



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

Board of Directors Special Meeting / Retreat

Board of Directors Retreat • Wednesday, January 20, 2016



RETREAT OVERVIEW

- Opening Comments by Board Chair, Eric Mar
- State of the Air District and Air Quality Summary
- Update on 375 Beale Street
- Air District Financial Overview
- Update on New “Council”
- Update on Community Programs
- 2016 Legislative Agenda
- Production System and Website Project Update
- Key Policy Initiatives
- Upcoming Committee Assignments & Goals



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Opening Comments by Board Chair

Chairperson Eric Mar
Board of Directors



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State of the Air District and Air Quality Summary

Jack P. Broadbent

Executive Officer/Air Pollution Control Officer



STATE OF THE AIR DISTRICT

Overview

- Progress continues to be made but significant challenges remain
- Overall good Outlook for the Air District
- Financially secure, need to remain mindful of resources
- Preparing for upcoming changes with move and technology upgrades
- Key Policy Initiatives

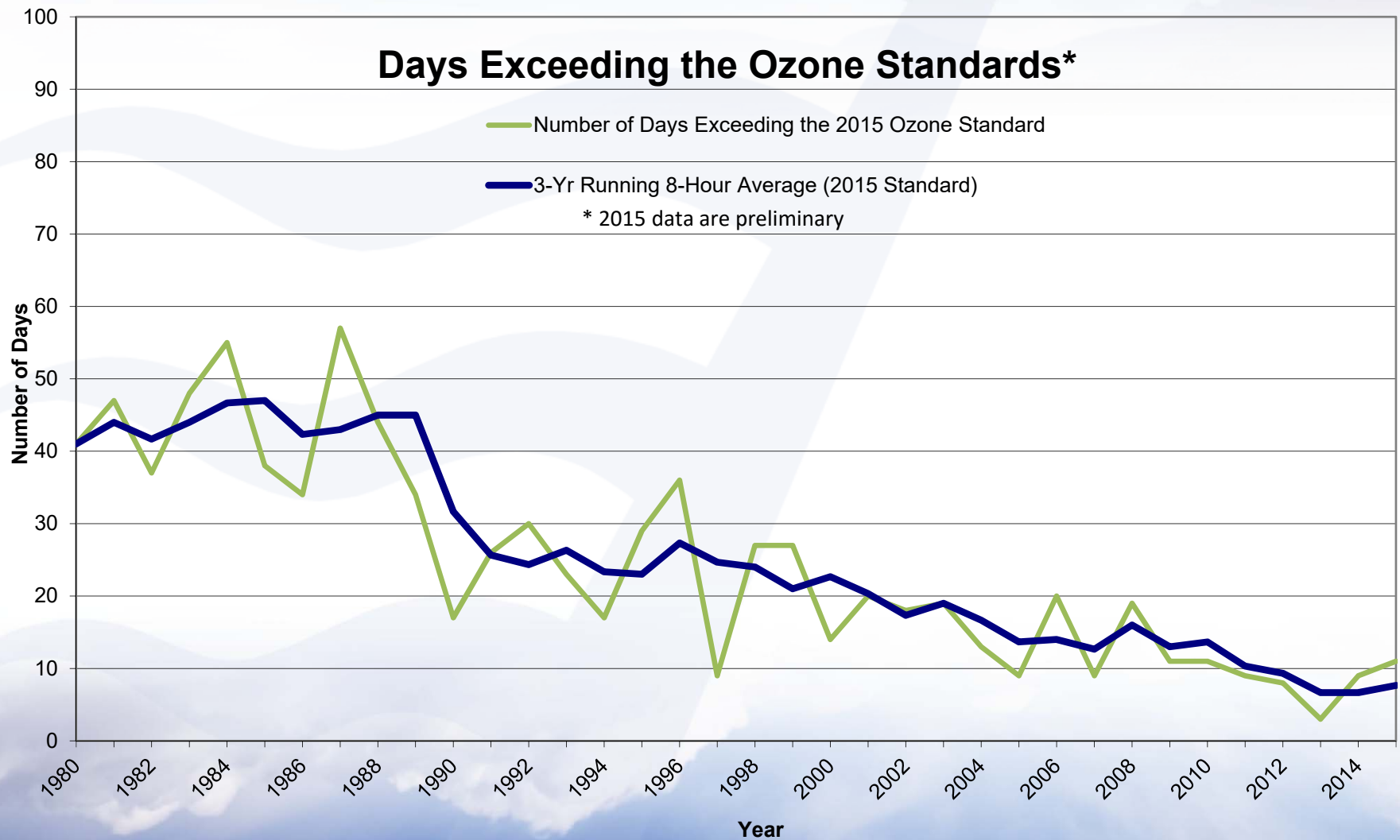


BAY AREA AIR QUALITY CONCERNS

- Ozone (O₃)
- Fine Particulate Matter (PM_{2.5})
- Toxic Air Contaminants (TACs)
- Climate Pollutants (e.g. GHG)



OZONE EXCEEDANCE TRENDS 1980 TO PRESENT



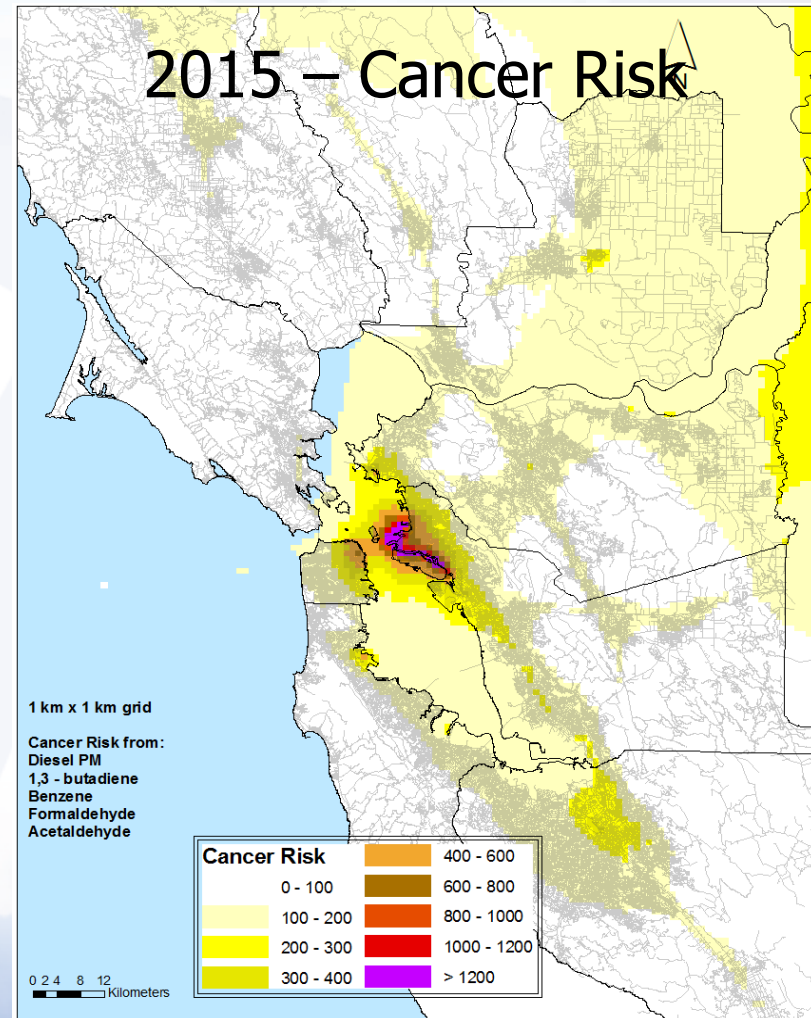
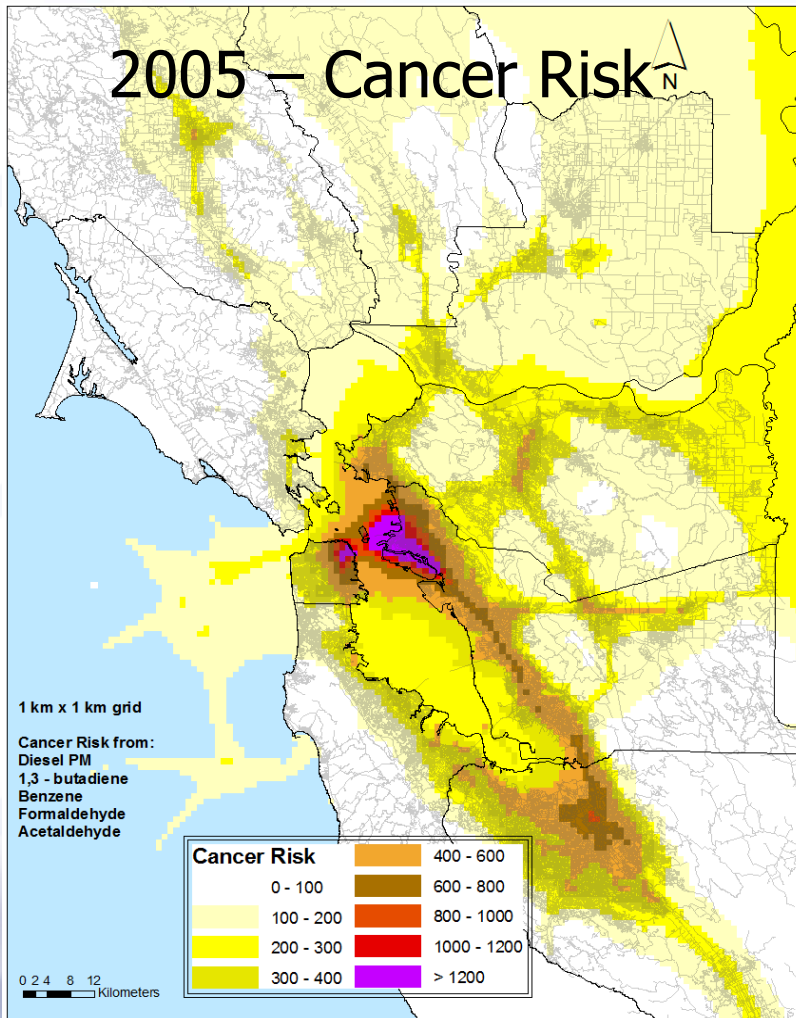


