



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
REGULAR MEETING
MARCH 16, 2016

A regular meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:45 a.m. in the 7th Floor Board Room at the Air District Headquarters, 939 Ellis Street, San Francisco, California 94109.

**Questions About
an Agenda Item**

The name, telephone number and e-mail of the appropriate staff Person to contact for additional information or to resolve concerns is listed for each agenda item.

Meeting Procedures

The public meeting of the Air District Board of Directors begins at 9:45 a.m. The Board of Directors generally will consider items in the order listed on the agenda. However, any item may be considered in any order.

After action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

This meeting will be webcast. To see the webcast, please visit <http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes.aspx> at the time of the meeting.

Public Comment Procedures

Persons wishing to make public comment must fill out a Public Comment Card indicating their name and the number of the agenda item on which they wish to speak, or that they intend to address the Board on matters not on the Agenda for the meeting.

Public Comment on Non-Agenda Matters, Pursuant to Government Code Section 54954.3 For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have three minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to commencement of the meeting. The remainder of the speakers wishing to address the Board on non-agenda matters will be heard at the end of the agenda, and each will be allowed three minutes to address the Board at that time.

Members of the Board may engage only in very brief dialogue regarding non-agenda matters, and may refer issues raised to District staff for handling. In addition, the Chairperson may refer issues raised to appropriate Board Committees to be placed on a future agenda for discussion.

Public Comment on Agenda Items After the initial public comment on non-agenda matters, the public may comment on each item on the agenda as the item is taken up. Public Comment Cards for items on the agenda must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to the Board taking up the particular item. Where an item was moved from the Consent Calendar to an Action item, no speaker who has already spoken on that item will be entitled to speak to that item again.

Up to ten (10) speakers may speak for three minutes on each item on the Agenda. If there are more than ten persons interested in speaking on an item on the agenda, the Chairperson or other Board Member presiding at the meeting may limit the public comment for all speakers to fewer than three minutes per speaker, or make other rules to ensure that all speakers have an equal opportunity to be heard. Speakers are permitted to yield their time to one other speaker; however no one speaker shall have more than six minutes. The Chairperson or other Board Member presiding at the meeting may, with the consent of persons representing both sides of an issue, allocate a block of time (not to exceed six minutes) to each side to present their issue.

BOARD OF DIRECTORS REGULAR MEETING AGENDA

WEDNESDAY
MARCH 16, 2016
9:45 A.M.

BOARD ROOM
7TH FLOOR

CALL TO ORDER

Chairperson, Eric Mar

1. **Opening Comments**
Roll Call
Pledge of Allegiance

The Chair shall call the meeting to order and make opening comments. The Clerk of the Boards shall take roll of the Board members. The Chair shall lead the Pledge of Allegiance.

PUBLIC COMMENT ON NON-AGENDA MATTERS

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

For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have three minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Board at the location of the meeting and prior to commencement of the meeting.

CONSENT CALENDAR (ITEMS 3 – 9)

Staff/Phone (415) 749-

3. Minutes of the Board of Directors Regular Meeting of February 17, 2016

Clerk of the Boards/5073

The Board of Directors will consider approving the draft minutes of the Board of Directors Regular Meeting of February 17, 2016.

4. Board Communications Received from February 17, 2016 through March 15, 2016

J. Broadbent/5052

jbroadbent@baaqmd.gov

A copy of communications directed to the Board of Directors received by the Air District from February 17, 2016 through March 15, 2016, if any, will be at each Board Member's place.

5. Air District Personnel on Out-of-State Business Travel

J. Broadbent/5052

jbroadbent@baaqmd.gov

In accordance with Section 5.4 (b) of the Air District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the attached memorandum lists Air District personnel who have traveled on out-of-state business in the preceding month.

6. Notices of Violations Issued and Settlements in Excess of \$10,000 in the month of February 2016

J. Broadbent/5052

jbroadbent@baaqmd.gov

In accordance with Resolution No. 2012-08, the Board of Directors will receive a list of all Notices of Violation issued, and all settlements for amounts in excess of \$10,000 during the month of February 2016.

7. Authorization of Infrastructure Improvement for Business Continuity Site

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Board of Directors will consider authorizing the Executive Officer/APCO to transfer \$300,000 from the designated IT incident response reserves to the current Fiscal Year Ending (FYE) 2016 budget and authorize the Executive Officer/APCO to enter into purchase agreements, in an amount not to exceed \$300,000, for the procurement of business continuity infrastructure.

8. Consider Extending a Contract for Janitorial Services

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Board of Directors will consider authorizing the Executive Officer/APCO to extend a contract with SWA Services Group, Inc. (SWA), in an amount not to exceed \$40,000 for janitorial services.

9. Referral of Proposed Budget for Fiscal Year Ending (FYE) 2017 to the Budget & Finance Committee

J. Broadbent/5052

jbroadbent@baaqmd.gov

Pursuant to Administrative Code Division II, Section 3.2 Fiscal Policies and Procedures, and in compliance with Health and Safety Code Section 40276, the Board shall refer the proposed budget for FYE 2017 to the Budget and Finance Committee for review and consideration.

COMMITTEE REPORTS

10. Report of the **Mobile Source Committee** Meeting of February 25, 2016

CHAIR: S. Haggerty

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee received the following reports:

A) **Projects and Contracts with Proposed Grant Awards Over \$100,000**

- 1) *Approve Carl Moyer Program (CMP) and Transportation Fund for Clean Air (TFCA) projects with proposed grant awards over \$100,000 as shown in Attachment I; and*
- 2) *Authorize the Executive Officer/APCO to enter into agreements for the recommended projects.*

B) **Air District Grant Programs Overview**

- 1) *None; receive and file.*

C) **Participation in Year 18 of the Carl Moyer Program and 2016 Caltrain Funding Plan**

- 1) *Adopt a resolution authorizing the Executive Officer/APCO to execute all necessary agreements with the California Air Resources Board (ARB) relating to the Air District's receipt of Carl Moyer Program (CMP) funds for fiscal year 2015-2016 (Program Year 18);*
- 2) *Allocate \$5 million in Mobile Source Incentive Funding (MSIF) to provide the required match funding and additional monies for projects eligible for funding under the CMP guidelines; and*
- 3) *Approve the proposed 2016 funding plan for the Caltrain Electrification project.*

D) **Fiscal Year Ending (FYE) 2017 Transportation Fund for Clean Air (TFCA) Funding Allocations**

- 1) *Allocate \$13.65 million in Transportation Fund for Clean Air (TFCA) revenue to the programs listed in Table 1;*
- 2) *Authorize the proposed cost-effectiveness limits for the Air District sponsored programs listed in Table 2; and*
- 3) *Authorize the Executive Officer/APCO to enter into funding agreements and contracts up to \$100,000 for projects and programs listed in Table 1.*

11. Report of the **Stationary Source Committee** Meeting of February 25, 2016

CHAIR: J. Gioia

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee received the following reports:

A) **Safety and Security of Rule 8-18 Implementation**

- 1) *None; receive and file.*

B) **Update on Regulation 12, Rule 16 Alternatives**

- 1) *None; receive and file.*

12. Report of the **Executive Committee** Meeting of March 2, 2016

CHAIR: E. Mar

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee received the following reports:

A) **Hearing Board Quarterly Report: October – December 2015**

- 1) *None; receive and file.*

B) **Bay Area Regional Collaborative (BARC) Update**

1) *None; receive and file.*

C) **2016 Clean Air Plan / Regional Climate Protection Strategy**

1) *None; receive and file.*

PRESENTATION

13. **OVERVIEW OF THE 2015/2016 WOOD SMOKE REDUCTION PROGRAM**

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will receive an overview on the 2015/2016 Wood Smoke Reduction Program.

CLOSED SESSION

14. **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: one potential case.

15. **Valero Refining Company – California, and Tesoro Refining & Marketing Company, LLC, and Phillip 66 v. Bay Area AQMD**, Contra Costa County Superior Court, Case No. N16-0095.

OPEN SESSION

PUBLIC COMMENT ON NON-AGENDA MATTERS

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

Speakers who did not have the opportunity to address the Board in the first round of comments on non-agenda matters will be allowed three minutes each to address the Board on non-agenda matters.

BOARD MEMBERS' COMMENTS

17. *Any member of the Board, 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)*

OTHER BUSINESS

18. Report of the Executive Officer/APCO

19. Chairperson's Report

20. Time and Place of Next Meeting:

Wednesday, April 6, 2016, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

21. Adjournment

The Board meeting shall be adjourned by the Board Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
939 ELLIS STREET, SAN FRANCISCO, CA 94109
mmartinez@baaqmd.gov

(415) 749-5016
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the “Members of the Board of Directors” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Board meeting. Any correspondence received after that time will be presented to the Board at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- Persons with disabilities and individuals who are limited-English proficient who wish to address Board matters. For accommodations or translations assistance, please call 415-749-5016 at least three days in advance of a meeting, so that arrangements can be made accordingly.

Accesibilidad y Título VI: El Distrito del Aire ofrece servicios y realiza las adaptaciones necesarias para las personas con discapacidades y para las personas con un dominio limitado del inglés siempre que estos servicios se soliciten y se deseen tratar asuntos relacionados con la Junta. Si necesita ayuda con algún tipo de adaptación o traducción, llame al 415-749-5016 como mínimo tres días antes de la reunión de manera que puedan realizarse las adaptaciones necesarias.

Magagamit na Tulong at Título VI: Nagbibigay ang Air District ng mga serbisyo at mga akomodasyon, kapag hiniling, sa mga taong may kapansanan at mga taong limitado ang kakayahan sa Ingles na gustong magpahayag tungkol sa mga usapin sa harap ng Lupon. Para sa mga tulong sa akomodasyon o sa pagsasalin, mangyaring tumawag sa 415-749-5016 nang tatlong araw man lamang na una pa sa miting, para makapaghanda ayon sa pangangailangan.

可及度及標題VI：空氣管理局根據申請為殘障人士和英語熟練程度有限但卻希望參與董事會事宜的人員提供服務和住宿。關於住宿或者翻譯幫助，請至少在會議之前三天致電 415-749-5016，以便作出相應安排。

Tạo Khả Năng Truy Cập và Chương VI: Đặc Khu cung cấp dịch vụ và phương tiện đáp ứng, khi có yêu cầu, cho những người bị khuyết tật và cho những cá nhân không thông thạo Anh ngữ muốn được tham gia các vấn đề của Hội Đồng. Để được phương tiện đáp ứng hoặc trợ giúp phiên dịch, xin gọi số 415-749-5016 ít nhất ba ngày trước khi có hội thảo, để tiện bố trí các phương tiện

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.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109
FOR QUESTIONS PLEASE CALL (415) 749-5016 or (415) 749-4941

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

MARCH 2016

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	16	9:45 a.m.	Board Room
Board of Directors Climate Protection Committee <i>(Meets 3rd Thursday of every other Month)</i>	Thursday	17	9:30 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i> - CANCELLED	Monday	21	9:30 a.m.	Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i> -CANCELLED	Monday	21	10:30 a.m.	Board Room
Board of Directors Legislative Committee <i>(At the Call of the Chair)</i>	Monday	21	9:30 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	23	9:30 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i> -CANCELLED	Thursday	24	9:30 a.m.	Board Room
Board of Directors Public Engagement Committee <i>(At the Call of the Chair)</i>	Thursday	24	9:30 a.m.	Board Room

APRIL 2016

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	6	9:45 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	18	9:30 a.m.	Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	18	10:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	20	9:45 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	27	9:30 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	28	9:30 a.m.	Board Room

MAY 2016

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	4	9:45 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	16	9:30 a.m.	Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	16	10:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	18	9:45 a.m.	Board Room
Board of Directors Climate Protection Committee <i>(Meets on the 3rd Thursday of every other month)</i>	Thursday	19	9:30 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	25	9:30 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	26	9:30 a.m.	Board Room

HL – 3/7/16 (8:20 a.m.)

G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 1, 2016

Re: Minutes of the Board of Directors Regular Meeting of February 17, 2016

RECOMMENDED ACTION

Approve the attached draft minutes of the Board of Directors Regular Meeting of February 17, 2016.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Regular Meeting of February 17, 2016.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Tom Flannigan
Reviewed by: Maricela Martinez

Attachment: Draft Minutes of the Board of Directors Regular Meeting of February 17, 2016

AGENDA: 3 – ATTACHMENT

Draft Minutes - Board of Directors Regular Meeting of February 17, 2016

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

Board of Directors Regular Meeting
Wednesday, February 17, 2016

DRAFT MINUTES

Note: Audio recordings of the meeting are available on the website of the Bay Area Air Quality Management District at <http://www.baaqmd.gov/about-the-air-district/board-of-directors/resolutionsagendasminutes>.

1. **CALL TO ORDER:** Chairperson Eric Mar called the meeting to order at 9:55 a.m.

Roll Call:

Present: Chairperson Eric Mar; Vice-Chairperson Liz Kniss; Secretary David Hudson; and Directors John Avalos, Teresa Barrett, Tom Bates, David J. Canepa, Cindy Chavez, Osby Davis, John Gioia, Carole Groom, Scott Haggerty, Nate Miley, Karen Mitchoff, Jan Pepper, Katie Rice, Mark Ross, Rod Sinks, Warren Slocum, Jim Spering, Brad Wagenknecht and Shirlee Zane.

Absent: Directors Margaret Fujioka and Edwin Lee.

Pledge of Allegiance: Chairperson Mar led the Pledge of Allegiance.

Moment of Silence: In honor of former director, Carol Klatt, who recently died, the Board held a moment of silence and celebrated her leadership and impact.

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

Don Cuffel, Valero, addressed the Board of Directors (Board) with questions about the adoption of a fee schedule and requesting greater clarity on new fees in order to achieve greater compliance.

NOTED PRESENT: Director Miley noted present at 10:15 am.

3. **COMMENDATIONS / PROCLAMATIONS / AWARDS**

The Board recognized Air District employees who completed 25 years, 30 years, and 35 years of service at the Air District.

