

## **APPROVED MINUTES**

*Note: Audio and video recordings of the meeting are available on the website of the Bay Area Air Quality Management District at <http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes.aspx>.*

### **1. CALL TO ORDER**

Chairperson Carole Groom called the meeting to order at 9:59 a.m.

**Opening Comments:** None.

#### **Roll Call:**

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

Absent: Directors Cindy Chavez and Shirlee Zane.

**Pledge of Allegiance:** Chairperson Groom led the Pledge of Allegiance.

### **2. PUBLIC COMMENT ON NON-AGENDA MATTERS**

David Oster addressed the Board of Directors (Board) to suggest that U.S. Environmental Protection Agency (EPA)-approved fireplace devices should be exempt from Air District restrictions on wood burning.

NOTED PRESENT: Director Mar was noted present at 10:01 a.m.

Jon Marcus addressed the Board regarding the exhaust from a food preparation facility in his residential neighborhood and summarized his experience with the complaint and reporting processes at various local government agencies.

NOTED PRESENT: Director Miley was noted present at 10:04 a.m.

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), said he will personally visit the site and meet with Mr. Marcus; Air District staff are working on proposed amendments to the wood smoke rule in response to input from stakeholders and the Board; there is significant concern about the point-of-sale provision; and a number of viable ideas have surfaced during the workshop process that will be considered while staff prepares proposal for Board review prior to fall 2015.

The Board discussed the possibility of considering barbecue emissions in the future and the viability of cities and counties regulating the same independent of Air District involvement; the experience of Mr. Marcus and how the public can engage Air District staff properly and effectively; and the expected launch of the redesigned website in June 2015 with a user-friendly and streamlined complaint component.

### **CONSENT CALENDAR (ITEMS 3 – 8)**

- 3. Minutes of the Board Regular Meeting of March 18, 2015;**
- 4. Board Communications Received from March 18, 2015 through April 14, 2015;**
- 5. Air District Personnel on Out-of-State Business Travel;**
- 6. Notice of Violations Issued and Settlements in Excess of \$10,000 in the Month of March 2015;**
- 7. Quarterly Report of California Air Resource Board (ARB) Representative – Honorable John Gioia; and**
- 8. Consider Authorizing the Executive Officer/Air Pollution Control Officer (APCO) to Execute a Contract with E4 Strategic Solutions, Inc., in an Amount Not to Exceed \$250,000.**

Board Comments: None.

Public Comments: No requests received.

Board Action:

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

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

### **COMMITTEE REPORTS**

- 9. Report of the Climate Protection Committee (CPC) Meeting of March 19, 2015**  
Committee Chairperson Avalos

The CPC met on Thursday, March 19, 2015, and approved the minutes of January 15, 2015.

The CPC received and discussed the presentation *Climate Protection Program Staffing & Activities*, including a summary of the climate program major accomplishments, overview of climate program staffing and plans for moving forward.

The CPC then received and discussed the presentation *ARB's Climate Change Programs*, from Edie Chang, Deputy Executive Officer, ARB, including Assembly Bill (AB) 32 requirements; greenhouse gas (GHG) emissions reduction goals; initial scoping plan and key measures; GHG emissions by sector; cap-and-trade program; scoping plan update; Governor's climate goals; local government actions for climate change; overview of Cool California; Air District climate initiatives; and opportunities for local and regional action.

The next meeting of the CPC is on Thursday, May 21, 2015, at 9:30 a.m.

Board Comments: None.

Public Comments: No requests received.

Board Action: None; receive and file.

**10. Report of the Budget and Finance Committee (BFC) Meeting of March 25, 2015**  
Committee Chairperson Hudson

The BFC met on Wednesday, March 25, 2015, and approved the minutes of February 25, 2015, upon establishing a quorum.

The BFC received and discussed the staff presentation *Draft Amendments to Regulation 3: Fees*, including an overview of revenue sources in the Fiscal Year Ending (FYE) 2014 budget; an explanation of current cost recovery policy and background; trends in cost cutting; proposed changes to fee schedules; greenhouse gas fees and other proposed amendments; impacts on small businesses and large facilities; public comments; and the rule development schedule.

The BFC then received and discussed the staff presentation *Proposed FYE 2016 Budget*, including revenue projections for FYE 2015; overviews of the reserve funds and transfers, proposed budget, general fund revenue sources, and general fund expenditures for FYE 2016; year-over-year analysis of services and supplies and capital; proposed fees; climate program staffing; overall staffing level; FYE 2016 fund balance summary; use of reserves recommendations; fund balance policy; unfunded liabilities; and new office building obligations.