PM_{2.5} EXCEEDANCE TRENDS 2000 to Present



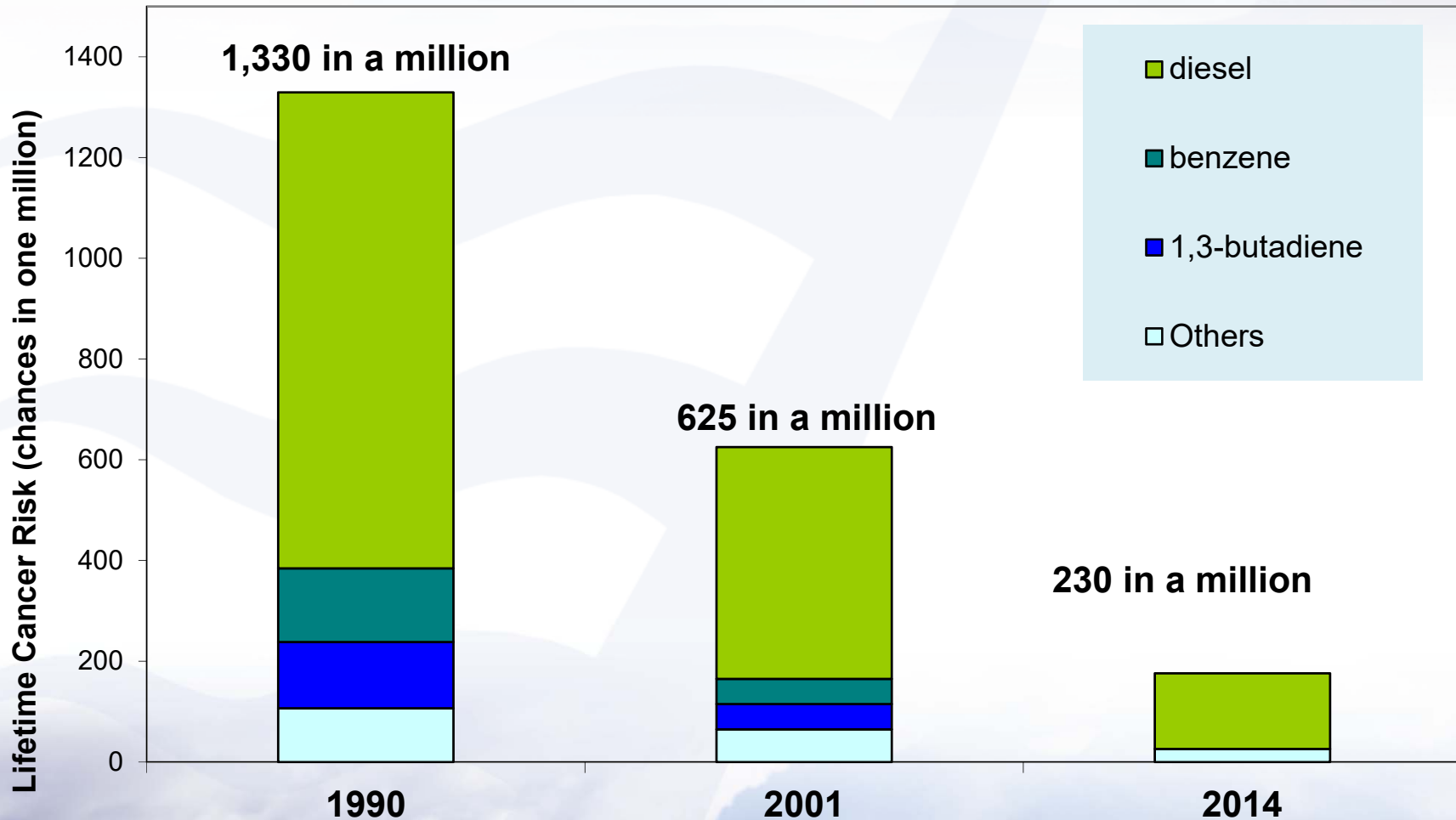


CARE Maps





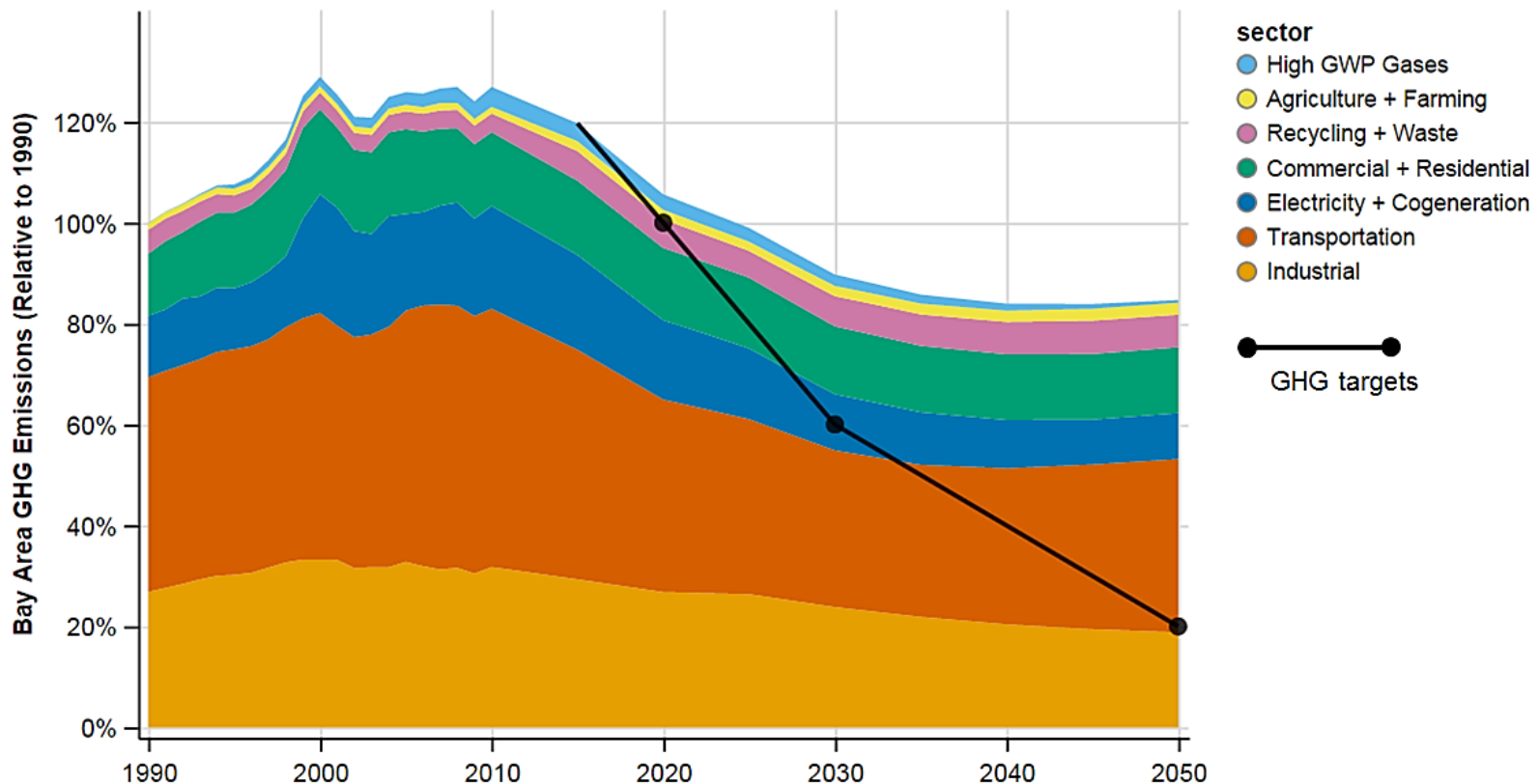
AIR TOXICS TRENDS 1990 – 2001 – 2014





BAY AREA GHG EMISSIONS TRENDS 1990 – 2050

GHG Emissions & Projections (Relative to 1990)
with Committed & Expected Policies





IMPROVING BAY AREA AIR QUALITY

- Enforce existing regulations
- Update multi-pollutant Clean Air Plan/ Regional Climate Protection Strategy
- Develop new regulations
- Implement 10-point Climate Action Work Program
- Implement Refinery Emission Reduction Strategy
- Incorporate new health risk guidelines into permitting
- Continue Clean Air Communities / CARE Program
- Award new grants
- Engage the public
- Promote the Spare the Air Program
- Collaborate with sister agencies
- Update tools (e.g. MyAirOnline)
- Foster teamwork; hire additional staff



CHALLENGES

- Need to Address Communities Desire to Protect Against Changing Energy Picture
- Need to Continue to Make Meaningful Progress on GHG reductions



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Questions & Discussion

Jack P. Broadbent

Executive Officer/Air Pollution Control Officer



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Update on 375 Beale Street

Jack P. Broadbent

Executive Officer/Air Pollution Control Officer

Rex Sanders

Director of Executive and Administrative Resources



375 BEALE STREET





STATUS REPORT

- Update & Schedule
- IT Infrastructure and Services
- Move Preparedness
- Next Steps



49 DAYS
LEFT
UNTIL THE
BIG MOVE!



RELOCATION UPDATE & SCHEDULE

- Fire Marshall issues a Certificate of Occupancy
- Board Room, Lab, 6th Floor ready for punch list
- Final furniture and fixtures installed on other agency floors
- Systems testing
- MTC & ABAG Relocations Scheduled March 4th
- Air District Relocation Scheduled March 31st