CONSENT CALENDAR (ITEMS 4 – 13)

4. **Minutes of the Board of Directors Special Meeting/Retreat of January 20, 2016**
5. **Board Communications Received from January 20, 2016 through February 16, 2016**

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 January 2016;**
8. **Quarterly Report of California Air Resources Board Representative;**
9. **Quarterly Report of the Executive Office and Division Activities;**
10. **Set Public Hearing for March 16, 2016 to Consider Adoption of Proposed Regulation 9, Rule 14: Petroleum Coke Calcining Operations; and Approval of a CEQA Negative Declaration**
11. **Set Public Hearing for March 16, 2016 to Consider Adoption of Proposed Regulation 12, Rule 15: Petroleum Refining Emissions Tracking; and Approval of a CEQA, Negative Declaration;**
12. **Consider Authorization for a Purchase Order in Excess of \$70,000 Pursuant to Administrative Code Division II Fiscal Policies and Procedures, Section 4.3 Contract Limitations for California Environmental Quality Act (CEQA) Consulting Services;**
13. **Consider Authorization for a Purchase Order in Excess of \$70,000 Pursuant to Administrative Code Division II Fiscal Policies and Procedures, Section 4.3 Contract Limitations for Socioeconomic Analysis Consulting Services**

Board Comments: None.

Public Comments: No requests received.

Board Action:

Director Wagenknecht made a motion, seconded by Director Kniss, to approve Consent Calendar Items 4 through 13, inclusive; and the motion carried by the following vote of the Board:

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

COMMITTEE REPORTS/COUNCIL REPORT

14. Report of the Budget and Finance Committee (BFC) Meeting of January 27, 2016

BFC Chairperson Hudson read:

The Committee met on Wednesday, January 27, 2016, and approved the minutes of December 7, 2015.

The Committee received the staff presentation Air District Financial Audit Report FYE 2015, including audit deliverables and communications with those charged with governance. No audit findings were noted as part of this report.

The Committee then received and discussed the staff presentation Second Quarter Financial Report FYE 2016, including an overview of general fund revenues and expenses; revenue and expense year-over-year comparisons; investments; general fund balance; purchasing reporting requirements; and cumulative vendor payments in excess of \$70,000 for Board of Directors review.

The Committee then received and discussed the staff presentation Overview of Current Fiscal Year Ending 2016, including fiscal year end 2016 mid-year status and fiscal year end 2017 budget topics.

The next meeting of the Committee is on Wednesday, March 23, 2016, at 9:30 a.m.

15. Report of the Mobile Source Committee (MSC) Meeting of January 28, 2016

MSC Chairperson Haggerty read:

The Committee met on Thursday, January 28, 2016, and approved the minutes of December 2, 2015.

The Committee reviewed and discussed the staff presentation, Projects and Contracts with Proposed Grant Awards over \$100,000, including a background and information on the proposed projects. The Committee recommends the Board:

1. Approve Carl Moyer Program and Transportation Fund for Clean Air projects with proposed grant awards over \$100,000; and
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended projects.

The Committee then reviewed and discussed the staff presentation Electric Vehicle Charging Demonstration Program, including program background; the Reformulated Gasoline Settlement Fund open grants program; and the EV charging station demo program including its evaluation criteria. The Committee recommends the Board:

1. Approve the award of Transportation Fund for Clean Air funding to the Electric Vehicle Charging Station Demonstration Program projects; and
2. Authorize the Executive Officer/APCO to execute all contracts to expend Transportation Fund for Clean Air funding for the recommended Program projects.

The Committee finally reviewed and discussed the staff presentation Commercial Lawn and Garden Equipment Replacement Program, including program background on the Carbon Offset Fund and the National Fish and Wildlife-funded Commercial Lawn and Garden Replacement Program; the proposed program schedule and its objectives. The Committee recommends the Board:

1. Allocate remaining funds totaling approximately \$517,270 and interest accrued from the ConocoPhillips-funded Carbon Offset Fund to implement a commercial lawn and garden equipment replacement program; and

2. Authorize the Executive Officer/APCO to enter into funding agreements and contracts for eligible commercial lawn and garden equipment replacement projects.

The next meeting of the Committee is on Thursday, February 25, 2016, at 9:30 a.m.

Board Action:

Director Haggarty made a motion to approve the recommendations of the MSC; and the motion was voted on by the Board as follows:

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

16. Report of the Stationary Source Committee (SSC) Meeting of February 1, 2016

MSC Chairperson Gioia read:

The Committee met on February 1, 2016, and approved the minutes of September 21, 2015.

The Committee received and discussed the staff presentation, Regulation 2, Rule 5: New Source Review of Toxic Air Contaminants Amendments, including background, Stationary Source Programs, Statewide guidance, new source review for toxic air contaminants, health risk assessment guideline changes, proposed rule changes, impacts and revisions, public outreach and next steps.

The Committee then received the staff presentation, Assembly Bill 2588 Air Toxics “Hot Spots” Program Update, including an overview of the Air Toxics “Hot Spots” Act; Stationary Source Air Toxics Programs; the AB 2588 process; Health Risk Assessments; risk drivers and sources in the region; declining risks in the Bay Area; revising the risk management threshold; highest risk facilities; and the schedule for program changes.

The next meeting of the Committee is on Thursday, February 25, 2016, at 11:00 a.m.

17. Report of the Advisory Council Meeting of December 3, 2015

Advisory Council Board Liaison Sinks read:

The Council had its first meeting on Wednesday, December 3, 2015.

The Council conducted member introductions, the election of officers, and adopted a Council charter. The Council then received the staff presentation Air District Overview, including categories of air pollutants; District organization and structure; Bay Area emission trends; national and state air quality standards; the Bay Area’s attainment status; risk from toxic air

contaminants in the region; impacted communities; regional modeling of toxic air contaminants; and climate change pollutants in the Bay Area.

The Council finally received presentations on the First Key Question and Overview of Petroleum Refining including a refinery overview; descriptions of crude units; light gases; light and heavy naphtha; kerosene; diesel; gas oil; residue; U.S. crude oil production; California crude oil supply sources; Bay Area refinery locations; crude oil processing capacity; major Bay Area refinery products; refinery emissions sources; current refinery projects; refinery information resources; trends in crude oil quality; crude oil supply sources; West Coast refinery crude oil compared to the rest of the nation; and California refinery output by product types.

18. Report of the Advisory Council Meeting of February 3, 2016

Advisory Council Board Liaison Sinks read:

The Council met on Wednesday, February 3, 2016.

The Council received and discussed a presentation from Richard Corey, Executive Officer of the California Air Resources Board (CARB), titled Assembly Bill 32, California Global Warming Solutions Act of 2006 and the Cap-and-Trade Program, including CARB's priorities and objectives for 2016; key challenges; 2030 and 2050 targets; integrated planning; key efforts; the interaction between California's Cap-and-Trade Program and local greenhouse gas (GHG) measures; an explanation of the Cap-and-Trade Program and its goals; local GHG limits; refinery GHG emissions; and opportunities for local action.

The Council then received the staff presentation Review of Refinery Regulation, including the District's role in climate change reduction; refinery emissions trends; regulatory requirements at refineries; criteria pollutants at refineries; and the Air District's air toxics program.

The Council members discussed the presentations and the key question and provided input to staff on potential speakers for the next meeting of the Council.

The next meeting of the Council is on Monday, April 25, 2016, at 10 a.m.

19. Report of the Ad Hoc Building Oversight Committee Meeting of February 17, 2016

Ad Hoc Building Oversight Committee Chair Mar read:

The Committee met on Wednesday, February 17, 2016, and approved the minutes of December 14, 2015.

The Committee received and discussed the staff presentation Bay Area Metro Center (375 Beale Street) Project Status Report – February 2016, including move planning, project monitoring, a construction update from Andrew Fremier, the Deputy Executive Director of the Metropolitan Transportation Commission, the plans to delay the Air District's move, and next steps.

PRESENTATION

20. The Wood Stove and Fireplace Replacement Incentive Program

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), introduced Wayne Kino, Director of Compliance and Enforcement, who provided the staff presentation *Wood Smoke Reduction Strategy*, including overview of the incentive program; incentive program funding; heating devices; funding categories; program administration; and recommendations.

Board Comments:

The Board and staff discussed requirements for the proposed State funded incentive program; using Cap and Trade funds to support incentives; qualifications for incentive programs; options for low-income residents who rent; limits on EPA certified stoves; allowing funding for EPA certified stoves; public service announcements to reach the population without technology; demonstrating stove use for heat rather than ambiance; decommissioning fireplaces; gathering quantifiable data on stove use; and allowing all residents to access incentive funds.

Public Comments:

Patti Weisselberg, Families for Clean Air, addressed the Board in support of the Wood Stove and Fireplace Replacement Incentive Program, urging the Board to put no incentive funds into wood burning devices.

Kaity Rosengren, Hearth, Patio, and BBQ Association, addressed the Board against the Wood Stove and Fireplace Replacement Incentive Program, stating that clean, efficient wood burning devices should be included in the incentive program.

Stephanie Oxley, Families for Clean Air, addressed the Board in support of the Wood Stove and Fireplace Replacement Incentive Program, stating that heat pumps are highly efficient and does not generate pollution.

Tony Fisher, Coalition for Clean Air, addressed the Board in support of the Wood Stove and Fireplace Replacement Incentive Program, but asked how air pollution could be further reduced.

Shannon Reyna, Travis Industries, Inc., addressed the Board against the proposed Wood Stove and Fireplace Replacement Incentive Program, asking that clean, wood-burning, and gas-burning stoves be included in the incentive programs.

Tracey Gant, Families for Clean Air, addressed the Board in support of the Wood Stove and Fireplace Replacement Incentive Program, stating that wood-burning stoves continue to pollute and should be therefore not applicable with the incentive program.

Jed Holtzman, 350 Bay Area, addressed the Board in support of the Wood Stove and Fireplace Replacement Incentive Program, thanking staff for adjustments made to the incentive funding as requested by public. He also stated that heat pumps running on electricity provided by Community Choice Energy programs will mean no emissions. Glad to see that the incentive program only funds clean devices.

Jenny Bard, American Lung Association, California, addressed the Board in support of the Wood Stove and Fireplace Replacement Incentive Program, stating that clean electric heating via heat pumps is very efficient and cost effective, stating successes in Indiana.

Ken Mandelbaum, addressed the Board in support of the Wood Stove and Fireplace Replacement Incentive Program, stating that the incentive program does not take anything away from residents and that public funds should only fund the cleanest heating devices. He emphasized that funding should not include wood burning devices such as EPA certified stoves.

Board Comments (continued):

The Board and staff discussed the benefits of using electric heating with Community Choice Energy; including EPA certified stoves in the incentives; EPA stoves as the baseline; the chances of people choosing wood burning options if made available in the incentive program; keeping wood burning devices out of the incentive program; using the cleanest technologies available; changing and adjusting the incentive program as needed; the Clean Air Plan and strategies to further reduce other particulate matter pollution; and funding technology that allows people to heat homes even on a Winter Spare the Air day.

Board Action:

Director Zane made a motion, seconded by Director Groom, to approve the Wood Stove and Fireplace Replacement Incentive Program.

Board Comments (continued):

The Board and staff discussed setting a baseline; gathering data on improvements in air quality; tracking results from the incentive program; and monitoring progress and proving that incentives are generating an impact in the region.

Board Action (continued):

The motion to approve the Wood Stove and Fireplace Replacement Incentive Program carried by the following vote of the Board:

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

CLOSED SESSION

At 12:24 p.m., the Board went into closed session.

21. Existing Litigation (Government Code Section 54956.9(a))

Pursuant to Government Code Section 54956.9(a), the Board met in closed session with legal counsel to consider the following cases:

- a. California Building Industry Association v. Bay Area AQMD, Alameda County Superior Court, Case No. RG-10548693; California Court of Appeal, First Appellate District, Case No. A135335, California Supreme Court, Case No. S213478.
- b. Valero Refining Company – California, and Tesoro Refining & Marketing Company, LLC v. Bay Area AQMD, Contra Costa County Superior Court, Case No. N16-0095.

OPEN SESSION

At 12:37 p.m., the Board re-opened session with no reportable action.

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

23. **BOARD MEMBERS' COMMENTS:** None.

OTHER BUSINESS

24. **Report of the Executive Officer/APCO:**

Mr. Broadbent addressed the Board discussing the next Board of Directors meeting including a discussion on the current Winter Spare the Air season.

25. **Chairperson's Report:**

Chair Mar congratulated Director Chavez on being reappointed the Board, and reminded Board members Air and Waste Water Management meeting in New Orleans.

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

The regular Board meeting scheduled on Wednesday, March 2, 2016 is canceled.

The next Board meeting is scheduled on Wednesday, March 16, 2016 at Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, CA 94109 at 9:45 a.m.

Mr. Broadbent addressed the Board reminding them that upcoming Board meetings and committee meetings in March and April will be held at the current location of 939 Ellis Street.

27. **Adjournment:** The Board meeting adjourned at 12:41 p.m.

Tom Flannigan
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 1, 2016

Re: Board Communications Received from February 17, 2016 through March 15, 2016

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from February 17, 2016, through March 15, 2016, if any, will be at each Board Member's place at the March 16, 2016, Board meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Vanessa Johnson
Reviewed by: Maricela Martinez

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 1, 2016

Re: Air District Personnel on Out-of-State Business Travel

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In accordance with Section 5.4 (b) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified of District personnel who have traveled on out-of-state business.

The report covers the out-of-state business travel for the month of February 2016. The monthly out-of-state business travel report is presented in the month following travel completion.