The next meeting of the BFC is Wednesday, April 22, 2015, at 9:30 a.m.

Board Comments: None.

Public Comments: No requests received.

Board Action: None; receive and file.

**11. Report of the Legislative Committee (LC) Meeting of March 30, 2015**  
Committee Chairperson Bates

The LC met on Monday, March 30, 2015, and approved the minutes of February 26, 2015, upon establishing a quorum.

The LC reviewed newly introduced measures and, after discussion, is recommending the following positions on bills to the Board:

AB 23 Patterson: Oppose  
AB 280 Brown: Support  
AB 720 Cooley: Oppose  
AB 742 Gallagher: Oppose  
AB 777 Harper: Oppose  
AB 945 Ting: Support if amended  
AB 1059 E. Garcia: Oppose unless amended  
AB 1176 Perea: Oppose  
Senate Bill (SB) 1 Gaines: Oppose  
SB 5 Vidak: Oppose  
SB 513 Beall: Support

The LC then discussed and recommended the Board approve support of bills equivalent to SB 32 Pavley and SB 350 De Leon, which would respectively extend AB 32 and the Renewable Portfolio Standard beyond 2020, as such bills move forward.

The next meeting of the LC is at the call of the Chairperson.

Board Action:

Director Bates made a motion, seconded by Director Wagenknecht, to approve the recommendations of the LC.

Board Comments:

The Board discussed the LC recommendation regarding AB 945 Ting.

Public Comments: No requests received.

Board Action (continued):

Director Bates made a substitute motion, seconded by Director Wagenknecht, to approve the recommendations of the LC with the exception of AB 945 Ting; and the substitute motion carried by the following vote of the Board:

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

Director Bates made a motion, seconded by Director Wagenknecht, to support AB 945 Ting.

Board Comments (continued):

The Board discussed the need for legislative context for AB 945 Ting in light of the lost revenue; efforts at the state level by cities and counties to backfill revenue which is lost through similar measures; and a suggestion that Air District staff not act on direction from LC prior to obtaining Board approval in the future.

Board Action (continued):

The motion to support AB 945 Ting carried by the following vote of the Board:

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

Board Comments (continued):

The Board discussed the need to change the revenue equation on a broader scale rather than debating incremental changes to the current model.

**12. Report of the Ad Hoc Building Oversight Committee (AHBOC) Meeting of April 15, 2015**  
Committee Chairperson Groom

The AHBOC met on Wednesday, April 15, 2015, and approved the minutes of December 15, 2014.

The AHBOC received and discussed the staff presentation *Regional Agency Headquarters – 375 Beale Street, Project Status Report*, including a construction update; photographs of construction; status of furniture procurement; move coordination; and next steps.

The AHBOC then received and discussed the staff presentation *Update on the Proposed Shared Services Organization*, including an examination of the principals for sharing services; a summary of business and information technology operations identified for sharing; concept and models for shared services organization; costs; and next steps.

The next meeting of the AHBOC is at the call of the Chairperson.

Board Comments: None.

Public Comments: No requests received.

Board Action: None; receive and file.

### **PUBLIC HEARING**

#### **13. Public Hearing to Receive Testimony on Proposed Amendments to Air District Regulation 3: Fees**

Mr. Broadbent introduced and offered to waive the presentation today in light of the need for a second public meeting before final approval.

Chairperson Groom opened the public meeting.

Public Comments: No requests received.

Director Hudson made a motion to close the public hearing and the motion carried by the following vote of the Board:

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

Board Comments: None.

Board Action: None; receive and file.

### **PRESENTATIONS**

#### **14. Transboundary (International) Ozone Transport**

Mr. Broadbent introduced the topic and Saffet Tanrikulu, Ph.D., Research and Modeling Manager of the Planning and Climate Protection Division, who gave the staff presentation *Transboundary (International) Ozone Transport*, including a summary of the Air District's research and modeling program; current status and ozone trend in the Bay Area; total energy consumption in China by fuel type in 2011; Asian pollution; federal effort to estimate transport; global model; Air District's effort to estimate transport; key takeaway; and overview of continuing collaboration among federal, state and local agencies.

The Board and staff discussed, at slide 4, *Ozone Trend in the Bay Area*, the absence of exceedance information for the last three years.

The Board and staff discussed, at slide 5, *Status of Ozone in the Bay Area*, meteorology as the primary culprit for the variability during the last four years.