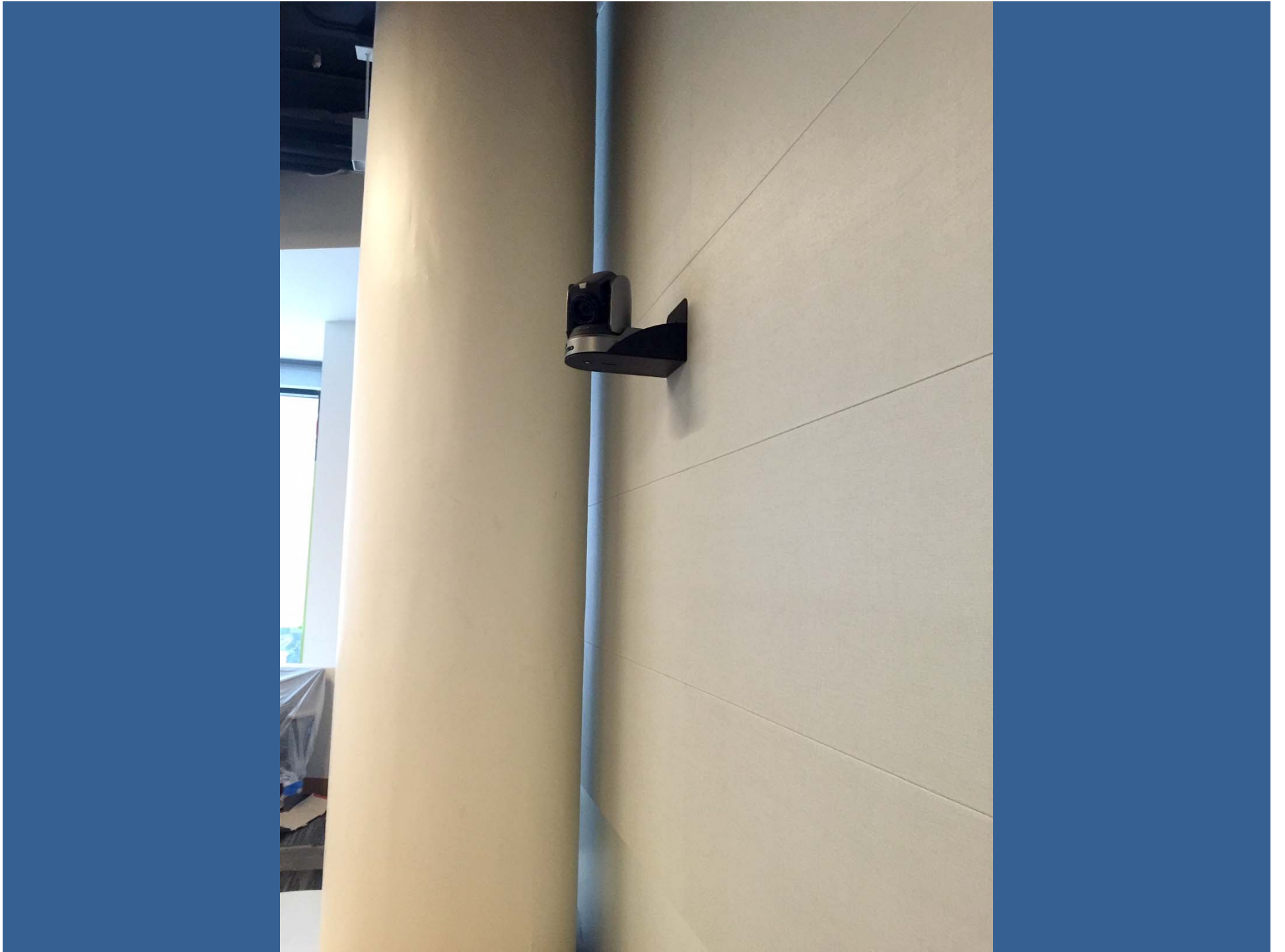






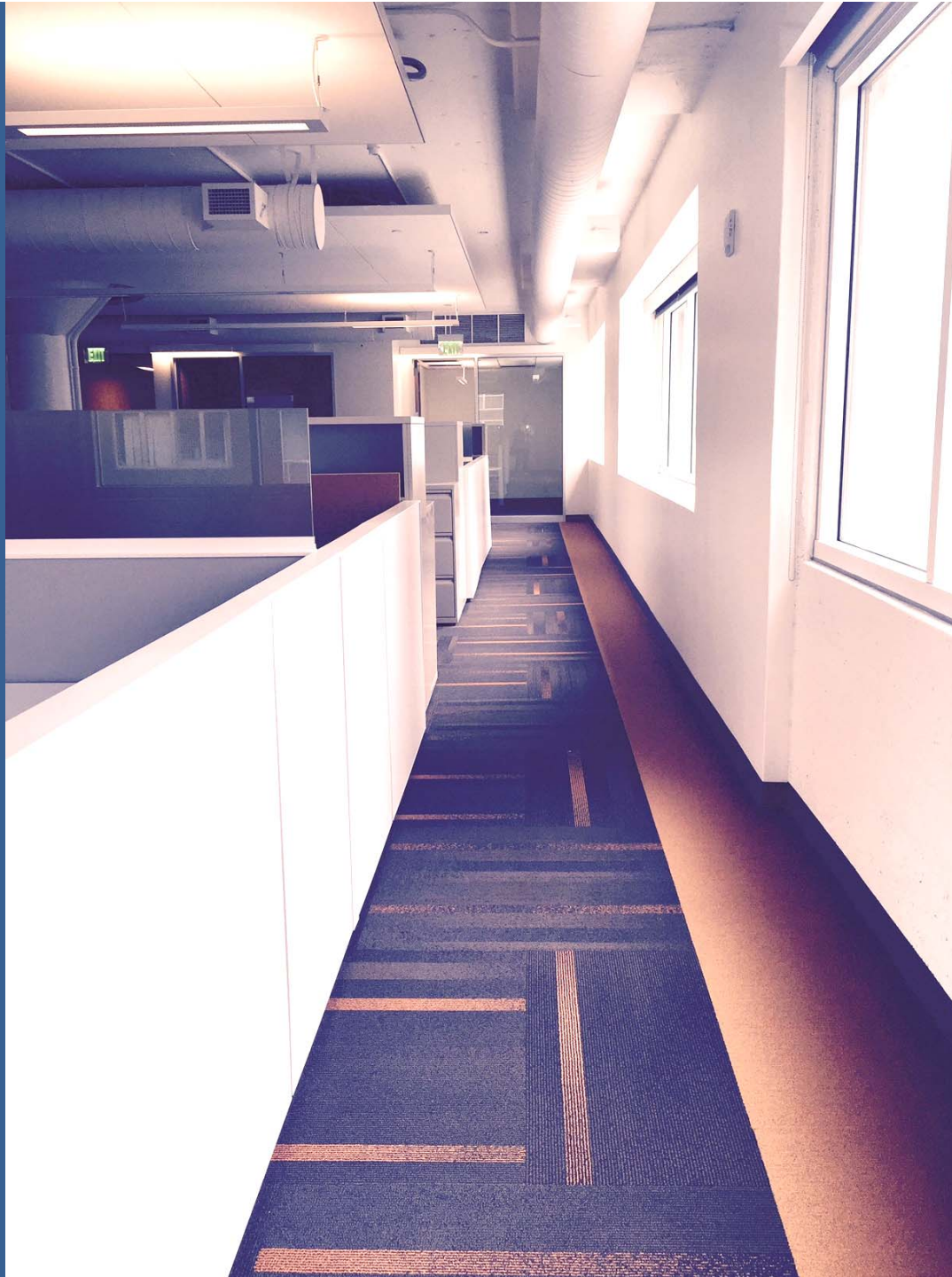


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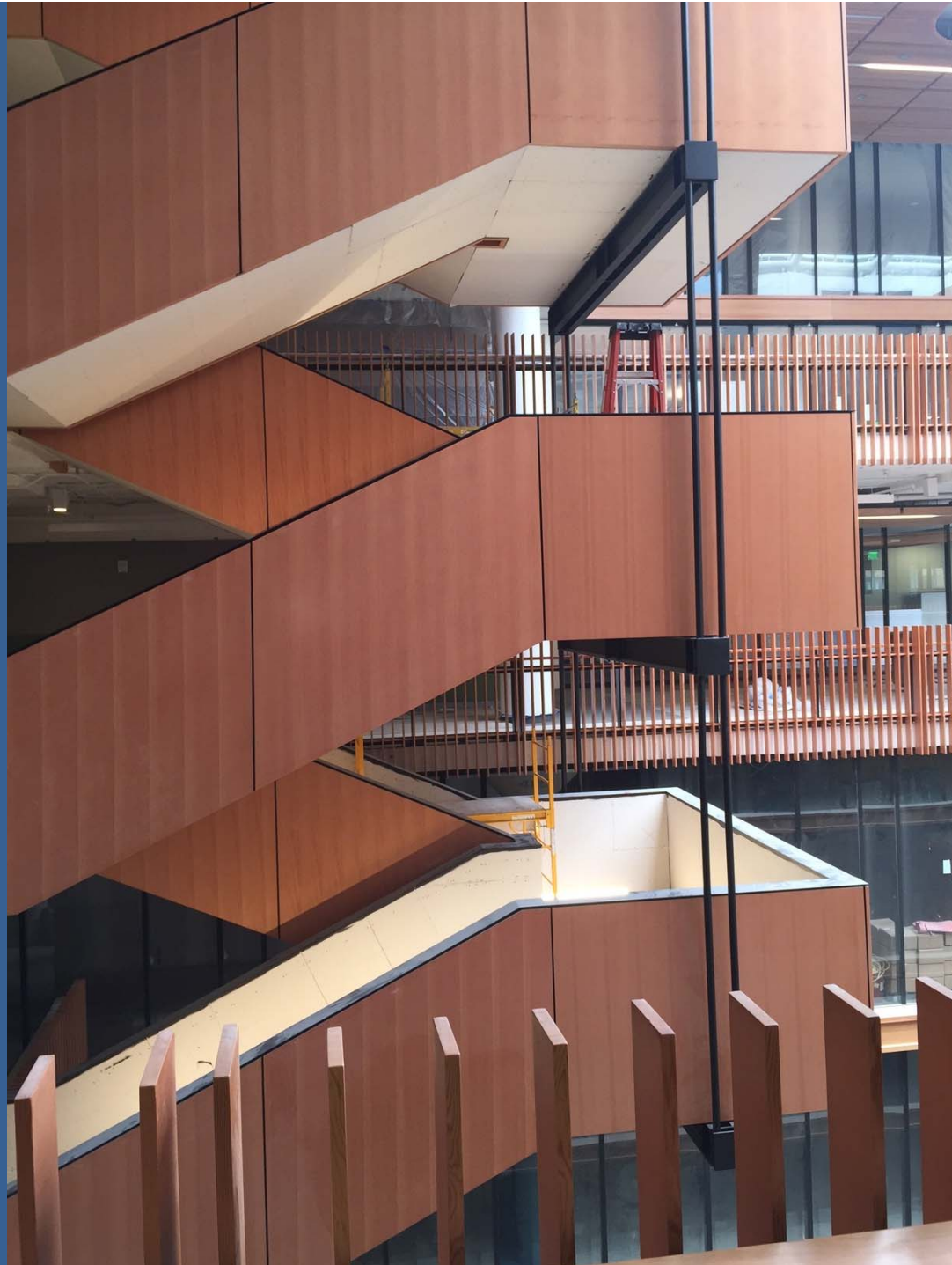














IT INFRASTRUCTURE AND SERVICES

- New network, server and storage
- New mobile workstations
- Expanded disaster recovery capability



MOVE PREPAREDNESS

- Cleaning Up
- Packing Up
- Moving Out



NEXT STEPS

- Complete building operations and shared services agreements with partner agencies
- Punch list completion
- Administrative preparations
- Move!
- Staff & Board Orientations
- Decommissioning of 939 Ellis Street



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Questions & Discussion 375 Beale Street Update

Jack P. Broadbent

Executive Officer/Air Pollution Control Officer

Rex Sanders

Director Executive and Administrative Resources



**BAY AREA
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Air District Financial Overview

Jack P. Broadbent

Executive Officer/Air Pollution Control Officer

Jeff McKay

Deputy Air Pollution Control Officer



FINANCIAL SUMMARY RECENT HISTORY

- New Policy: 20% Reserve Minimum
- New Policy: 90% Funding for Retirement Medical
- CalPers Pre-fund in 2016 Budget (\$250 K)
- Personnel Costs were Reduced With Attrition



FINANCIAL SUMMARY

TOPICS FOR FYE 2017 BUDGET

- Hiring for New and Enhanced Programs
- Continuation of Cost Recovery Enables Hiring
- Continue Funding Retirement Medical
 - (approximately \$30M unfunded)
- Continue CalPers Pre-Fund
 - (approximately \$50M unfunded)
- Transition to Mortgage and Condo Fees



STAFFING UPDATE

- Air District has remained mindful of resources as we weathered the last economic recession.
- Maintained a stable vacancy rate over time.
- Created operational efficiencies, with an eye toward the move.
- Promoting from within, when possible, and providing enhanced training programs with an focus on succession planning.
- Focused hiring on priority programs, such as the Climate Protection and Enforcement Programs.
- Board has given direction to maintain sufficient service levels to meet legal mandates and has provided direction on program priorities.