DISCUSSION

The following out-of-state business travel activities occurred in the month of February 2016:

- Saffet Tanrikuu, Research & Modeling Manager and Su-Tzai Soong, Senior Atmospheric Modeler attended the U.S. EPA Background Ozone Workshop in Phoenix Arizona, February 24, 2016 through February 25, 2016.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Stephanie Osaze
Reviewed by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 8, 2016

Re: Notices of Violations Issued and Settlements in Excess of \$10,000 in the Month of
February 2016

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

In accordance with Resolution No. 2012-08, attached to this Memorandum is a listing of all Notices of Violations issued, and all settlements for amounts in excess of \$10,000 during the calendar month prior to this report.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The amounts of civil penalties collected are included in the Air District's general fund budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Brian C. Bungler

Attachment: Notices of Violations Issued

NOTICES OF VIOLATIONS ISSUED

The following Notice(s) of Violations were issued in February 2016:

Alameda						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Asbestos Management Group of California	J9290	Oakland	A54387A	2/4/16	11-2-401.5	Failure to start on notified start date.
Figueroa Tank Lines	T0514	Berkeley	A54284A	2/4/16	8-33-304	CT# 208247, failure to meet liquid leak standard
Gaylord's Caffe Espresso	E1279	Oakland	A53680A	2/26/16	2-1-307	P/O Condition 25486, Part 3, <1200 degreesF
Owens-Brockway Glass Container Inc	A0030	Oakland	A52538A	2/18/16	6-1-302	RCA# 06W55 had opacity > or equal to 30% for 14.7 mins; Dev# 4329
P.W. Stephens Environmental Inc.	V8868	Hayward	A49142A	2/16/16	11-2-303.6	No removal on start date

Contra Costa						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Chevron Products Company	A0010	Richmond	A54257A	2/9/16	10	Dev #3981, Flaring in violation of 40 CFR 60 Subpart J 60.104(a)(1)
Chevron Products Company	A0010	Richmond	A54258A	2/9/16	10	Dev #3919, Flaring in violation of 40 CFR 60 Subpart J 60.104(a)(1)
Chevron Products Company	A0010	Richmond	A54259A	2/9/16	10	Dev #3798, Flaring in violation of 40 CFR 60 Subpart J 60.104(a)(1)
Chevron Products Company	A0010	Richmond	A54260A	2/9/16	1-510	Failure to maintain meteorological equipment within limits specified by BAAQMD Manual of Procedures.

Chevron Products Company	A0010	Richmond	A54261A	2/16/16	8-10-501	PVD Monitoring not conducted on 3 vessels.
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A53849A	2/9/16	2-6-307	Deviation 4332, CO emissions in excess of permit condition 23125, part 7b
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A54225A	2/26/16	9-2-301	"WfRD GLM; H2S > 60ppb/3-min, H2S > 30ppb/60-min. RCA #06X13"
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A54226A	2/26/16	9-1-301	"Chenery GLM; SO2 > 500ppb/3-min. RCA #06X16"
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A56303A	2/26/16	2-6-307	NOx > 10ppm/3-hr avg. @ F-8/71 combined SCR. RCA #06X23
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A56304A	2/26/16	1-522.7	RCA #06X15 reported outside of 96-hr window

Marin						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Mount Tamalpais Cemetery and Mortuary	A7831	San Rafael	A51693A	2/4/16	2-1-307	Failure to comply with permit condition requiring crematorium minimum operating temperature

San Mateo						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Royalite Manufacturing Inc	B0925	San Carlos	A53971A	2/25/16	2-1-301	Failed Source Test; NOx emissions > 5 ppm
Royalite Manufacturing Inc	B0925	San Carlos	A53971B	2/25/16	2-1-302	Failed Source Test; NOx emissions > 5 ppm
United Airlines, Inc	A0051	San Francisco	A53970A	2/22/16	2-6-307	Unpermitted Sand Blasting > 100 cu. Ft.

Santa Clara						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
International Disposal Corp of CA	A9013	Milpitas	A54234A	2/26/16	8-34-303	surface leaks exceeding 500 ppm std
International Disposal Corp of CA	A9013	Milpitas	A54234B	2/26/16	CCR	surface leaks exceeding 500 ppm std
International Disposal Corp of CA	A9013	Milpitas	A54235A	2/26/16	8-34-305.1	6 wellheads not under negative pressure
International Disposal Corp of CA	A9013	Milpitas	A54235B	2/26/16	CCR	6 wellheads not under negative pressure
S J Valley Plating Inc	A5079	Santa Clara	A51388A	2/24/16	9-3-102.5	Failed to complete two year training and weekly surface tension
S J Valley Plating Inc	A5079	Santa Clara	A51388B	2/24/16	9-3-102.9	Failed to complete two year training and weekly surface tension

Solano						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
NuStar Logistics, L P	B5574	Benicia	A54100A	2/8/16	8-5-304	crude oil on top of floating-roof (< 1-barrel)
Valero Refining Company - California	B2626	Benicia	A54101A	2/23/16	1-522.5	CEM daily calibration missing
Valero Refining Company - California	B2626	Benicia	A54102A	2/25/16	8-18-402.1	91 valves not identified
Valero Refining Company - California	B2626	Benicia	A54102B	2/25/16	10	25 open-ended

SETTLEMENTS FOR \$10,000 OR MORE REACHED

There were 2 settlement(s) for \$10,000 or more completed in February 2016.

- 1) On February 18, 2016, the District reached settlement with SFPP, LP for \$69,500, regarding the allegations contained in the following 6 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A53907A	9/29/14	8/20/14	8-5-305.5	RCA #06R61 Gauge float stuck below product surface
A53884A	12/10/14	8/5/14	8-5-321.1	BD 06R46 EFRT failed 2ndry & primary seals
A53884B	12/10/14	8/5/14	8-5-322.5	BD 06R46 EFRT failed 2ndry & primary seals
A53885A	12/10/14	8/18/14	8-5-322.5	BD 06R60, Failed 2ndry wiper tip
A54210A	5/27/15	12/16/14	8-5-320.4	8-5-320.4.2 Gap found on column seal of vapor recovery line
A54212A	7/21/15	1/12/15	2-1-302	OWS operated w/o Permit to Operate. Replaced S-47/48
A54212B	7/21/15	1/12/15	2-1-301	OWS operated w/o Permit to Operate. Replaced S-47/48
A54219A	9/2/15	12/9/14	8-5-305	Crack observed in pump wall above back nozzle

- 2) On February 18, 2016, the District reached settlement with Tesoro Refining and Marketing Co. LLC for \$646,140, regarding the allegations contained in the following 36 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A47086A	6/14/12	5/23/12	8-18-402.1	10 valves missing ID tags / no inspections Dev.#3270
A47086B	6/14/12	5/23/12	8-18-401.3	10 valves missing ID tags / no inspections Dev.#3270
A47087A	6/14/12	5/23/12	8-33-305	8-33-305.1 Dev#3269 2 vapor return hoses pinhole leaks / 1 connector leak > 3000ppm
A47087B	6/14/12	5/23/12	8-33-309	8-33-309.5.1 Dev#3269 2 vapor return hoses pinhole leaks / 1 connector leak > 3000ppm
A47088A	6/14/12	6/1/12	8-18-401.3	8-18-401.3 valves no inspections

A47088B	6/14/12	6/1/12	8-18-402.1	8-18-402.1 valves no ID tags
A47088C	6/14/12	6/1/12	8-18-401	8-18-401.2 valves no inspections
A47089A	6/14/12	6/5/12	8-18-301	tag 52597-000 sample station open-ended line > 100ppm
A47090A	6/14/12	6/5/12	8-18-301	sample station & ½" tubing 2 open-ended lines leaking > 100ppm
A47091A	6/28/12	6/1/12	8-18-307	tag #54971-000 5 drops per minute sample station 20K
A47092A	6/28/12	6/28/12	8-18-307	tag #36864 DIB sample station 20K ppm 5 drops per minute
A52045A	4/25/12	1/17/12	9-1-307	SO2 > 250ppm (06D17)
A52051A	7/24/12	7/24/12	8-33-309	8-33-309.15 Incorrect sample line on pressure/vacuum valve
A52051B	7/24/12	7/24/12	8-33-309	8-33-309.8 Did not conduct proper inspection or document VOC readings
A52479A	3/14/13	7/27/12	8-5-304	8-5-304.4 Liquid product on tank roof (06G15)
A52480A	3/14/13	7/29/12	8-5-304	8-5-304.4 Tank roof resting on legs 7/29-30/12
A52486A	2/13/13	7/24/12	1-522.4	(06G39) late reporting INOP monitor
A52488A	2/13/13	8/22/12	2-6-307	(06G56) ammonia inject >1800lbs/rolling24
A52492A	4/16/13	7/26/12	8-5-322.1	5" tear in 2nd seal
A52493A	4/23/13	6/27/12	8-18-304	8-18-304.1Leaking connector Tag 62913.01
A52493B	4/23/13	6/27/12	2-6-307	Late reporting of Deviation
A52496A	5/9/13	9/27/12	9-1-307	SO2 excess (06H02)
A52497A	6/5/13	2/13/13	8-18-304	connector leaks, failure to repair/report (tag 62840, 62902)
A52497B	6/5/13	2/13/13	2-6-307	connector leaks, failure to repair/report (tag 62840, 62902)
A52498A	6/5/13	3/9/12	10	(06E10) H2S excess fuel gas subpart J
A52498B	6/5/13	3/9/12	2-6-307	P/C condition 23562part1 (title V)

A52499A	6/11/13	9/28/12	8-18-401	missed inspections
A52499B	6/11/13	9/28/12	8-18-402	missing tags
A53070A	2/18/14	12/26/13	8-8-505	8-8-505 Facility wide drains not in inventory
A53071A	2/27/14	12/31/13	2-6-307	3 missed Source Tests in 2012
A53127A	7/10/13	3/7/12	8-28-401	(06E24) PRD lift late reporting
A53129A	8/6/13	3/16/12	2-6-307	NOx excess (3) pc19199-H4 (06E34)
A53130A	8/6/13	9/4/12	8-18-302	LDAR inspection and repair problems
A53130B	8/6/13	9/4/12	8-18-304	LDAR inspection and repair problems
A53135A	9/24/13	3/13/12	9-10-305	Excessive Co concentrations 06E25
A53136A	10/8/13	8/22/12	8-5-306	3 PRV/hatches not vapor tight >500ppm
A53137A	10/8/13	8/22/12	8-5-306	2x PRV/hatched not vapor tight >500 ppm
A53138A	10/8/13	8/22/12	8-5-306	8-5-306.2 1x PRV/hatch not vapor tight >500ppm
A53139A	10/8/13	8/22/12	8-5-306	8-5-306.2 1x PRV/hatch not vapor tight >500 ppm
A53140A	10/8/13	10/8/13	8-5-503	8-5-503.2 heavy oil components missing from count
A53142A	10/15/13	8/12/12	8-5-306	8-5-306.2 not vapor tight, failure to report deviation
A53142B	10/15/13	8/12/12	2-6-307	not vapor tight, failure to report deviation
A53146A	2/13/14	8/18/12	2-6-307	SO2 >PC 11433 part 8 (06G50)
A53147A	2/13/14	9/5/12	8-5-322.4	No sealing tape on secondary seal
A53148A	2/13/14	9/7/12	8-5-307	8-5-307.3 Pressure relief device leaking >500 ppm
A53149A	2/13/14	9/12/12	8-5-307	8-5-307.3 PRD leaking greater than 500 ppm
A53655A	6/10/14	11/15/12	2-6-307	No steam injection as required by PC 19528/21

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 16, 2016

Re: Authorization of Infrastructure Improvement for Business Continuity Site

RECOMMENDED ACTION

Recommend the Board of Directors:

- Authorize the Executive Officer/APCO to transfer \$300,000 from the designated IT incident response reserves to the current Fiscal Year Ending (FYE) 2016 budget; and
- Authorize the Executive Officer/APCO to enter into purchase agreements, in an amount not to exceed \$300,000, for the procurement of business continuity infrastructure.

BACKGROUND

Currently, The Bay Area Air Quality Management District (District) has little ability at its alternate office spaces to support minimal critical business operations in the event that the District headquarters become unavailable.

The District's Richmond Parkway offices are currently equipped to support emissions source testing and inspection operations in proximity to the Bay Area's Refineries and other large industrial facilities. The Richmond facility is equipped with office spaces for approximately 20 staff and is connected to the District's computer and telecommunications infrastructure; however, the Richmond infrastructure is insufficient to support the networking and printing needs that would be required to keep the entire agency minimally operational.

The District is therefore seeking to improve IT and Printing infrastructure at the Richmond Parkway Office to support minimum critical business operations.

DISCUSSION

The District maintains a set of back-up computer servers at a IT co-location facility in Sacramento, CA that provide redundant computer services in the event of failure of the main computing capacity at the District's headquarters in San Francisco. The District, however, does not currently maintain alternate office space that would be capable of sustaining key operations in the event the District's headquarters becomes unavailable.

In order to plan for this type of event (fire or flood), the District developed a list of those business operations that need to continue to operate in event the District’s headquarters were not available for a number of months. Identified critical operations are shown in Table 1.

Table 1 Minimum Critical Business Operations

Critical Business Operation	Richmond	Telecommute
1. Inspector dispatch	X	
2. Incident response	X	
3. Invoices for permit fees- printing and mailing.	X	
4. Invoices for enforcement actions printing and mailing	X	
5. Permit printing and mailing	X	
6. Procurement	X	
7. Asbestos Job number issuance	X	
8. Receipt of check payments	X	
9. Receipt of credit card payments	X	
10. Small pool of vehicles	X	
11. Contra Costa County Warning System	X	
12. Limited IT Support Desk	X	
13. Hoteling office space needed for remote users to come “in house” temporarily as needed	X	
14. HR and payroll functions	X	
15. Meteorology-spare the air forecasting		X
16. Air monitoring – data and meteorology from the MMR network		X
17. RCA reporting for Enforcement	X	
18. Records Requests	X	
19. Clerk of the Board’s functions	X	
20. Legal Consultation	X	X
21. Grant Maintenance	X	X

The District intends to upgrade its existing offices located in Richmond, California to serve as a business continuity center where staff may be located to execute minimum critical business operations. In order to support these operations, current Richmond offices require the infrastructure improvements listed in Table 2.

Table 2

Infrastructure Improvement	Budgetary Cost
1. Computer Networking	\$100,000
2. Construction	\$100,000
3. Permit, Invoice and Check Printing equipment	\$100,000
Total	\$300,000

Computer Networking, permit, invoice and check printing equipment will be purchased and installed by District Staff and construction services will be contracted out.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Current District reserves contain \$500,000 designated for IT response activities. This recommendation would transfer \$300,000 of those reserves into the current FYE 16 budget to fund infrastructure improvement at the District's existing Richmond Parkway office.

No additional impact is anticipated.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Reviewed by: Damian Breen
Prepared by: John Chiladakis

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Director/APCO

Date: March 2, 2016

Re: Consider Extending a Contract for Janitorial Services

RECOMMENDED ACTION

Recommend the Board of Directors authorize the Executive Officer/APCO to extend the contract with SWA Services Group, Inc. (SWA), through June 30, 2016, in an amount not to exceed \$40,000.