Dr. Tanrikulu continued the presentation.

The Board and staff discussed, at slide 10, *Global Model*, what causes ozone to seemingly appear over land when it does not register over the open ocean; what “transport” means in this context; and the chemical reactions involved in the formation of ozone.

Dr. Tanrikulu continued the presentation.

The Board and staff discussed, at slide 12, *Air District’s Effort to Estimate Transport*, the causes for the variability of ozone levels throughout the Bay Area and why the coastline has lower levels.

Dr. Tanrikulu concluded the presentation.

Board Comments:

The Board and staff discussed the state of discussions with EPA regarding international transport and in general; if and how ozone from the Bay Area is differentiated from transported ozone; whether information on transport levels out of the Bay Area has or will surface from these efforts; average ozone levels in China, the Bay Area and the San Joaquin Valley; the impact of Bay Area transport on adjacent areas and the standing invitation to the Bay Area’s regional neighbors to suggest ideas for resolving or improving the situation; evidence that San Joaquin Valley emissions transport into the Bay Area during the winter months; the possible impact for the Bay Area if EPA lowers its ambient air standards; information indicating China’s emissions profile is decreasing; other pollutants that may transport from Asia and the state of monitoring of the same; the relevance of particulate matter in the transport dialogue; how transport from China compares to that of other Asian countries; health effects of ozone and particulate matter; and the state of politics in China relative to economic and environmental concerns.

Public Comments: No requests received.

Board Action: None; receive and file.

**15. Report of the Advisory Council’s 2015 Activities**

Jean Roggenkamp, Deputy APCO, introduced the topic.

Advisory Council (Council) Member Sam Altshuler, P.E., introduced himself and Members Stan Hayes and Bruce Mast, the three of which collectively gave the Council presentation *Exploring Bay Area Energy Future as Part of Climate Protection Strategy*, including a summary of Council activities, topics and speakers; current energy consumption in the Bay Area; current energy generation in the State; where the energy future is going and how; energy future spectrum; major challenges; and recommendations for Air District planning, regional leadership, education, grants and stationary sources.

Board Comments:

The Board and Council Members Altshuler, Hayes and Mast discussed whether the popularity of hydro power is likely to dwindle in light of the drought; whether the impact of community choice aggregates in the Bay Area were measured and considered for expansion throughout the Bay Area; what drives the demand for back-up generators and the state of regulations relative to the same; the seemingly close relationship between computer servers and back-up generators; additional details relative to carbon fuels and electricity trends, as charted on slide 8, *Energy Future: How We Can Get There*; biosourced diesel as a potential technology that has yet to be fully realized; and banking industry requirements that drive the installation of back-up generators.

Public Comments: No requests received.

Board Action: None; receive and file.

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

**17. BOARD MEMBERS' COMMENTS:**

The Board and staff discussed whether a suggestion to remove the point-of-sale provision from the proposed amendments to the wood burning rule should instead result in an amendment to require a disclosure instead of retrofit; a recommendation that the Board reconsider its response to constituents during public comment and a suggestion to instead agendize a staff response; Mr. Broadbent's receipt of the 2015 Frank C. Boerger Award; the Marin Association of Realtors as an example of an organization which has adopted a fireplace disclosure provision; and gratitude to staff for a recent proposed rule workshop in Marin.

**OTHER BUSINESS**

**18. Report of the Executive Officer/APCO**

Mr. Broadbent reported that the upcoming public workshops on the proposed wood smoke rule amendments and potential changes to the proposal that will be undertaken after the workshop phase is complete; the proposed refinery rule will be agendized before the Stationary Source Committee (SSC) in May 2015 and the Board in July 2015; the upcoming discussion before the SSC regarding Lehigh Southwest Cement Facility; and to identify the list provided to the Board, entitled "Air District presence at 2015 Earth Day events."

Ms. Roggenkamp announced the appointment of Luz Gomez, Community Engagement Manager, who addressed the Board in introduction.

**19. Chairperson's Report**

Chairperson Groom announced the expected Board attendees of the Air & Waste Management Association's 108th Annual Conference and Exhibition on June 22-25, 2015, in Raleigh, North Carolina.



**20. Time and Place of Next Meeting**

Wednesday, May 6, 2015, Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

**21. Adjournment:** The Board meeting adjourned at 12:12 p.m.

*/S/ Sean Gallagher*

Sean Gallagher  
Clerk of the Boards