PURCHASE OF 375 BEALE STREET

- Air District entered into Lease/Purchase Agreement with BAHA for approximately 75,000 square feet at \$385/sq ft.
- Air District Financing completed November 2013
- Purchase Occurs upon Move-In
- MTC, the Air District and ABAG will co-habit under terms of a Condominium Agreement



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Questions & Discussion Air District Financial Overview

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Jeff McKay

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Update on New Council

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Executive Officer/Air Pollution Control Officer

Jeff McKay

Deputy Air Pollution Control Officer



COUNCIL MEMBERS

Member	Background	Air Pollution	Health	Climate
Stan Hayes	Member and former chair, Advisory Council, 1995-2007, 2009-; Principal Emeritus, Ramboll Environ; 40 years, research consulting	X	X	X
Severin Borenstein	Professor of Business Administration and Public Policy, Haas School of Business, University of California, Berkeley			X
Tam Doduc	Member and former chair, State Water Resources Control Board; served as Deputy Secretary, Cal/EPA, directed environmental justice	X	X	
Robert Harley	Professor in Civil Engineering; University of California, Berkeley; former member, Advisory Council	X		
Michael Kleinman	Professor, Environmental Toxicology, Adjunct Professor, School of Medicine, University of California, Irvine	X	X	
Tim Lipman	Energy and environmental technology, economics, and policy researcher and lecturer; Co-Director, Transportation Sustainability Research Center, University of California, Berkeley	X		X
Jane CS Long	Chairman, California Council on Science & Technology's committee on California's Energy Future; Former Associate Director of Energy and Environment, Lawrence Livermore National Laboratory			X



COUNCIL MEETINGS

- First Meeting: December 3, 2015
 - Introduction to Air District
 - Initial Discussion on Refinery Regulation
 - Initial Requests to Staff for Resources
- Second Meeting: February 3, 2016
 - Richard Corey: Executive Officer, California Air Resources Board
 - Further Discussion of Refinery Regulation
 - Requests to Staff for Next Steps



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Questions & Discussion New Council

Jack P. Broadbent

Executive Officer/Air Pollution Control Officer

Jeff McKay

Deputy Air Pollution Control Officer



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Update on Community Programs

Jack P. Broadbent

Executive Officer/Air Pollution Control Officer

Jean Roggenkamp

Deputy Executive Officer



Community Engagement Program

- Update Public Participation Plan and continue implementation
- Expand reach of YES (Youth for Environment and Sustainability) Conference
- Continue Community Grant Program
- Launch “Open Town Hall” platform for Online Civic Engagement
- Conduct local listening sessions
- Convene issue-specific, multi-stakeholder community advisory groups



2016 Legislative Agenda

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Jean Roggenkamp

Deputy Executive Officer



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Production System & Website Project Update

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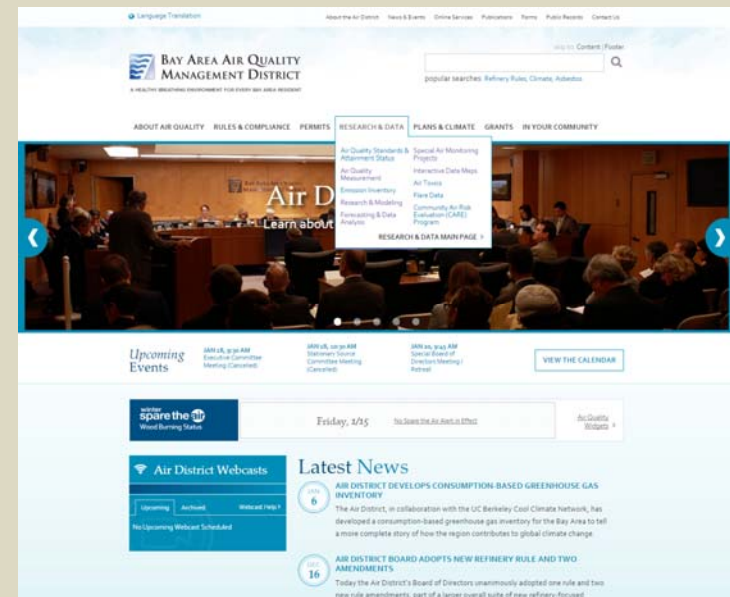
Damian Breen

Deputy Air Pollution Control Officer



2015 Accomplishments

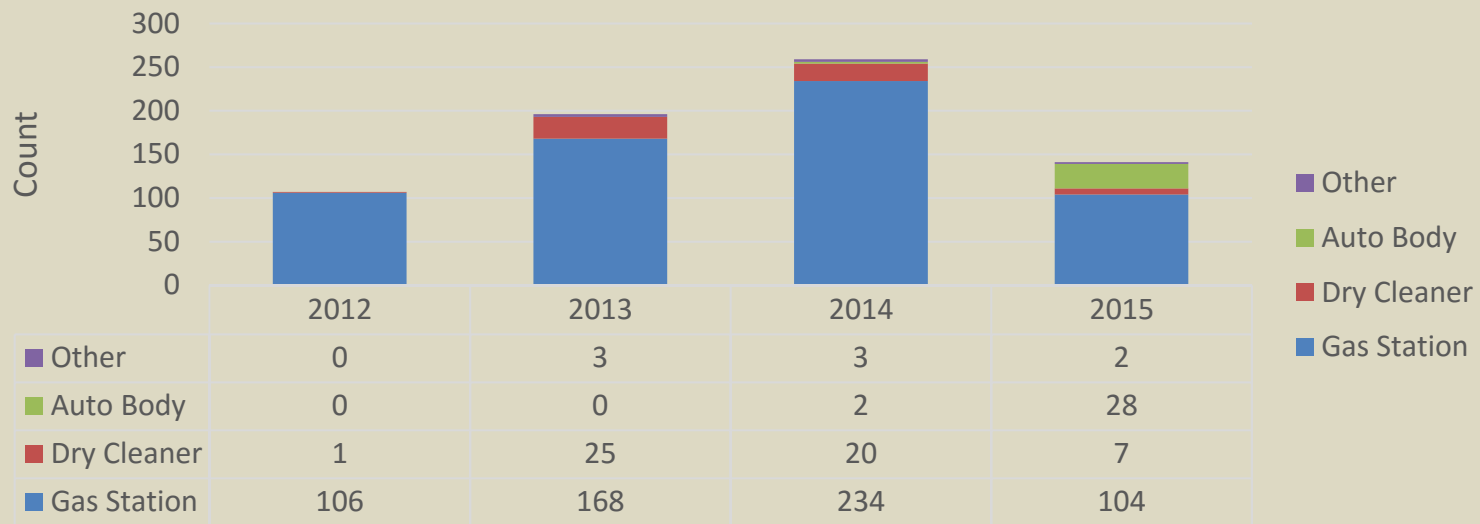
- Released new website for the public
 - New Look & Feel (Responsive Design)
 - Reorganized Content
 - Updated Platform
 - Enhanced Language Translation
- Released online permitting for small facilities
 - GDF, Dry Cleaner, Auto body
- Online Air Quality Complaints