BACKGROUND

An initial Request for Proposals was issued on April 15, 2011, to solicit proposals for janitorial services. SWA was awarded the contract for \$100,680 per year for three years. The Board approved the original contract on August 10, 2011, and approved an extension of the contract on June 4, 2014.

DISCUSSION

Due to the postponement of the headquarters relocation, staff requests to extend the contract through June 30, 2016.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The Fiscal Year Ending 2016 budget includes all costs associated under this extension.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Okpalauugo
Reviewed by: Rex Sanders

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: March 1, 2016

Re: Referral of Proposed Budget for Fiscal Year Ending (FYE) 2017 to the Budget &
Finance Committee

RECOMMENED ACTION

Recommend the Board of Directors refer proposed operating budget for FYE 2017 to the Budget and Finance Committee for review and consideration.

BACKGROUND

Pursuant to Administrative Code Division II, Section 3.2 Fiscal Policies and Procedures and in compliance with Health and Safety Code Section 40276, the Executive Officer/APCO requests that the Board of Directors refer the proposed budget for FYE 2017 to the Budget and Finance Committee for review and consideration.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Stephanie Osaze
Reviewed by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: March 8, 2016

Re: Report of the Mobile Source Committee Meeting of February 25, 2016

RECOMMENDED ACTION

The Mobile Source Committee (Committee) recommends Board of Directors' approval of the following items:

- A) Projects and Contracts with Proposed Grant Awards over \$100,000:
 - 1) Approve Carl Moyer Program (CMP) and Transportation Fund for Clean Air (TFCA) projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
 - 2) Authorize the Executive Officer/APCO to enter into agreements for the recommended projects.
- B) Air District Grant Programs Overview:
 - 1) None; receive and file.
- C) Participation in Year 18 of the Carl Moyer Program and 2016 Caltrain Funding Plan
 - 1) Adopt a resolution authorizing the Executive Officer/APCO to execute all necessary agreements with the California Air Resources Board (ARB) relating to the Air District's receipt of Carl Moyer Program (CMP) funds for fiscal year 2015-2016 (Program Year 18);
 - 2) Allocate \$5 million in Mobile Source Incentive Funding (MSIF) to provide the required match funding and additional monies for projects eligible for funding under the CMP guidelines; and
 - 3) Approve the proposed 2016 funding plan for the Caltrain Electrification project.

D) Fiscal Year Ending (FYE) 2017 Transportation Fund for Clean Air (TFCA) Funding Allocations

- 1) Allocate \$13.65 million in Transportation Fund for Clean Air (TFCA) revenue to the programs listed in Table 1;
- 2) Authorize the proposed cost-effectiveness limits for the Air District sponsored programs listed in Table 2; and
- 3) Authorize the Executive Officer/APCO to enter into funding agreements and contracts up to \$100,000 for projects and programs listed in Table 1.

BACKGROUND

The Committee met on Thursday, February 25, 2016, and received the following reports and recommendations:

- A) Projects and Contracts with Proposed Grant Awards over \$100,000;
- B) Air District Grant Programs Overview; and
- C) Participation in Year 18 of the Carl Moyer Program and 2016 Caltrain Funding Plan.
- D) Fiscal Year Ending (FYE) 2017 Transportation Fund for Clean Air (TFCA) Funding Allocations

Chairperson Scott Haggerty will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None. Through the CMP, Mobile Source Incentive Fund, and TFCA, the Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for both programs are provided by each funding source.
- B) None.
- C) None. Through the CMP and MSIF grant programs the Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for all programs are provided by each funding source.
- D) None. The Air District distributes “pass-through” funds to grantees on a reimbursement basis. Administrative costs for the TFCA Regional Fund program are provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Tom Flannigan
Reviewed by: Maricela Martinez

Attachment 10A: 02/25/16 – Mobile Source Committee Meeting Agenda #4
Attachment 10B: 02/25/16 – Mobile Source Committee Meeting Agenda #5
Attachment 10C: 02/25/16 – Mobile Source Committee Meeting Agenda #6
Attachment 10D: 02/25/16 – Mobile Source Committee Meeting Agenda #7

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Scott Haggerty and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 9, 2016

Re: Projects and Contracts with Proposed Grant Awards over \$100,000

RECOMMENDATIONS

Recommend Board of Directors:

1. Approve Carl Moyer Program (CMP) and Transportation Fund for Clean Air (TFCA) projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into agreements for the recommended projects.

BACKGROUND

The Bay Area Air Quality Management District (Air District) has participated in the Carl Moyer Program (CMP), in cooperation with the California Air Resources Board (ARB), since the program began in fiscal year 1998-1999. The CMP provides grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include on-road trucks and buses, off-road equipment, marine vessels, locomotives, and stationary agricultural pump engines.

Assembly Bill 923 (AB 923 - Firebaugh), enacted in 2004 (codified as Health and Safety Code Section 44225), authorized local air districts to increase their motor vehicle registration surcharge up to an additional \$2 per vehicle. The revenues from the additional \$2 surcharge are deposited in the Air District's Mobile Source Incentive Fund (MSIF). AB 923 stipulates that air districts may use the revenues generated by the additional \$2 surcharge for projects eligible under the CMP.

On February 18, 2015, the Board of Directors (Board) authorized Air District participation in Year 17 of the CMP, and authorized the Executive Officer/APCO to execute Grant Agreements and amendments for projects funded with CMP funds or MSIF revenues, with individual grant award amounts up to \$100,000.

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority for the Transportation Fund for Clean Air (TFCA) and requirements of the program are set forth in California HSC Sections 44241 and 44242. Each year, the Board allocates funding and adopts policies and evaluation criteria that govern the expenditure of TFCA funding.

Sixty percent of TFCA funds are awarded by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and to a program referred to as the TFCA Regional Fund.

CMP and TFCA projects with grant award amounts over \$100,000 are brought to the Mobile Source Committee for consideration at least on a quarterly basis. Staff reviews and evaluates the grant applications based upon the respective governing policies and guidelines established by the ARB and/or the Board.

DISCUSSION

Carl Moyer Program:

The Air District started accepting project applications for the CMP Year 17 funding cycle on August 17, 2015. The Air District has approximately \$9 million available for CMP projects from a combination of MSIF and CMP funds for the Year 17 cycle. Project applications are being accepted and evaluated on a first-come, first-served basis.

As of February 3, 2016 the Air District had received 43 project applications for the CMP Year 17 cycle. Of the applications that have been evaluated between January 7, 2016 and February 3, 2016, five eligible projects have proposed individual grant awards over \$100,000. These projects will replace four tractors, two loaders, and one marine engine. These projects will reduce over 3.72 tons of NO_x, ROG and PM per year. Staff recommends the allocation of \$866,490 to these projects from a combination of CMP funds and MSIF revenues. Attachment 1, Table 1, provides additional information on these projects.

Attachment 2, lists all of the eligible projects that have been received by the Air District as of January 7, 2016, and summarizes the allocation of funding by equipment category, and county. This list also includes the Voucher Incentive Program (VIP) on-road replacement projects awarded since the last committee update. Approximately 22% of the funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities. Attachment 3 summarizes the cumulative allocation of CMP, MSIF, and VBB funding since 2009 (more than \$96 million awarded to 705 projects).

Transportation Fund for Clean Air:

On May 6, 2015, the Board allocated \$24.47 million in TFCA funding for eligible projects in Fiscal Year Ending (FYE) 2016, authorized cost-effectiveness limits and evaluation criteria for Air District-sponsored FYE 2016 programs, and authorized the Executive Officer/APCO to execute Grant Agreements and amendments for TFCA-funded projects with individual grant award amounts up to \$100,000. On July 29, 2015, the Board adopted policies and evaluation criteria for the FYE 2016 TFCA Regional Fund program. To date, the Air District has opened TFCA-funded solicitations for shuttle and rideshare, electronic bicycle locker, bicycle rack, hydrogen fueling station, plug-in electric vehicle, electric vehicle (EV) charging station, and heavy-duty zero-emission vehicle projects.

As of February 3, 2016 the Air District had evaluated 60 applications for FYE 2016 TFCA funding. Of the applications that have been evaluated between January 8, 2016 and February 3, 2016, three eligible projects proposed an individual grant award over \$100,000. Project #16EV027 will deploy 21 dual-port Level 2 electric vehicle (EV) charging stations that are integrated with roof top solar at Westfield Valley Fair in San Jose. Project #16EV054 will deploy 350 EV charging stations at a workplace in Cupertino. Project #16EV056 will deploy 32 dual-port Level 2 and 5 DC Fast EV charging stations at a workplace in San Francisco. Together, these projects will reduce about 0.41 tons of NO_x, ROG, and PM per year. Staff determined that these projects conform to the provisions of HSC 44241 and the Board-adopted cost-effectiveness criteria and recommends awarding \$223,777 to Project #16EV027, \$250,000 to Project #16EV054, and \$295,182 to Project #16EV056. Attachment 1, Table 2, provides additional information on these projects.

Attachment 4 lists all of the eligible projects that have been evaluated by the Air District as of February 3, 2016. Attachment 5 summarizes the allocation of funding by project category (Figure 1), and county (Figure 2). In total, these 39 projects represent approximately \$6.4 million in funding awards, which include TFCA funds and \$450,000 in Reformulated Gasoline (RFG) Settlement funds. These projects will reduce more than 48 tons of NO_x, ROG, and PM per year, with approximately 42% of the \$6.4 million funds have been awarded to projects in the Air District's Community Air Risk Evaluation Program (CARE) areas.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Through the CMP, MSIF and TFCA, the Air District distributes "pass-through" funds to public agencies and private entities on a reimbursement basis. Administrative costs for these programs are provided by each funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Director/APCO

Prepared by: Anthony Fournier and Linda Hui
Reviewed by: Damian Breen

- Attachment 1: Summary of Carl Moyer Program/Mobile Source Incentive Fund projects with grant awards greater than \$100,000 (Evaluated between 1/7/16 and 2/3/16)
- Attachment 2: Summary of all CMP/ MSIF and VIP approved and eligible projects (between 11/20/15 and 2/3/16)
- Attachment 3: Summary of program distribution by county and equipment category for CMP, MSIF, VBB, and VIP funding since 2009.
- Attachment 4: Summary of all TFCA approved and eligible projects (evaluated between 7/1/15 and 2/3/2016)
- Attachment 5: Summary of FYE 2016 TCFA funds distributed by county and project category (as of 2/3/2016)

AGENDA 4 - ATTACHMENT 1

**Table 1 - Summary of Carl Moyer Program/ Mobile Source Incentive Fund projects
with grant awards greater than \$100k (Evaluated between 1/7/16 and 2/3/16)**

Project #	Applicant name	Equipment category	Project description	Proposed contract award	Total project cost	Emission Reductions (Tons per year)			County
						NOx	ROG	PM	
17MOY28	Lum Family Farms, Inc.	Ag/ off-road	Replacement of one diesel tractor.	\$ 282,200.00	\$ 360,880.00	0.959	0.100	0.034	Solano
17MOY40	F.A. Maggiore & Sons, LLC	Ag/ off-road	Replacement of one diesel tractor.	\$ 121,490.00	\$ 174,422.10	0.533	0.030	0.009	Contra Costa
17MOY36	Bayview Vineyards Corp.	Ag/ off-road	Replacement of one diesel tractor.	\$ 129,595.00	\$ 161,995.10	0.601	0.061	0.023	Napa
17MOY31	Chris W. Lawson (Commercial fishing)	Marine	Replacement of one diesel marine engine.	\$ 145,800.00	\$ 171,642.33	0.639	0.012	0.023	San Mateo
17MOY26	Diamond M Dairy	Ag/ off-road	Replacement of one diesel tractor and two diesel loaders.	\$ 187,405.00	\$ 234,273.09	0.573	0.090	0.033	Sonoma
5 Projects				\$ 866,490.00		3.306	0.292	0.123	

**Table 2 - Summary of Transportation Fund for Clean Air projects
with grant awards greater than \$100k (Evaluated between 1/8/16 and 2/3/16)**

Project #	Project Sponsor	Project Category	Project Description	City	Est. C/E	Proposed Contract Award	Emission Reductions (Tons per year)			County
							NO _x	ROG	PM	
16EV027	VF/UTC Service, Inc.	Plug-in Electric Vehicles (PEV)	Install 21 dual-port Level 2 charging stations (with solar)	San Jose	\$500,000	\$223,777	0.029	0.037	0.004	Santa Clara
16EV054	Apple Inc.	Plug-in Electric Vehicles (PEV)	Install 350 EV Level 2 charging stations	Cupertino	\$250,000	\$250,000	0.065	0.084	0.009	Santa Clara
16EV056	Bay Area Headquarters Authority	Plug-in Electric Vehicles (PEV)	Install 32 dual-port Level 2 and 5 dual-connector DC Fast charging stations	San Francisco	\$250,000	\$295,182	0.076	0.098	0.011	San Francisco
3 Projects						\$ 768,959	0.170	0.219	0.024	

AGENDA 4 - ATTACHMENT 2

Summary of all CMP, MSIF and VIP approved/ eligible projects (between 11/20/15 and 2/3/16)

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
17MOY5	Ag/ off-road	Equipment replacement	1	\$ 249,000.00	Ironhouse Sanitary District	0.925	0.078	0.027	12/16/2015	Contra Costa
17MOY8	Marine	Engine replacement	1	\$ 117,400.00	Andrew Guiliano, DBA, Andrew Guiliano (Charter fishing)	0.407	0.025	0.015	12/16/2015	Contra Costa
17MOY7	Off-road	Engine replacement	3	\$ 213,500.00	Dees- Hennessey, Inc. (Construction)	0.966	0.109	0.038	12/16/2015	San Mateo
17MOY1	Ag/ off-road	Equipment replacement	3	\$ 126,370.00	Robert Giacomini Dairy, Inc.	0.357	0.055	0.023	12/16/2015	Marin
17MOY2	Ag/ off-road	Equipment replacement	1	\$ 60,710.00	Donald J. Moreda, Sr. (Dairy)	0.190	0.027	0.010	APCO	Sonoma
17MOY3	Marine	Engine replacement	1	\$ 154,500.00	Daniel Lazzari DBA Daniel Lazzari (Commercial fishing)	0.887	0.017	0.032	12/16/2015	San Francisco
16MOY97	Ag/ off-road	Equipment replacement	1	\$ 61,200.00	Imhof Tractor Service, Inc.	0.207	0.007	0.009	APCO	Alameda
17MOY6	Ag/ off-road	Equipment replacement	1	\$ 93,645.00	Gregory Lyons (Lyon's Farms)	0.339	0.048	0.021	APCO	Contra Costa
17MOY11	Ag/ off-road	Equipment replacement	5	\$ 1,005,732.00	Ben Silacci dba Silacci Dairy	5.082	0.520	0.182	12/16/2015	Sonoma
17MOY19	Ag/ off-road	Equipment replacement	1	\$ 120,650.00	Ghiggeri and Stonebarger, LLC	0.530	0.029	0.009	12/16/2015	Contra Costa
17MOY4	Off-road	Equipment replacement	1	\$ 33,150.00	Pacific Coast General Engineering, Inc.	0.161	0.027	0.010	APCO	Contra Costa
17MOY25	Ag/ off-road	Equipment replacement	1	\$ 172,820.00	Spring Hill Jersey Cheese	0.913	0.095	0.033	2/17/2016	Sonoma
17MOY18	Marine	Engine replacement	2	\$ 207,000.00	Tom Mattusch, DBA, F/V Huli Cat	1.393	-0.010	0.054	2/17/2016	San Mateo
17MOY28	Ag/ off-road	Equipment replacement	1	\$ 282,200.00	Lum Family Farms, Inc.	0.959	0.100	0.034	TBD	Solano
17MOY40	Ag/ off-road	Equipment replacement	1	\$ 121,490.00	F.A. Maggiore & Sons, LLC	0.533	0.030	0.009	TBD	Contra Costa
17MOY36	Ag/ off-road	Equipment replacement	1	\$ 129,595.00	Bayview Vineyards Corp.	0.601	0.061	0.023	TBD	Napa
17MOY31	Marine	Engine replacement	1	\$ 145,800.00	Chris W. Lawson (Commercial fishing)	0.639	0.012	0.023	TBD	San Mateo
17MOY26	Ag/ off-road	Equipment replacement	3	\$ 187,405.00	Diamond M Dairy	0.573	0.090	0.033	TBD	Sonoma
VIP265	VIP	Truck Replacement	1	\$ 40,000.00	Tien Cong Huynh / Tai Cong Huynh	0.860	0.010	0.000	APCO	Alameda
VIP266	VIP	Truck Replacement	1	\$ 45,000.00	IEC Puno Trans Inc or Randy Puno	0.950	0.010	0.000	APCO	Santa Clara
VIP267	VIP	Truck Replacement	1	\$ 45,000.00	Martin S. Mileck	1.400	0.050	0.000	APCO	Mendocino
VIP268	VIP	Truck Replacement	1	\$ 35,000.00	Dennis E. Allen	0.700	0.020	0.000	APCO	Sacramento
VIP269	VIP	Truck Replacement	1	\$ 25,000.00	Steven R. Martini	0.560	0.020	0.000	APCO	Santa Clara
VIP270	VIP	Truck Replacement	1	\$ 45,000.00	Richard Jones	0.980	0.040	0.000	APCO	Tehama
VIP271	VIP	Truck Replacement	1	\$ 20,000.00	Gravel Sand and Soil Delivery LLC	0.460	0.020	0.000	APCO	Sonoma
VIP272	VIP	Truck Replacement	1	\$ 45,000.00	Gurjot Pawar	0.870	0.030	0.000	APCO	Santa Clara
VIP273	VIP	Truck Replacement	1	\$ 40,000.00	Guru Dutt Saini	0.840	0.010	0.000	APCO	San Joaquin
27 Projects			38	\$ 3,822,167.00		23.283	1.529	0.584		

AGENDA 4 - ATTACHMENT 2

Figure 1: CMP/ MSIF Funding Distribution by Equipment Category as of 2/3/16

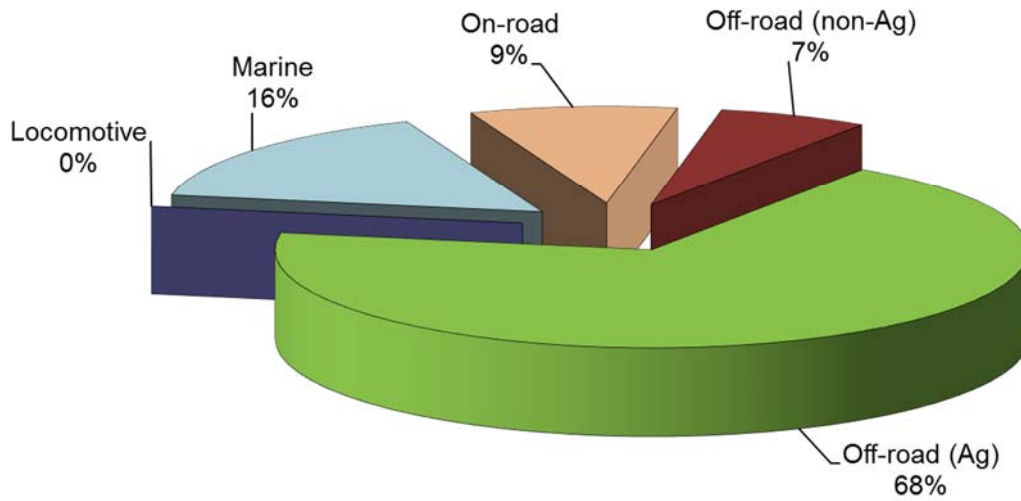
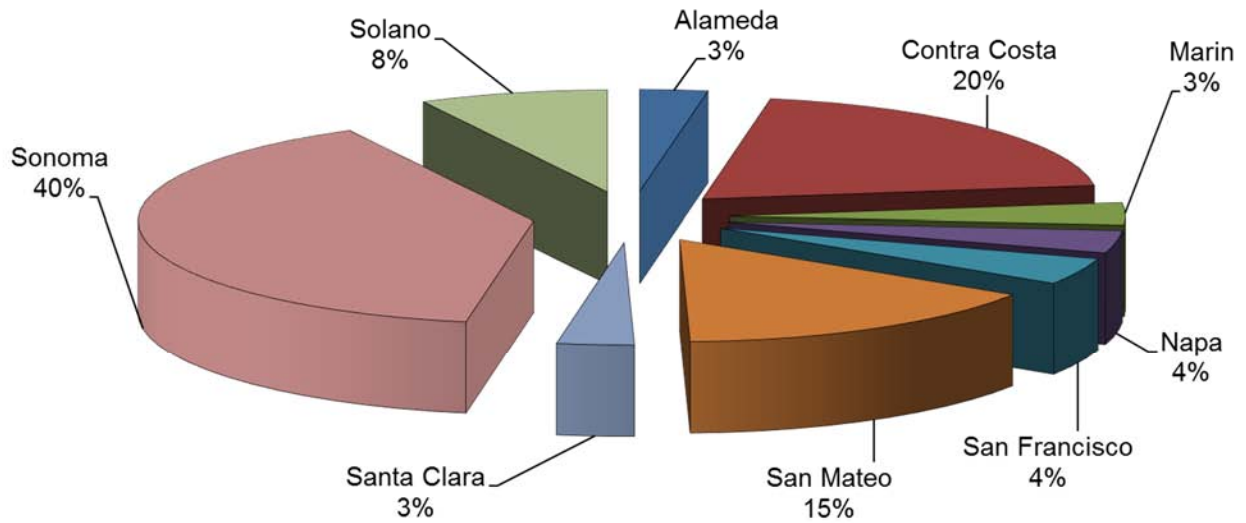


Figure 2: CMP/ MSIF Funding Distribution by County as of 2/3/16



AGENDA 4 - ATTACHMENT 3

Figure 3: CMP, MSIF, VBB and VIP funding since 2009 by equipment category

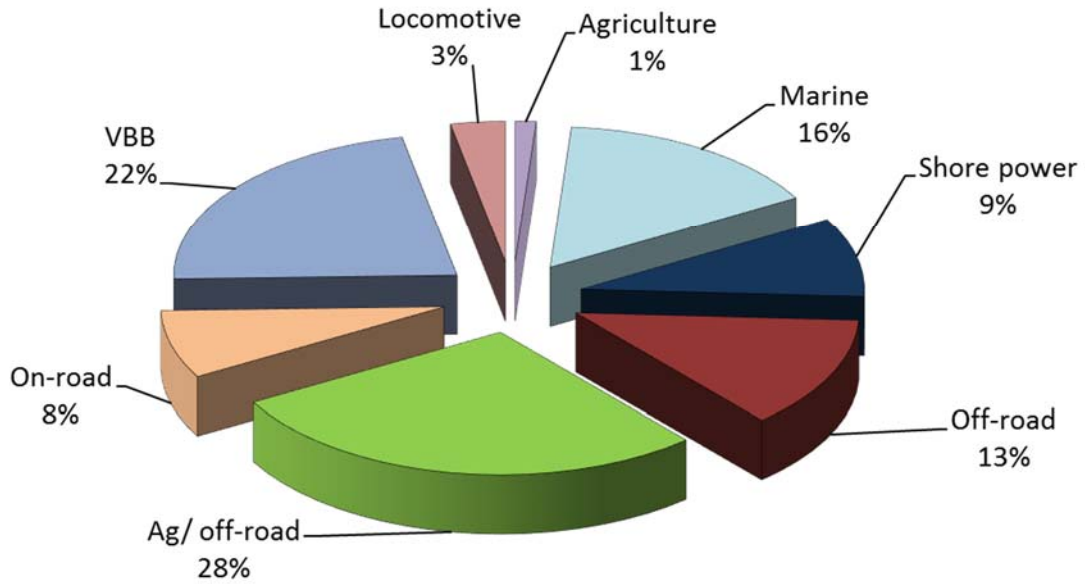
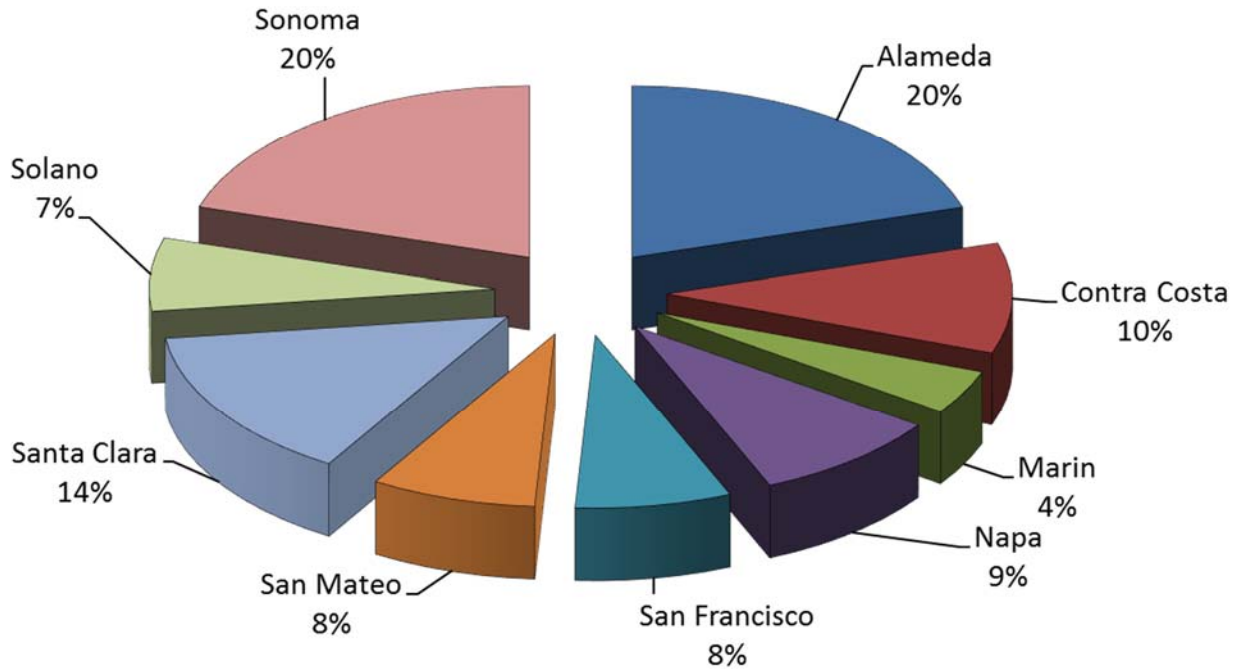


Figure 4: CMP, MSIF, VBB and VIP funding since 2009 by county



AGENDA 4 - ATTACHMENT 4

Summary of all TFCA approved and eligible projects (evaluated between 7/1/2015 and 2/3/2016)