PERMIT APPLICATIONS

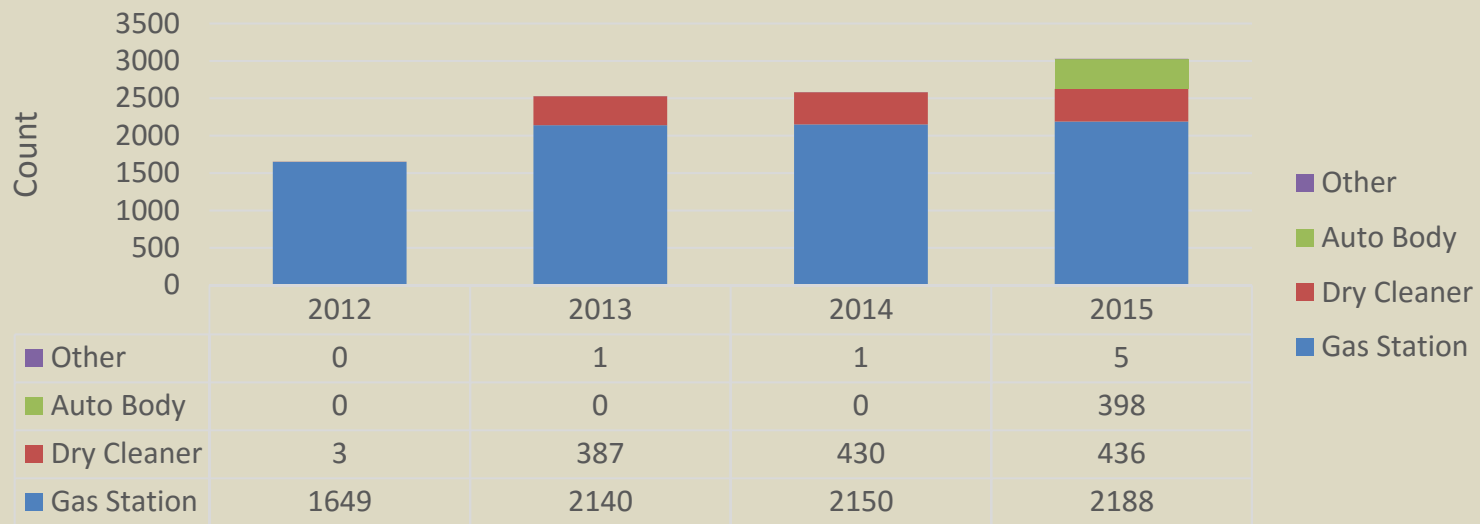
Permit Applications Approved





PERMIT RENEWALS

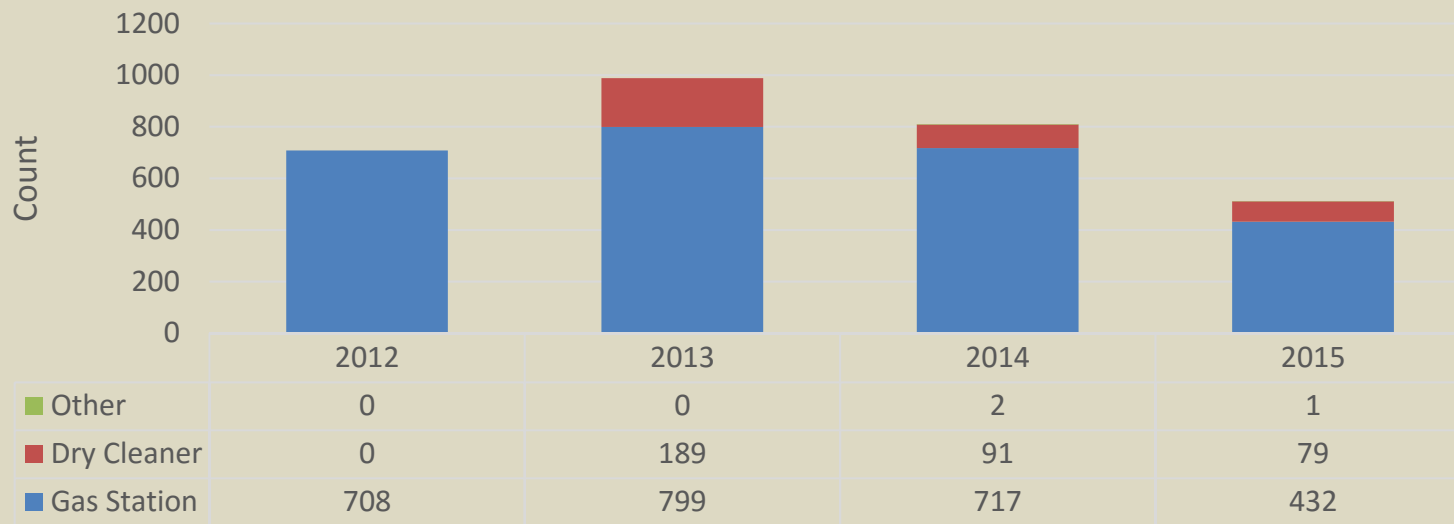
Permit Renewals Processed





INSPECTIONS

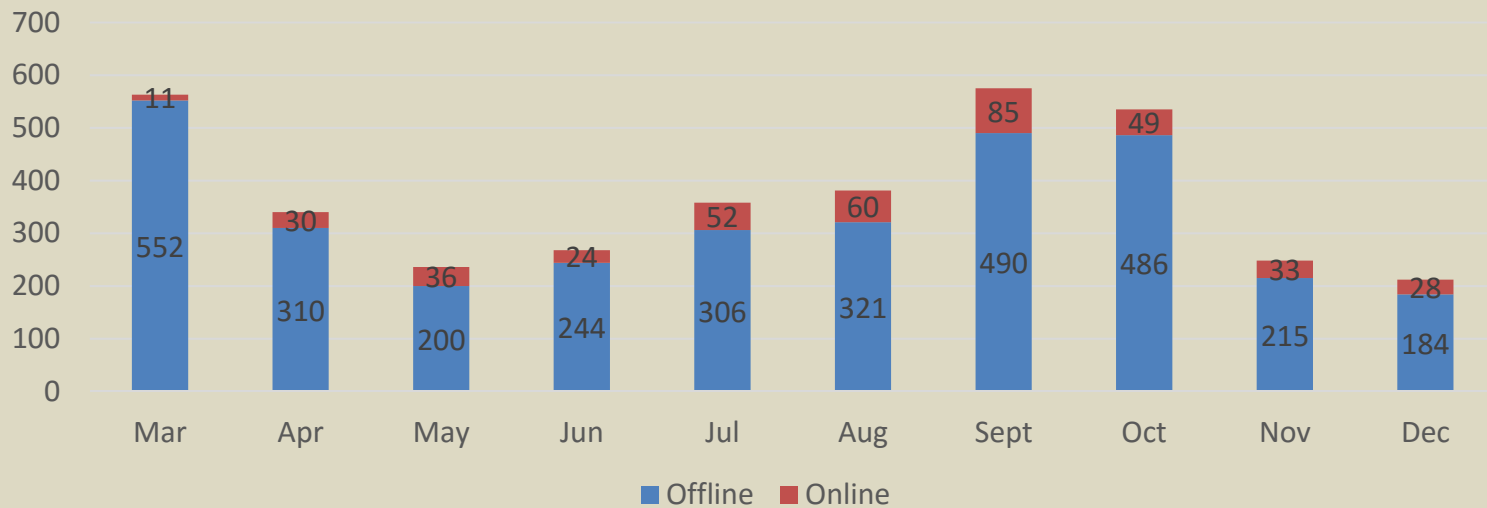
Inspections Completed





ONLINE COMPLAINTS

2015 Air Quality Complaint Submissions

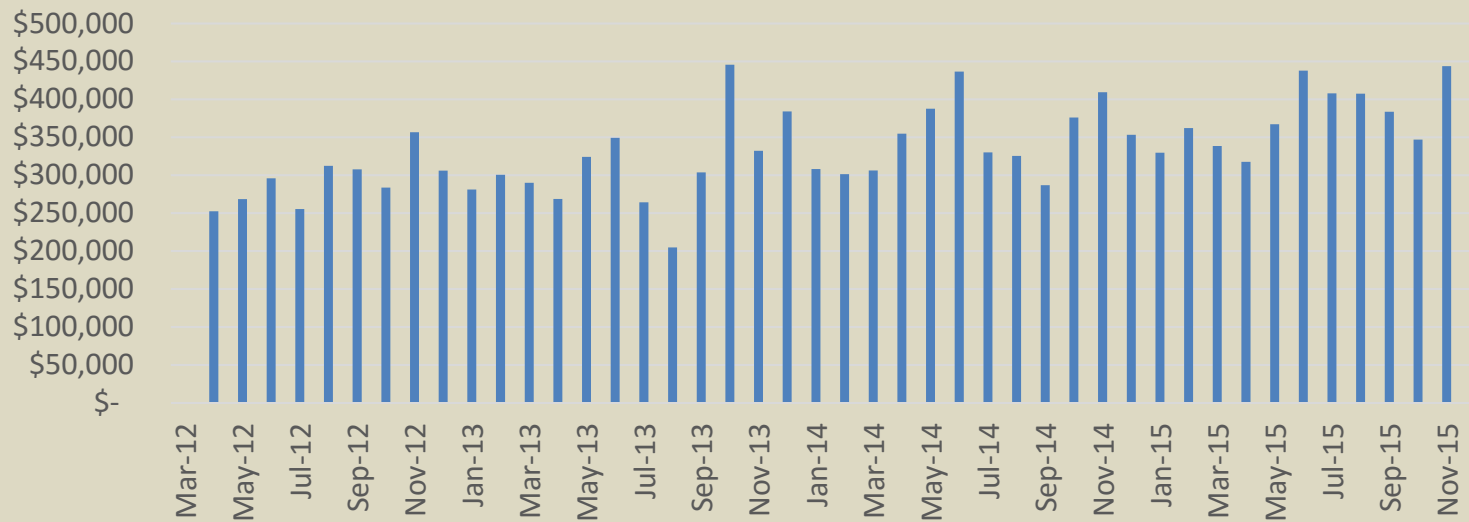


11% (408/3716) of air quality complaints submitted online



PERMIT RENEWAL REVENUE

Online System Permit Renewal Revenue

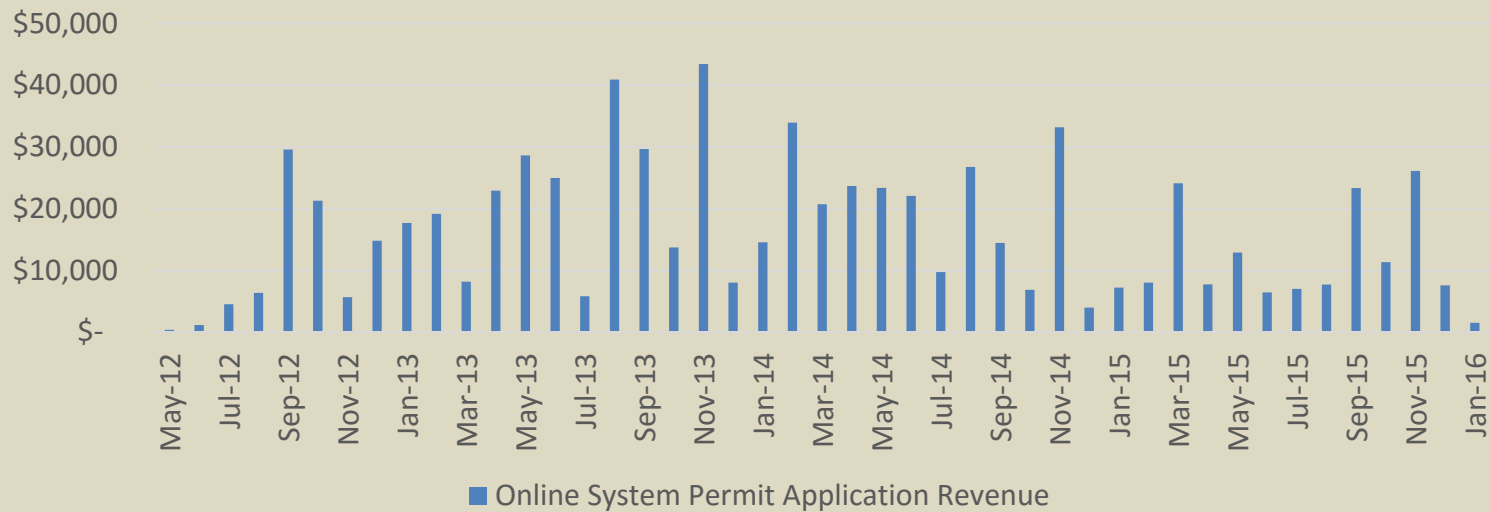


~\$15 Million since March 2012



PERMIT APPLICATION REVENUE