Project #	Project Category	Project Description	Award Amount	Applicant Name	Emission Reductions (Tons per year)			Board Approval Date	CARE Area	County
					NO _x	ROG	PM			
16EV001	Plug-in Electric Vehicles (PEV)	Install 10 single-port Level 2 EV charging stations	\$30,000	Car Charging, Inc.	0.008	0.010	0.001	10/5/15	Yes	Santa Clara
16EV003	PEV	Install 39 single-port Level 2 EV charging stations (with solar)	\$234,000	Powertree Services Inc.	0.030	0.039	0.004	11/18/15	Yes	San Francisco
16EV004	PEV	Install 2 dual-port Level 2 EV charging stations	\$12,000	S & V, LLC	0.003	0.004	0.000	10/5/15	Yes	Alameda
16EV005	PEV	Install 3 single-port DC EV charging stations (with solar)	\$22,500	DTTC Properties, LLC	0.003	0.004	0.000	12/18/15	No	Santa Clara
16EV006	PEV	Install 7 dual-port Level 2 and 2 DC fast EV charging stations (with solar)	\$187,000	Sonoma Mountain Village, LLC	0.024	0.031	0.003	Pending	No	Sonoma
16EV009	PEV	Install 6 single-port Level 2 EV charging stations	\$18,000	Clear Blue Commercial	0.005	0.006	0.001	12/22/15	No	Sonoma
16EV010	PEV	Install 24 single-port DC EV charging station (with solar)	\$120,000	Palo Alto Research Center Incorporated	0.016	0.020	0.002	Pending	No	Santa Clara
16EV012	PEV	Install 98 dual-port Level 2 EV charging stations	\$338,546	Santa Clara Campus Owners' Association	0.088	0.113	0.013	12/16/15	No	Santa Clara
16EV013	PEV	Install 24 single-port DC EV charging stations (with solar)	\$116,190	Intuit Inc.	0.015	0.019	0.002	Pending	No	Santa Clara
16EV014	PEV	Install 3 dual-port and 1 single-port Level 2 EV charging stations	\$21,000	Marriott Office Partners Holding Company LLC	0.005	0.007	0.001	12/14/15	No	Santa Clara
16EV019	PEV	Install 2 dual-port Level 2 EV charging stations	\$12,000	California State University, East Bay	0.003	0.004	0.000	12/30/15	Yes	Alameda
16EV021	PEV	Install 1 DC fast and 8 dual-port level 2 EV charging stations	\$73,000	Ford Point LLC	0.019	0.024	0.003	12/31/15	Yes	Contra Costa
16EV027	PEV	Install 21 dual-port Level 2 charging stations (with solar)	\$223,777	VF/UTC Service, Inc.	0.029	0.037	0.004	Pending	Yes	Santa Clara
16EV054	PEV	Install 350 EV Level 2 charging stations	\$250,000	Apple Inc.	0.065	0.084	0.009	Pending	No	Santa Clara
16EV056	PEV	Install 32 dual-port Level 2 and 5 dual-connector DC Fast charging stations	\$295,182	Bay Area Headquarters Authority	0.076	0.098	0.011	Pending	Yes	San Francisco
16PEV002	PEV	Purchase one zero emissions motorcycle (ZEM)	\$2,500	Town of Colma Police Department	0.000	0.007	0.000	10/20/15	Yes	San Mateo
16PEV003	PEV	Purchase one ZEM	\$2,500	Pittsburg Police Department	0.000	0.007	0.000	12/23/15	Yes	Contra Costa
16RFG01*	PEV	Install 12 dual-port Level 2 EV charging stations	\$65,112	Chabot Las Positas Comm College District	0.019	0.024	0.003	Pending	Yes	Alameda
16RFG02*	PEV	Install 9 dual-port Level 2 EV charging stations	\$81,486	City of Fremont	0.014	0.018	0.002	Pending	Yes	Alameda
16RFG08*	PEV	Install 8 dual-port Level 2 EV charging stations	\$78,000	City of Millbrae	0.012	0.016	0.002	Pending	No	San Mateo
16RFG09*	PEV	Install 1 DC fast, and 5 dual-port Level 2 EV charging stations	\$41,000	City of Oakland	0.007	0.009	0.001	Pending	Yes	Alameda
16RFG11*	PEV	Install 8 DC fast EV charging stations	\$307,569	The NASA Ames Exchange	0.052	0.067	0.007	Pending	No	Santa Clara
16RFG15*	PEV	Install 11 dual- and 2 single-port Level 2, and 3 single port Level 1 EV charging stations	\$121,945	City of Palo Alto	0.020	0.026	0.003	Pending	Yes	Santa Clara
16RFG17*	PEV	Install 1 DC fast and 1 single-port Level 2 EV charging station	\$47,511	City of Richmond	0.007	0.009	0.001	Pending	Yes	Contra Costa
16RFG18*	PEV	Install 18 dual- and 5 single-port Level 2 EV charging stations	\$250,000	San Francisco Bay Area Rapid Transit District (BART)	0.032	0.041	0.005	Pending	Yes	Alameda
16RFG19*	PEV	Install 1 DC fast, and 7 dual-port Level 2 EV charging stations	\$149,610	County of Alameda	0.017	0.022	0.002	Pending	Yes	Alameda

AGENDA 4 - ATTACHMENT 4

Summary of all TFCA approved and eligible projects (evaluated between 7/1/2015 and 2/3/2016)

Project #	Project Category	Project Description	Award Amount	Applicant Name	Emission Reductions (Tons per year)			Board Approval Date	CARE Area	County
					NO _x	ROG	PM			
16R11	Shuttle & Rideshare	511 Regional Carpool Program	\$1,000,000	Metropolitan Transportation Commission	7.6	7.1	6.7	11/18/15	Yes	Regional
16R12	Shuttle & Rideshare	SJSU Ridesharing & Trip Reduction	\$140,000	Associated Students, San Jose State University	1.8	1.8	1.6	11/18/15	Yes	Regional
16R15	Shuttle & Rideshare	Ace Shuttle 53 & 54	\$80,000	San Joaquin Regional Rail Commission	0.26	0.46	0.45	11/18/15	Yes	Alameda
16R17	Shuttle & Rideshare	PresidiGo Shuttle	\$100,000	Presidio Trust	0.38	0.38	0.35	11/18/15	Yes	San Francisco
16R18	Shuttle & Rideshare	Broadway Shuttle	\$186,500	City of Oakland	0.23	0.35	0.29	11/18/15	No	Alameda
16R19	Shuttle & Rideshare	Caltrain Shuttle Program	\$767,100	Peninsula Corridor Joint Powers Board	2.3	2.4	2.1	11/18/15	No	San Mateo
16R20	Shuttle & Rideshare	ACE Shuttle Bus Program	\$960,000	Santa Clara Valley Transportation Authority	3.8	3.4	3.4	11/18/15	No	Santa Clara
16BR001	Bicycle Racks	Purchase and install five bike racks with capacity to hold up to 14 bicycles	\$3,000	San Carlos School District	0.006	0.009	0.004	12/21/15	No	San Mateo
16BR002	Bicycle Racks	Purchase and install 14 bike racks at Palo Alto Unified School District	\$1,680	Palo Alto Unified School District	0.004	0.005	0.002	12/30/15	No	Santa Clara
16BR003	Bicycle Racks	Purchase and install eight bike racks at Los Altos High School	\$3,840	Mountain View Los Altos Union High School District	0.008	0.011	0.005	12/31/15	No	Santa Clara
16BR004	Bicycle Racks	Purchase and Install Fifteen Bike Racks for Kolb Elementary School	\$1,800	Dublin Unified School District	0.004	0.005	0.002	1/26/16	No	Alameda
16BR005	Bicycle Racks	Purchase and Install 72 Bike Racks for City of Richmond (186 capacity)	\$11,160	City of Richmond	0.024	0.033	0.015	1/21/16	Yes	Contra Costa
16BR006	Bicycle Racks	Purchase and Install 9 Bike Racks for Burlingame School District (48 capacity)	\$2,880	Burlingame School District	0.006	0.008	0.004	1/27/16	No	San Mateo

39 Projects

\$6,358,388

16.98 16.60 14.98

* Award amount for these nine projects includes a total of \$450,000 in Reformulated Gas (RFG) Settlement funds.

AGENDA 4 - ATTACHMENT 5

Summary of FYE 2016 TFCA funds distributed by county and project category, as of 2/3/2016

Figure 1: TFCA Projects Awarded in FYE2016
Distributed by Project Category

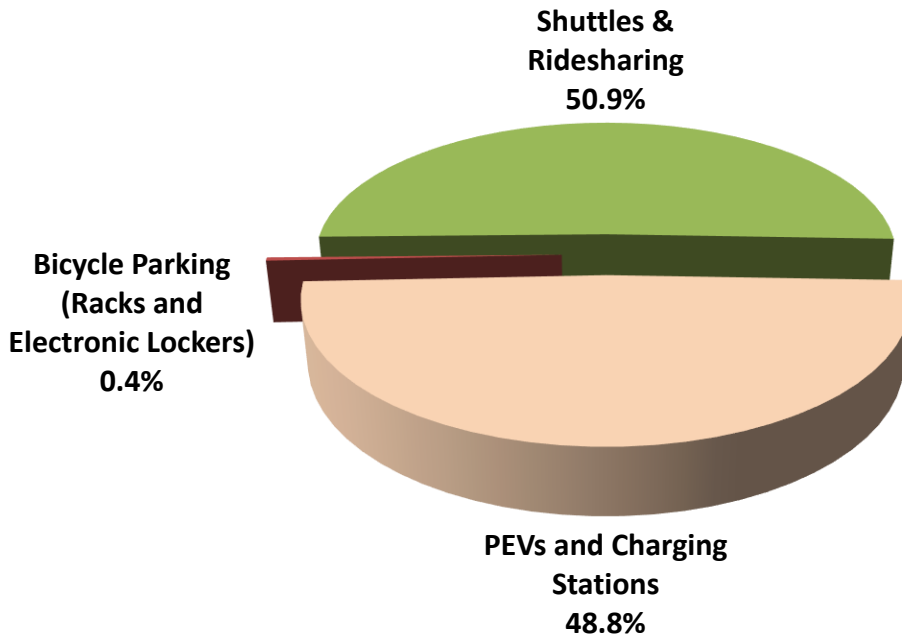
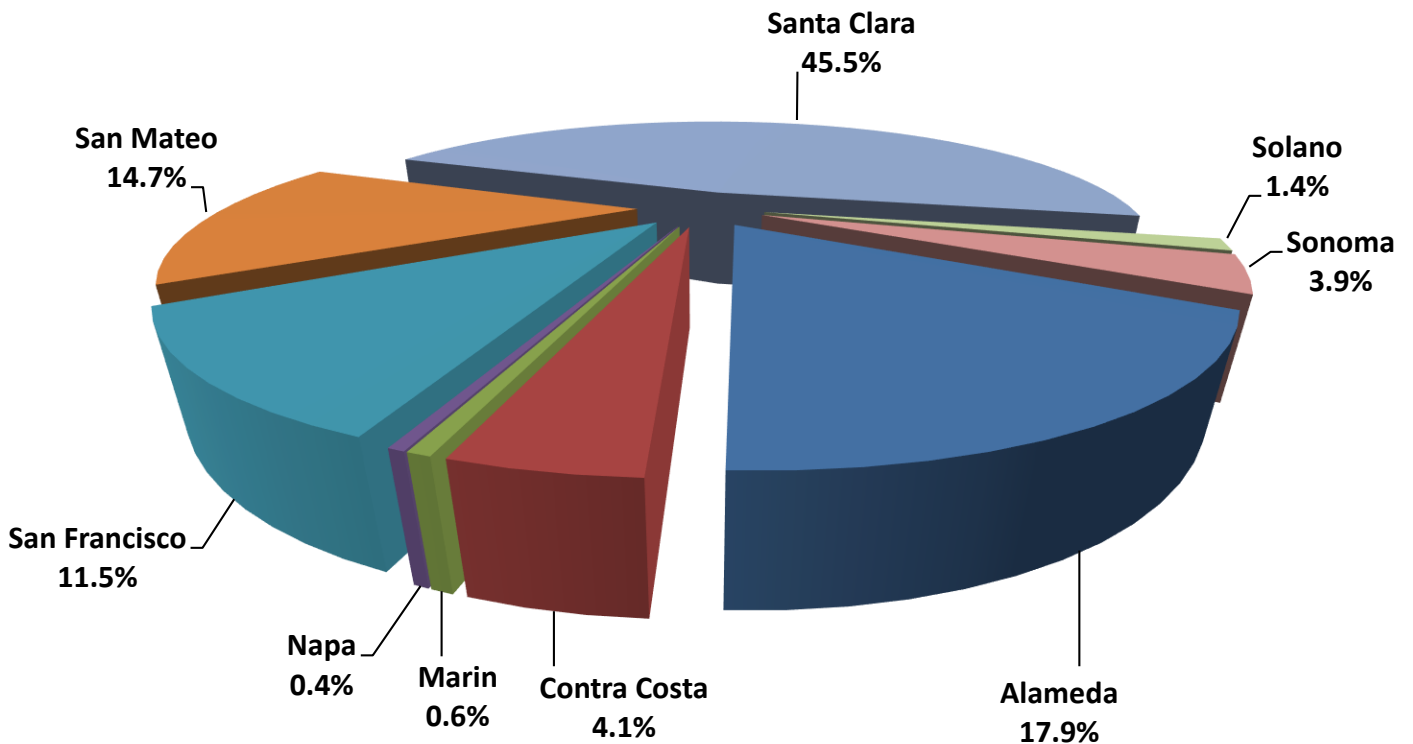


Figure 2: TFCA Projects Awarded in FYE2016
Distributed by County



BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Scott Haggerty and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 3, 2016

Re: Air District Grant Programs Overview

RECOMMENDATIONS

None. Receive and file.

BACKGROUND

As part of its efforts to reduce emissions from mobile sources, the Bay Area Air Quality Management District (Air District) expended approximately \$60 million in funding during the 2015 calendar year. Approximately \$51 million of that funding was directly allocated by the Air District. The remaining \$9 million was distributed via the Transportation Fund for Clean Air (TFCA) County Program Manager program. The \$51 million allocated by the Air District came from four renewable funding sources: the California Goods Movement Bond, TFCA Regional Fund, Mobile Source Incentive Fund, and the Carl Moyer Program. These programs accumulate annually via fees and bond sales that are distributed to the Air District, and constitute the Air District's primary grant programs. Staff also seeks out additional funding opportunities to further reduce emissions from mobile sources in the Bay Area.

DISCUSSION

Since calendar year 2011, the Committee has received reports from staff on expenditures in various grant programs for the previous calendar year. This year's report will include a discussion of the total incentive funds allocated in calendar year 2015 by funding source, project/equipment category, and county. As part of the report to the Committee, staff will also present historical information dating back to calendar year 2011 showing how Air District funds have been allocated over the past five years.

The intention of this report is to provide the Committee with a better overall indication of the total flow of funding in and out of the primary grants programs. This methodology allows staff to align the grant funding with future compliance dates set in airborne toxic control measures adopted by the California Air Resources Board and to present to the Committee anticipated needs for grant funding for this calendar year. Staff will also discuss with the Committee the anticipated challenges and projected funding for each of the Air District primary grant programs in calendar year 2016.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Karen Schkolnick
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Scott Haggerty and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 3, 2016

Re: Participation in Year 18 of the Carl Moyer Program and 2016 Caltrain Funding Plan

RECOMMENDATIONS

Recommend the Board of Directors:

1. Adopt a resolution authorizing the Executive Officer/APCO to execute all necessary agreements with the California Air Resources Board (ARB) relating to the Air District's receipt of Carl Moyer Program (CMP) funds for fiscal year 2015-2016 (Program Year 18);
2. Allocate \$5 million in Mobile Source Incentive Funding (MSIF) to provide the required match funding and additional monies for projects eligible for funding under the CMP guidelines; and
3. Approve the proposed 2016 funding plan for the Caltrain Electrification project.

BACKGROUND

The Bay Area Air Quality Management District (Air District) has participated in the CMP since the program began in Fiscal Year (FY) 1998-1999. Through the CMP the Air District provides grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include trucks and buses, mobile off-road equipment, marine vessels, locomotives, stationary agricultural pump engines, and forklifts.

Assembly Bill 923 (Firebaugh), enacted in 2004 (codified as Health and Safety Code Section 44225), authorized local air districts to increase their motor vehicle registration surcharge up to an additional \$2 per vehicle. The revenues from the additional surcharge are deposited in the Air District's MSIF. AB 923 stipulates that air districts may use the revenues generated by the additional \$2 surcharge for projects eligible under the CMP.

DISCUSSION

On January 20, 2016, the Air District submitted an application to ARB requesting \$10,650,000 in funding for the implementation of the CMP Year 18 CMP funding cycle (FY 2015-2016). Up to 6.25% of the total funds awarded to the Air District will be used to pay for administrative expenses related to the implementation of the CMP. As part of the application, the Air District has proposed a commitment of up to \$1,800,000 in matching funds for Year 18. Staff is therefore requesting the Board meet this required match, and expand the program for additional eligible emissions reductions projects by allocating \$5 million in MSIF funds to the CMP Year 18 funding cycle.

Staff plans to begin accepting CMP Year 18 applications in mid-2016. Project applications will be accepted and evaluated on a first-come, first-served basis until all funds have been allocated. Also, in accordance with the authorization granted to the Executive Officer/APCO on February 4, 2009, projects with individual grant awards up to \$100,000 will be executed by the Executive Officer/ APCO, and reported to the Mobile Source Committee (MSC) on at least a quarterly basis. Eligible projects with individual grant awards over \$100,000 will also be brought to the MSC for consideration at least quarterly.

The ARB requires air districts use the 2011 CMP Guidelines, and subsequent updates for the Year 18 CMP cycle. The guidelines require all projects achieve a cost-effectiveness of \$18,260 (or less) per ton of reduced emissions in order to be eligible to receive funding. Year 18 funding must be obligated to eligible projects by June 30, 2017, and be expended by June 30, 2018. In accordance with AB 1390, 50% of all CMP funding allocated by the Air District must be awarded to projects in impacted communities. The process that will be used for identifying and prioritizing CMP Year 18 projects with the most significant exposure will be similar to the process used for the previous CMP funding cycles with priority being given to projects that reduce emissions in communities based on data from the Air District's Community Air Risk Evaluation (CARE) program.

Caltrain Electrification Project

On July 29, 2015, the Air District allocated \$20 million in MSIF funds to the Peninsula Corridor Joint Powers Board for the Caltrain Electrification Project and authorized the Executive Officer/APCO to enter into the necessary agreements for the project. As part of the approval of this project, the Board requested that a five-year funding plan (between 2016 and 2020) be prepared and be brought to the Board annually for approval. On January 7, 2016, the Air District entered into agreement with the Peninsula Corridor Joint Powers Board for the Caltrain Electrification project. Staff is proposing a 2016 funding plan that includes \$10 million in unspent funds from projects closing under budget in prior MSIF funding cycles and an additional \$3 million in new 2016 MSIF revenues for this project. Staff will return in future years with updates to the funding plan until the entire \$20 million allocation has been authorized.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Through the CMP and MSIF grant programs the Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for all programs are provided by each funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Anthony Fournier
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Scott Haggerty and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 9, 2016

Re: Fiscal Year Ending (FYE) 2017 Transportation Fund for Clean Air (TFCA) Funding
Allocations

RECOMMENDATIONS

Recommend Board of Directors:

1. Allocate \$13.65 million in Transportation Fund for Clean Air (TFCA) revenue to the programs listed in Table 1;
2. Authorize the proposed cost-effectiveness limits for the Air District sponsored programs listed in Table 2; and
3. Authorize the Executive Officer/APCO to enter into funding agreements and contracts up to \$100,000 for projects and programs listed in Table 1.

BACKGROUND

In 1991, the California State Legislature authorized the Bay Area Air Quality Management District (Air District) to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242. Each year, the Air District's Board of Directors (Board) allocates funding and adopts cost-effectiveness criteria that govern expenditure of TFCA funding.

Sixty percent of TFCA funds are awarded directly by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Vehicle Buy Back Program) and to a program referred to as the TFCA Regional Fund. For the past five years, TFCA funds have been primarily focused on eligible project categories that significantly reduce criteria pollutants as well as greenhouse gases (GHGs), including trip reduction projects (e.g., bicycle parking and shuttles) and alternative fuel vehicle-based projects (e.g., electric vehicles).

With more than 5.5 million on-road motor vehicles in the region, tailpipe emissions account for

more than 40% of the criteria air pollutants and about 36% GHGs generated in the Bay Area^{1, 2}. For this reason, emission reductions from the on-road transportation sector are essential to attaining State and Federal ambient air quality standards and to meeting the region’s GHG reduction commitments.

DISCUSSION

In developing this recommendation, staff evaluated which incentive programs have been the most successful in helping the region to achieve its emissions reductions targets. Staff analyzed alternative scenarios and determined that a portfolio approach consisting of multiple emissions reduction strategies would be the most effective and most consistent with prior Board direction. To this end, staff is recommending that \$13.65 million in TFCA monies be allocated to the programs listed in Table 1. This table also lists which programs will be administered through the Regional Fund (RF), and which will be sponsored directly by the Air District (AD).

Table 1 - Proposed Programs and TFCA Funding for FYE 2017 (in Millions)

Program Categories	Administered by	New TFCA Monies	Carryover*	Total \$ Available in FYE 2017
Trip Reduction	RF	\$4.00	\$0.05	\$4.05
Bicycle Facilities	RF & AD**	\$1.50	\$0.50	\$2.00
Clean Air Vehicles	RF & AD**	\$5.00	\$7.5	\$12.50
Spare the Air	AD	\$1.50	\$0	\$1.50
Enhanced Mobile Source Enforcement/Commuter Benefits	AD	\$1.50	\$0	\$1.50
Vehicle Buy Back	AD	\$0.15	\$0	\$0.15
Total Available Funding:		\$13.65	\$8.05	\$21.70

*Carryover is an estimate of the remaining TFCA funds from prior years and may be lower than what is indicated in the table since that funding is currently available to projects in the FYE 2016 cycle.

**The Bikeways, Electronic Bicycle Lockers, and Heavy-Duty Zero Emission Vehicles programs are administered through the Regional Fund. The Bike Rack Voucher Program, PEVs for Public Agencies, and Charge! are Air-District sponsored programs.

¹ BAAQMD, [Bay Area Emissions Inventory Summary Report: Criteria Air Pollutants Base Year 2011](#), May 2014.

² BAAQMD, [Bay Area Emissions Inventory Summary Report: Greenhouse Gases Base Year 2011](#), January 2015.

A narrative description of the recommend programs (listed in Table 1) is provided below:

- ***Trip Reduction***

Eliminating motor vehicle trips is a key strategy to reducing mobile source emissions. For more than 20 years, TFCA has funded shuttle/feeder bus and regional ridesharing services, which have contributed to the reduction of mobile source emissions in the Bay Area. However, as the Bay Area's average auto fleet becomes cleaner, the mobile source emissions reduction benefits from trips eliminated are diminished. Staff has been working to improve the methodology used for evaluating projects' cost-effectiveness to ensure that all of the air quality benefits are properly captured to address this challenge.

For FYE 2017, staff is recommending that \$4.05 million be allocated to the Trip Reduction category to continue providing funding for existing shuttle/feeder bus and regional ridesharing services. This amount reflects \$4.00 million in new TFCA FYE 2017 funds, and approximately \$0.05 million in carryover from the FYE 2016 cycle. Any additional funds remaining from the FYE 2016 shuttle/feeder bus and regional ridesharing projects are proposed to be allocated to a new category, "pilot trip reduction projects," which is expected to open later this year using \$1.2 million in FYE 2016 funds.

- ***Bicycle Facilities***

Bicycling is one of the primary alternative transportation modes for short-distance trips. The Air District has directly funded bicycle facility improvement projects through the Regional Fund and Air District-sponsored programs for more than 20 years. In recent years, funding for bicycle racks was provided through the Air District-sponsored Bicycle Rack Voucher Program (BRVP) and funding for electronic bicycle lockers was provided through the TFCA Regional Fund.

The Air District's TFCA funds have also helped to fund the construction of approximately 200 miles of Bay Area bikeways. These types of projects were last funded by the Air District in FYE 2010; however, based on the availability of TFCA funding and stakeholders' feedback, staff is proposing to re-introduce funding for this project category.

For FYE 2017, staff is recommending that \$2.00 million be allocated to the Bicycle Facilities category to support projects that would expand the region's bicycle roadway network and bicycle parking. This amount reflects \$1.50 million in new TFCA FYE 2017 funds, and approximately \$0.50 million in carryover from bicycle racks and electronic lockers programs in the FYE 2016 cycle. In addition to the \$2.00 million, approximately \$3.00 million in funding was previously allocated to a bikeways program in FYE 2016, which is expected to open later this year.

- **Clean Air Vehicles**

The Air District views plug-in electric vehicles (PEVs) as a promising technology for reducing tailpipe emissions, thus helping the region achieve local, state, and federal criteria pollutant and GHG emission reduction targets. Since the re-introduction of PEVs in 2010, the Air District has awarded more than \$6 million in TFCA monies to PEV-related projects. As of December 2015, there were more than 70,000 model year 2010 or newer PEVs registered to Bay Area drivers. While this represents nearly 40% of the PEVs registered in California, it is approximately 1.3% of the Bay Area's total on-road motor vehicle fleet.

The Air District has established PEV adoption goals of 110,000 PEVs on Bay Area roads by 2020, and 247,000 by 2025. To reach these goals, the Air District developed the Bay Area Plug-in Electric Vehicle Readiness Plan (www.baaqmd.gov/EVready) in partnership with the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG). The Plan outlines a series of strategies and best practices that can be taken by regional agencies and others to remove potential barriers and accelerate deployment of PEVs. The Plan also identifies the amount of publicly available charging infrastructure that will be needed to support the PEV targets and opportunities for the Air District to focus grant funds to meet the PEV adoption targets.

For FYE 2017, staff is recommending that \$12.50 million be allocated to the Clean Air Vehicle category to support the implementation of the PEV Readiness Plan. This amount includes \$5.00 million in new TFCA FYE 2017 funds, and approximately \$7.5 million in carryover from the FYE 2016 cycle. The carryover amount includes \$400,000 of CMAQ monies to fund outreach initiatives aimed at increasing the visibility of electric vehicles. Staff proposes to use the allocation to provide incentives to the programs listed below:

- **PEVs (for Public Agencies):** Funding will be used to provide incentives to public agencies that purchase or lease new clean air vehicles and operate them in the Air District's jurisdiction. The Air District began offering this streamlined rebate program on April 3, 2014, and has to date awarded funding for over 80 vehicles to public agencies. Staff has recently expanded this program to provide funding for zero-emission motorcycles, and is proposing to continue the program in FYE 2017.
- **PEVs (open to all entities):** Funding will be used to provide incentives to public and private operators of light-duty vehicle fleets and heavy-duty vehicles and buses that propose to purchase clean air vehicles that operate in the Air District's jurisdiction. Staff recently launched a Heavy-Duty Zero-Emissions Vehicle program, which provides funding to encourage the replacement of older, compliant vehicles with new, zero-emission vehicles, and to help fleet operators choose the cleanest available technology when expanding their fleet.
- **PEV Charging Stations:** Funding will be used to support deployment of publicly available PEV chargers throughout the region. Staff has recently closed two programs that provided funding for PEV chargers: *Charge!* and the Electric Vehicle Charging Station Demonstration Program. Together, these programs will provide over \$5 million in

TFCA funding for the purchase and installation of more than 400 charging stations throughout the region. Staff is currently reviewing the last round of applications and will be bringing information on these projects to the Committee over the next few months.

- **PEV Outreach:** Funding (\$965,000, which includes \$400,000 in CMAQ funding) will be used for outreach and activities that implement the training described in the PEV Plan for local government agencies and the public.
- **Spare the Air:** The "Spare the Air" program continues to be the Air District's flagship public outreach tool for the summer ozone season. Staff is requesting \$1.50 million in new TFCA funding for this outreach program that conducts advertising, media and educational activities to reduce vehicle miles traveled (VMT) and emissions by behavior modification.
- **Enhanced Mobile Source Enforcement:** Funding under this program helps to enhance Air District patrols for smoking vehicles and offsets the cost of drayage truck regulation enforcement at the Port of Oakland. Additionally, this funding will be used to support Air District staff's enforcement activities associated with the new Commuter Benefits Program including providing compliance assistance and conducting outreach to companies and government agencies. For FYE 2017, staff is recommending a \$1.50 million allocation in new TFCA monies for this program.
- **Vehicle Buy Back:** The Vehicle Buy Back program is a voluntary grant program that pays \$1,000 for an operating and registered model year 1994 or older vehicle. Vehicles meeting the Vehicle Status Requirements are eligible and those accepted into the program are scrapped. This program is primarily funded through the Carl Moyer and MSIF programs, which provides approximately \$7 million annually. For FYE 2017, staff is recommending a \$150,000 allocation in new TFCA monies for this program to support administrative and marketing efforts undertaken by the Air District contractors.

TFCA Cost-Effectiveness

Cost-effectiveness (C/E) is based on the ratio of TFCA funds awarded divided by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NO_x), and weighted particulate matter (PM₁₀) over a project's useful life. The California Air Resources Board recently released updated emission factors for auto trips. Staff has been reviewing these updates and will be bringing revised recommendations for cost-effectiveness criteria for programs and projects that are proposed through the Regional Fund to the Mobile Source Committee and Board for consideration along with the Regional Fund Policies.