Online System Permit Application Revenue

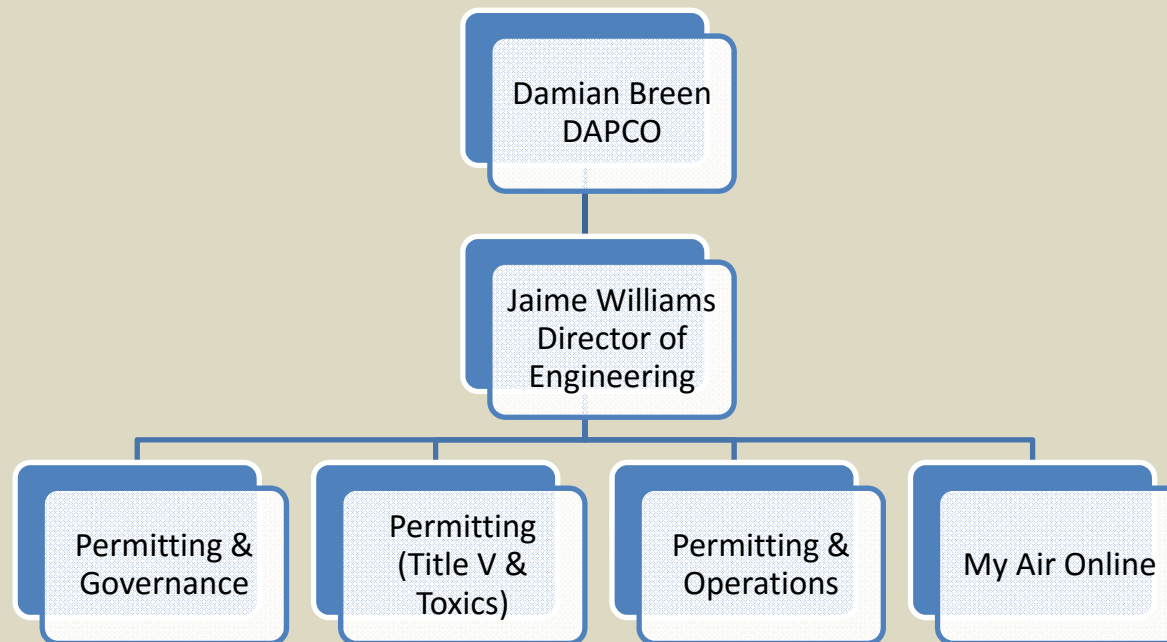


■ Online System Permit Application Revenue

~\$731K Since March 2012



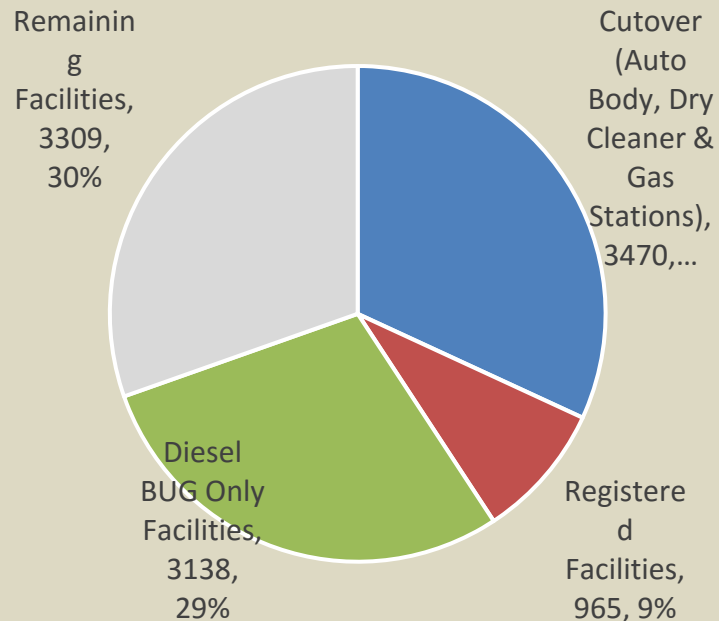
2016 ORGANIZATIONAL STRUCTURE





2016 PROGRAM DELIVERABLES

- Online Permitting & Compliance Systems
 - Complete Migration of Registered Sources to Online System (Consolidation)
 - Complete Support for Emergency/Standby Engines in the Online System
 - Online Processing for Asbestos Job Requests & Evaluations
 - **Support for online permitting and inspection of 70% total facilities in Q1 2016**





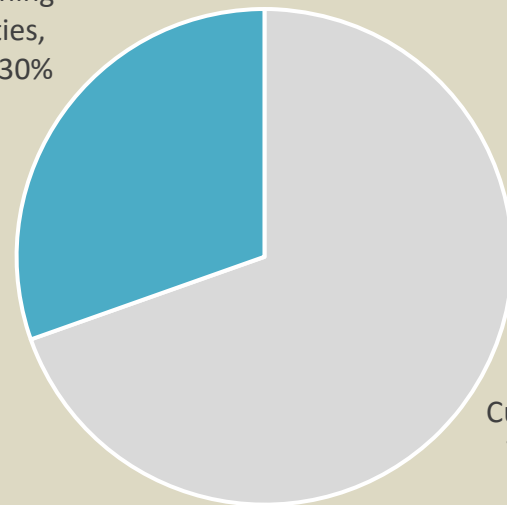
NEXT STEPS



COMPLEX FACILITY PLAN

- Modify renewal process to streamline emissions validation during the renewal process
- Provide additional features to support permit application evaluations for larger sources
- Implement process for facilities to submit reportable compliance activity information online
- **Roadmap for getting remaining permitting and compliance operations off of the legacy computer systems**

Remaining
Facilities,
3309, 30%



Cutover,
7573,
70%



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Questions & Discussion Production System & Website Project Update

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AGENDA: 13H



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Key Policy Initiatives

Jack P. Broadbent

Executive Officer/Air Pollution Control Officer

Board of Directors Retreat • Wednesday, January 20, 2016



OVERVIEW OF KEY POLICY INITIATIVES

- Rule Development
- 2016 Clean Air Plan / Regional Climate Protection Strategy
- 2016 Climate Summit
- Superbowl 50



RULE DEVELOPMENT

- Refinery Emission Tracking (Reg. 12-15)
- Coke Calcining (Reg. 9-14)
- Fees (Reg. 3)
- Toxics New Source Review Permits (Reg. 2-5)
- Permit Review (Reg. 2-1)
- Particulate Matter (Reg. 6)
- Oil and Gas (Reg. 8-37)
- Refinery Emissions Limits (Reg. 12-16)



2016 CLEAN AIR PLAN / REGIONAL CLIMATE PROTECTION STRATEGY

The 2016 Clean Air Plan / Regional Climate Protection Strategy will reduce GHGs and air pollutants through four key approaches and many tools

Approaches:



Schedule:

Draft control measures – Jan. 2016
Draft CAP/RCPS – Q2 2016
Final CAP/RCPS – Q4 2016

Tools:





CAP/RCPS

KEY INITIATIVES FOR 2016

Rule-making / Permitting:

- Reduce methane from oil & gas wells
- Include GHGs in permitting (New Source Review)



Work with Local Governments:

- Provide assistance: model ordinances, best practices guidance, data & tools
- Solar plans for school districts (with KyotoUSA)
- Support Community Choice Energy programs

Grants & Incentives:

- Fund trip reduction & clean vehicle technology
- James Carey Smith Community Grants



Plan & Collaborate:

- Adopt & implement 2016 CAP/RCPS
- Provide Planning Healthy Places guidance to local governments
- Support Marin Carbon Project
- Update CEQA guidelines
- Support regional agency initiatives

Research & Science:

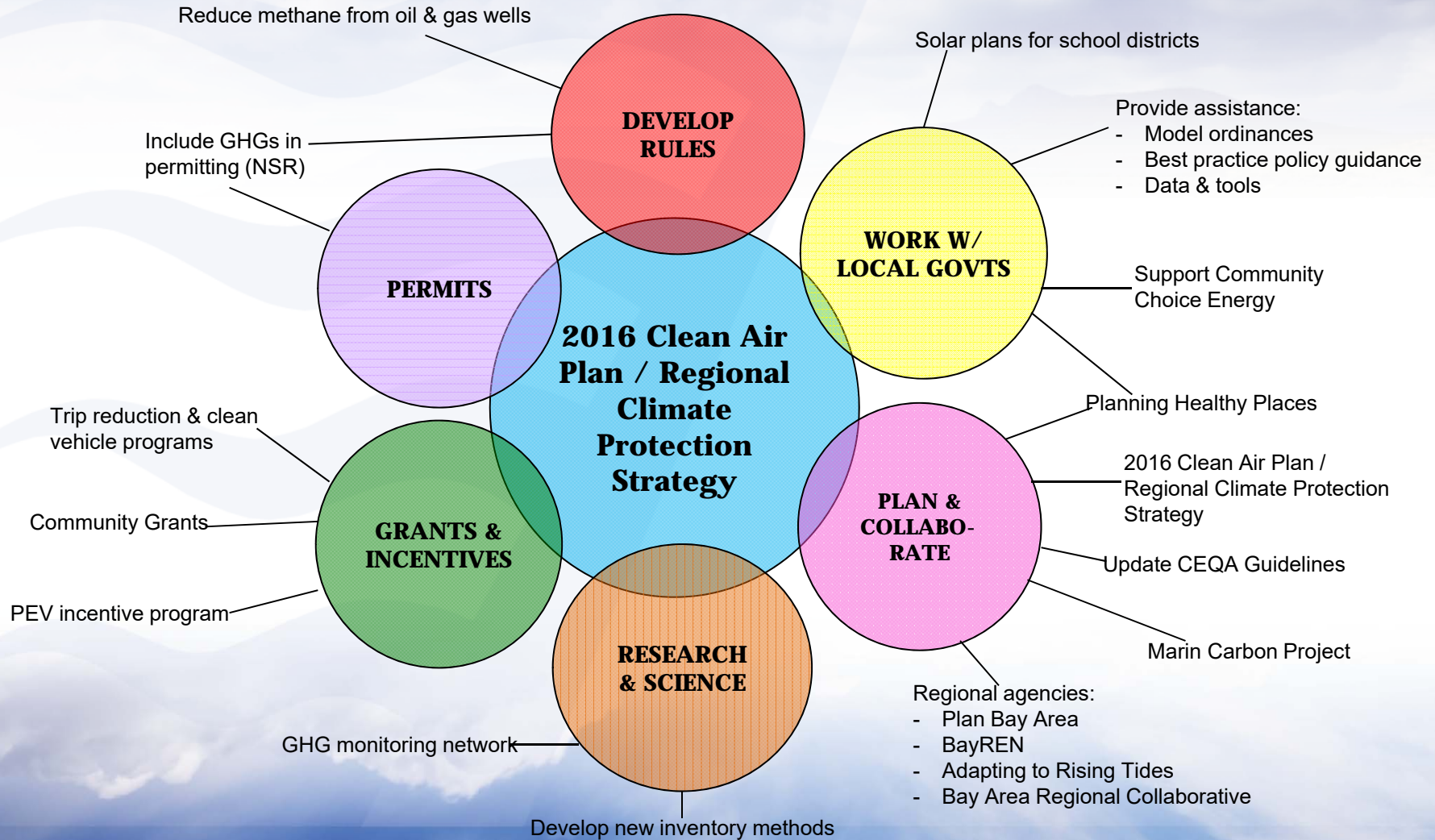
- Implement GHG monitoring network
- Work with UC Berkeley, LBNL to develop new inventory methods





CAP/RCPS

KEY INITIATIVES FOR 2016





2016 CLIMATE SUMMIT

- 1-2 day conference
- Leadership, success, solutions
- Promote regional dialogue and action
 - Cities, Counties, Planning Offices, Locally Elected Leaders, Regional Industries, Non-Profits, Academia





SUPERBOWL 50

- YES Youth
- Transit passes for 7,000 Volunteers and Media
- Valet Bicycle Parking for Fan Village
- Zero Emissions Portable Power
- Bay Bus – Educational Partnership
- Media and Messaging



SUPER BOWL 50
HOST COMMITTEE
SUSTAINABILITY PARTNER



BOARD CALENDAR

- Woodsmoke Expenditure Plan (February)
- Regulation 9-14 & Regulation 12-15 (March)
- Building Move (March 31 – April 10)
- Regulation 3: Fees – 1st Public Hearing (April)
- Budget - 1st Public Hearing (May)
- Regulation 3: Fees and Budget 2nd Hearing & Adoption (June)
- Regulation 2-5 Amendments (June)



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Upcoming Committee Assignments and Goals

Chairperson Eric Mar

Board of Directors