For the Air District sponsored programs, staff recommends maintaining similar C/E levels to those that were approved by the Board in FYE 2016. The proposed cost-effectiveness levels and Project-Useful-Life (PUL) for each of the Air District sponsored programs is shown in Table 2:

Table 2 – Proposed cost-effectiveness and PUL for Air District Sponsored Programs

Program Categories	Max. C/E	PUL	Notes
	(per ton of emissions reduced)	(in Years)	
Bicycle Racks (BRVP)	\$250,000	3	<i>C/E increased to align with other bicycle facility programs; no change to PUL</i>
PEVs for Public Agencies	\$450,000	3	No Change
PEV Outreach	\$250,000	3	No Change
PEV Charging Stations	\$250,000	4	No Change
	\$500,000*		No Change
Spare the Air	\$90,000	1	No Change
Enhanced Mobile Source Enforcement	\$90,000	1	No Change
Vehicle Buy Back	\$90,000	1	No Change

*This higher C/E limit is for projects that incorporate renewable power (i.e., solar or wind).

Administration

Per Board of Directors direction on May 6, 2015, it is proposed that the Executive Officer/APCO continue to approve Grant Agreements with individual grant award amounts up to \$100,000. TFCA projects with grant award amounts over \$100,000 will continue to be brought to the Committee for consideration at least on a quarterly basis.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. The Air District distributes “pass-through” funds to grantees on a reimbursement basis. Administrative costs for the TFCA Regional Fund program are provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ken Mak
Reviewed by: Chengfeng Wang and Karen Schkolnick

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 8, 2016

Re: Report of the Stationary Source Committee Meeting of February 25, 2016

RECOMMENDED ACTION

The Stationary Source Committee (Committee) received only informational items and has no recommendations of approval by the Board of Directors (Board).

BACKGROUND

The Committee met on Thursday, February 25, 2016, and received the following reports:

- A) Safety and Security of Rule 8-18 Implementation.
- B) Update of Regulation 12, Rule 16 Alternatives.

Chairperson John Gioia will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None.
- B) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Tom Flannigan
Reviewed by: Maricela Martinez

Attachment 11A: 02/25/16 - Stationary Source Committee Meeting Agenda #4
Attachment 11B: 02/25/16 - Stationary Source Committee Meeting Agenda #5

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson John Gioia and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 9, 2016

Re: Safety and Security of Rule 8-18 Implementation

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On December 16, 2015 the Board of Directors unanimously adopted amendments to Regulation 8, Rule 18: Equipment Leaks ("Rule 8-18"). During the public comment period, refinery stakeholders expressed concern about safety and security issues with implementation of the Rule 8-18 amendments. They expressed concern that refinery personnel could be in danger when identifying and repairing equipment leaks in compliance with Rule 8-18. In addition, they expressed concern about the security of refinery piping and instrumentation diagrams (P&IDs). Board members requested that staff address these concerns.

DISCUSSION

Staff will provide a presentation to the Committee regarding the processes in place to identify equipment that might present a hazard and how Rule 8-18 compliance can be handled safely. The presentation will also address options to maintain security of P&IDs.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Eric Stevenson
Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Gioia and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 10, 2016

Re: Update of Regulation 12, Rule 16 Alternatives

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On October 15, 2014, the Board of Directors approved Resolution Number 2014-07 directing staff to develop strategies to reduce emissions from petroleum refineries. Specifically, the resolution directed staff to continue development of Regulation 12, Rule 15: Petroleum Refining Emissions Tracking (“Rule 12-15”) to track and monitor refinery emissions; to develop Regulation 12, Rule 16 (“Rule 12-16”) to set emissions thresholds and mitigate potential emissions increases; and to develop additional rules to reduce emissions from refineries by 20% by 2020, or as much as feasible.

Staff worked with interested stakeholders and released proposed regulatory language and staff reports for four refinery emission reduction rules, Rule 12-15 and Rule 12-16 in October of 2015. The Board of Directors adopted three refinery emission reduction rules/rule amendments (Regulation 6, Rule 5: Fluid Catalytic Cracking Units; Regulation 8, Rule 18: Equipment Leaks; and Regulation 11, Rule 10: Cooling Towers) on December 16, 2015 that will reduce refinery emissions by approximately 14%. Regulation 12, Rule 15 along with an additional refinery emission reduction measure, Regulation 9, Rule 14, Coke Calcining will be presented to the Board for consideration on April 20, 2016. Staff received a significant number of comments on proposed Rule 12-16, and determined that a different approach was necessary in order to address the concerns of stakeholders, including affected industry and interested community groups. In addition to these efforts, Staff continues to work on other rules that will affect refineries dealing with permitting requirements and with reducing health risks from toxic air contaminants.

As a result of these rule development processes, criteria pollutants are being significantly reduced and health risks from toxic air contaminants will be capped at a more health protective level. These actions will build upon well-established Air District regulations and programs that improve public health. However, further action is needed to address refinery GHG emissions.

The Air District is concerned about the potential impacts of climate change and is developing a Regional Climate Protection Strategy, programs, and regulations to reduce climate pollutants

from a wide range of sources. In the Bay Area, refineries are the largest industrial contributors to climate pollution. While refineries are expected to reduce GHG emissions as part of California's Cap-and-Trade Program that was developed in response to AB 32, Global Warming Solutions Act of 2006, the Cap-and-Trade Program does not require individual facilities to reduce their emissions.

DISCUSSION

Criteria pollutants and toxic air contaminants are being addressed through current rule making activities resulting in significant reductions in criteria pollutant emissions and health risks. As a result, Rule 12-16 will focus on strategies to effectively reduce refinery GHG emissions. Staff have been meeting with stakeholders from community groups and industry to discuss and evaluate options that would reduce GHG at refineries locally while also achieving overall GHG reductions. Air District Staff are evaluating potential options while incorporating feedback and input from stakeholders to limit refinery GHG emissions. These options include but are not limited to the following:

- Direct regulation of greenhouse gases (including methane) from refinery sources;
- Development of requirements for improvement of energy efficiency likely resulting in GHG reductions (similar to a Washington State GHG refinery rule); or,
- Establish a cap on refinery-wide GHG emissions for each facility.

Staff will provide the Committee with information on potential options for reducing climate pollutant emissions from Bay Area refineries and criteria that would be used to compare them.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Victor Douglas
Reviewed by: Eric Stevenson

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: March 8, 2016

Re: Report of the Executive Committee Meeting of March 2, 2016

RECOMMENDED ACTION

The Executive Committee (Committee) received only informational items and has no recommendations of approval by the Board of Directors (Board).

BACKGROUND

The Committee met on Wednesday, March 2, 2016, and received the following reports:

- A) Hearing Board Quarterly Report – October through December 2015;
- B) Bay Area Regional Collaborative (BARC) Update; and
- C) 2016 Clean Air Plan / Regional Climate Protection Strategy.

Chairperson Eric Mar will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None.
- B) None.
- C) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Tom Flannigan
Reviewed by: Maricela Martinez

Attachment 12A: 03/02/16 – Executive Committee Meeting Agenda #4
Attachment 12B: 03/02/16 – Executive Committee Meeting Agenda #5
Attachment 12C: 03/02/16 – Executive Committee Meeting Agenda #6

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Eric Mar and Members of the Executive Committee
From: Chairperson Terry Trumbull, Esq., and Members of the Hearing Board
Date: February 23, 2016
Re: Hearing Board Quarterly Report – October through December 2015

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

During the fourth quarter of 2015 (October through December), the Hearing Board:

- Held one hearing on an Accusation (3682). There were no hearings relative to Variances;
- Processed a total of four Orders, including three Orders for Dismissal (3678, 3679, 3680) and one Emergency Variance (3681); and
- Collected a total of \$3,819.00 in filing fees.

Below is a detail of Hearing Board activity during the same period:

Location: Contra Costa County; City of Antioch

Docket: 3678 APCO v. BILL BINDAL – *Accusation*

Regulation(s): Regulation 2, Rule 1, Section 302

Synopsis: Applicant operates a gas station for which they must hold a District permit to operate gasoline dispensing equipment. Applicant has conducted gas dispensing operations at this facility since April 2015 without a valid District permit and without a current permit in place since April 2011.

Status: Order for Dismissal issued on October 8, 2015.

Period of Variance: n/a

Estimated Excess Emissions: n/a

Fees collected this quarter: n/a

Location: Alameda County; City of Hayward

Docket: 3679 APCO v. ALBERTO MENDOZA – *Accusation*

Regulation(s): Regulation 2, Rule 1

Synopsis: Applicant operates an auto body painting operation without maintaining a BAAQMD P/O; this facility has operated for three years in violation of the above regulation. It was issued a Notice of Violation in 2015 for failure to renew its P/O.

Status: Order for Dismissal issued on December 14, 2015.

Period of Variance: n/a

Estimated Excess Emissions: n/a

Fees collected this quarter: n/a

Location: Solano County; City of Vallejo

Docket: 3680 APCO v. MANUEL G. SEGURA – *Accusation*

Regulation(s): Regulation 2, Rule 1

Synopsis: Applicant operates a motor vehicle refinishing operation. A Notice of Violation was issued to Respondent in 2015 for failure to renew its P/O. This facility has operated w/o a valid permit since December 2012 in violation of the above regulation.

Status: Order for Dismissal issued on December 14, 2015.

Period of Variance: n/a

Estimated Excess Emissions: n/a

Fees collected this quarter: n/a

Location: Santa Clara County; City of Santa Clara

Docket: 3681 APCO v. APPLIED MATERIALS, INC – *Application for Emergency Variance*

Regulation(s): Regulation 2, Rule 1 – Section 301 and Regulation 9, Rule 8 – Section 330

Synopsis: Applicant operates a semi-conductor research and development facility and seeks a variance for two temporary backup generators which caused a power failure to the entire building.

Status: Request for withdrawal of said Application filed on October 13, 2015.

Period of Variance: October 11, 2015 – November 11, 2015

Estimated Excess Emissions: n/a

Fees collected this quarter: n/a

Location: Santa Clara County; City of Gilroy

Docket: 3682 APCO v. HARVEY FLORES – *Accusation*

Regulation(s): Regulation 2, Rule 1

Synopsis: Applicant operates an auto body painting operation without maintaining a BAAQMD P/O; this facility has operated at least 6 years in violation of the above regulation. Notice of Violation (NOV) # A46599 was issued to the facility on January 28, 2014 for failure to renew its P/O.

Status: Hearing held on December 17, 2015.

Period of Variance: n/a

Estimated Excess Emissions: n/a

Fees collected this quarter: n/a

Respectfully submitted,

Terry Trumbull, Esq.
Chair, Hearing Board

Prepared by: Maricela Martinez

03/02/16

AGENDA: 5

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Eric Mar and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: February 18, 2016

Re: Bay Area Regional Collaborative (BARC) Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Bay Area Regional Collaborative (BARC) consists of Board/Commission representatives of the four regional agencies and provides a forum for discussing issues of regional importance.

DISCUSSION

At the upcoming Executive Committee meeting, the BARC Director, Allison Brooks, will provide an update on the activities of the BARC.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Eric Mar and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: February 20, 2016

Re: 2016 Clean Air Plan / Regional Climate Protection Strategy

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The California Health & Safety Code requires air districts to prepare and periodically revise plans for attaining state ozone standards. The Bay Area 2010 Clean Air Plan (2010 CAP) is the most recent ozone plan prepared by the Air District. The Health & Safety Code requires that ozone plans include “all feasible control measures” to make progress toward attaining State ozone standards in the Bay Area and to reduce pollution transport to neighboring air basins.

The 2010 CAP was the first Air District “multi-pollutant” air quality plan developed to address four categories of pollutants:

- Ground level ozone and its precursors, reactive organic gases (ROG) and nitrogen oxides (NO_x);
- Fine particulate matter (PM_{2.5}), including directly emitted PM_{2.5}, as well as precursors to secondary PM_{2.5};
- Air toxics; and
- Greenhouse Gases (GHG).

The main purpose for developing a multi-pollutant plan was to provide an integrated strategy for reducing emissions of various pollutants, in order to highlight and maximize co-benefits of proposed control measures and to minimize potential trade-offs among measures, thus resulting in the greatest benefits to public health and the global climate.

The Board of Directors’ Climate Protection Resolution and 10-Point Climate Action Work Program call for the Air District to prepare a Regional Climate Protection Strategy as part of the Clean Air Plan update. Thus, while GHGs were addressed in the 2010 CAP, measures to reduce GHGs are a more prominent focus of this current plan under development.

DISCUSSION

Staff has been developing the update to the 2010 CAP, the 2016 Clean Air Plan / Regional Climate Protection Strategy (2016 CAP/RCPS). The 2016 CAP/RCPS will also be a multi-pollutant plan to meet State air quality planning requirements, but will also include a comprehensive Regional Climate Protection Strategy to ensure a coordinated approach to protecting the climate and public health throughout the Bay Area.

Staff recently hosted public Open Houses in January and February 2016 to solicit input on potential control measures proposed for inclusion in the plan. Staff will brief the Committee on potential control measures proposed for the 2016 CAP/RCPS, the results of the Open Houses, and the schedule for completing the 2016 CAP/RCPS.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Dave Vintze
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Eric Mar and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 8, 2016

Re: Overview of the 2015/2016 Wood Smoke Reduction Program

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Fine particulate matter (PM_{2.5}) is the most significant air pollutant in the Bay Area, especially during the winter months, according to the Air District's 2010 Clean Air Plan. The Air District records the highest levels of PM_{2.5} during the *Winter Spare the Air* season, from November 1, 2015, through the end of February 2016. In the winter, more than 30% of PM_{2.5} air pollution is attributed to wood burning from the estimated 1.4 million fireplaces and other wood-burning devices in the Bay Area.

Regulation 6-3: Wood-burning Devices protects Bay Area residents from the public health impacts of wood smoke pollution. The rule bans wood burning during *Winter Spare the Air Alerts*, limits excess visible smoke, prohibits burning garbage, restricts the sale and installation of non-EPA certified wood burning devices, and requires labeling on firewood and solid fuels sold within the Air District's jurisdiction.

DISCUSSION

Air District air monitoring data show concentrations of PM_{2.5} have decreased over time. This winter season, the region saw consistently cleaner air as frequent storm systems moved through California. Consequently, only 1 *Winter Spare the Air Alert* was issued and there were no exceedances of the National Ambient Air Quality Standard for PM_{2.5}. Air District staff will present a review of, and lessons learned from, the 2015/2016 winter season, including how enforcement actions and public outreach contribute to the public's understanding of why reducing wood smoke positively affects their health, as well as an outline of the relevant wood smoke reduction strategy that is currently underway.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

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