

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

Board of Directors Regular Meeting  
Wednesday, March 16, 2016

## **APPROVED 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>.*

### **CALL TO ORDER:**

- 1. Opening Comments:** Chairperson Eric Mar called the meeting to order at 9:50 a.m. He introduced a new member to the Board of Directors, Deborah Raphael, Deputy to San Francisco Mayor, Ed Lee. Chair Mar also introduced Marcy Hiratzka, the District's new Clerk of the Boards.

#### **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, Nate Miley, Karen Mitchoff, Jan Pepper, Deborah Raphael, Katie Rice, Mark Ross, Rod Sinks, Warren Slocum, and Brad Wagenknecht.

Absent: Directors Scott Haggerty, Jim Spering, and Shirlee Zane.

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

### **CLOSED SESSION**

**Public Comment:** Prior to Closed Session, Chair Mar invited those with Public Comments on Closed Session Items to come forward. Greg Karras, Communities for a Better Environment, addressed the Board of Directors (Board) regarding his disappointment with District staff's recent response to community testimony; and requesting a more open communication process between District staff and community activists.

At 9:55 a.m., the Board went into Closed Session.

- 2. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION  
(OUT OF ORDER AGENDA ITEM 14)**

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

3. **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. (AGENDA ITEM 15)

NOTED PRESENT: Director Miley noted present at 10:01 a.m. and Director Davis noted present at 10:15 a.m.

### **OPEN SESSION**

At 10:42 a.m., the Board re-opened session with no reportable action from Agenda Items 14 or 15.

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

#### **4. Public Comment On Non-Agenda Matters Round 1 (AGENDA ITEM 2):**

Kelly Jones, 350 Bay Area, addressed the Board regarding the relationship between corruption and the regulatory delay of action that is needed to protect the public.

Richard Gray, 350 Bay Area, addressed the Board regarding the ongoing delay of promised refinery rules and District staff's inaction on the prosecution of refinery violations and regulation of tar sands.

Claire Broome addressed the Board regarding its responsibility to hold District staff accountable for timeline commitments; and to request that District staff propose enforceable refinery-wide caps on emissions to the Stationary Source Committee by May 2016, while ceasing to issue refinery permits until a proposal is presented.

### **CONSENT CALENDAR (AGENDA ITEMS 3-9)**

5. **Minutes of the Board of Directors Regular Meeting of February 17, 2016 (AGENDA ITEM 3)**
6. **Board Communications Received from February 17, 2016 through March 15, 2016 (AGENDA ITEM 4)**
7. **Air District Personnel on Out-of-State Business Travel (AGENDA ITEM 5)**
8. **Notices of Violations Issued and Settlements in Excess of \$10,000 in the month of February 2016 (AGENDA ITEM 6)**
9. **Authorization of Infrastructure Improvement for Business Continuity Site (AGENDA ITEM 7)**
10. **Consider Extending a Contract for Janitorial Services (AGENDA ITEM 8)**
11. **Referral of Proposed Budget for Fiscal Year Ending 2017 to the Budget & Finance Committee (AGENDA ITEM 9)**

Board Comments: None.

Public Comments: No requests received.

Board Action:

Director Wagenknecht made a motion, seconded by Secretary Hudson, to approve Consent Calendar Items 3 through 9, inclusive; and the motion carried by the following vote of the Board:

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

**COMMITTEE REPORTS**

**12. Report of the Mobile Source Committee (MSC) Meeting of February 25, 2016 (AGENDA ITEM 10)**

MSC Vice Chair Canepa read:

The Committee met on Thursday, February 25, 2016, and approved the minutes of January 28, 2016.

The Committee reviewed and discussed the staff presentation, *Proposed Grant Awards Over \$100,000*, including an overview of the Carl Moyer Program, Mobile Source Incentive Fund, and Transportation Fund for Clean Air; the results of recent solicitations, a summary of the projects that are eligible for award; and recommendations. The Committee recommends the Board approve:

1. 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.

The Committee then reviewed and discussed the staff presentation *Air District Grant Programs Overview*, including an overview of 2015 grants program highlights; 2015 allocations; allocations by county; 2015 Carl Moyer Program, Mobile Source Incentive Fund, Goods Movement Program allocations, and Transportation for Clean Air Regional Fund allocations.

The Committee then reviewed and discussed the staff presentation *Participation in Year 18 of the Carl Moyer Program and 2016 Caltrain Funding Plan*, including an overview of the program; funding sources; Carl Moyer Program Year 18 Funding and Implementation; the Caltrain Project Funding Plan; and recommendations. The Committee recommends the Board:

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

The Committee finally reviewed and discussed the staff presentation *Fiscal Year Ending 2017, Transportation Fund for Clean Air Funding Allocations*, including proposed allocation of new *Transportation Fund for Clean Air Funding* revenue; trip reduction; bicycle facilities; Clean Air Vehicles; Enhanced Mobile Source Enforcement/Commuter Benefits and Other Air District led programs; and cost-effectiveness limits for these programs. The Committee recommends the Board:

1. Allocate \$13.65 million in Transportation Fund for Clean Air 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.

The next meeting of the Committee is on Thursday, April 28, 2016, at 9:30 a.m.

Committee Comments:

Director Chavez and staff discussed the funding source and proposed annual allocation for the proposed 2016 Caltrain Electrification project.

Board Action:

MSC Vice Chair Canepa made a motion, seconded by Secretary Hudson, to approve the recommendations of the MSC; and the motion carried by the following vote of the Board:

AYES: Avalos, Barrett, Bates, Canepa, Chavez, Davis, Gioia, Groom, Hudson, Kniss, Mar, Miley, Mitchoff, Pepper, Raphael, Rice, Ross, Sinks, Slocum, and Wagenknecht.

NOES: None.

ABSTAIN: None.

ABSENT: Haggerty, Spering, and Zane.

**13. Report of the Stationary Source Committee (SSC) Meeting of February 25, 2016 (AGENDA ITEM 11)**

As SSC Chair John Gioia was not present at the Board meeting at this time, Chair Mar read:

The Committee met on Thursday, February 25, 2016, and approved the minutes of February 1, 2016.

Staff addressed the Committee in response to issues raised regarding implementation of Regulation 8, Rule 18: Equipment Leaks. Staff discussed internal controls on piping and instrumentation diagrams; security measures to protect information; safety procedures for testing at refineries; and methods for addressing future safety concerns.

The Committee reviewed and discussed the staff presentation *Update on Regulation 12, Rule 16 Alternatives* including refinery impacts and issues; refinery strategy update; options for

greenhouse gas reductions through Regulation 12-16; evaluation criteria and stakeholder process.

The next meeting of the Committee is on Monday, April 18, 2016, at 10:30 a.m.

Board Action: Receive and File

**14. Report of the Executive Committee (EC) Meeting of March 21, 2016 (AGENDA ITEM 12)**

Chair Mar read:

The Committee met on Wednesday, March 2, 2016, and approved the minutes of December 14, 2015.

The Committee reviewed and discussed the presentation, *Hearing Board Quarterly Report: October – December 2015*, including a summary of the cases and fees collected.

The Committee then reviewed and discussed the presentation *Bay Area Regional Collaborative (BARC) Report* by BARC's Executive Director, Allison Brooks, including BARC's administrative actions; integrating Air District research into Plan Bay Area; Climate Change Technical Assistance for Local Governments; the Alliance of Regional Collaboratives for Climate Adaptation; and BARC engagement at the State level.

The Committee finally reviewed and discussed the staff presentation *2016 Clean Air Plan / Regional Climate Protection Strategy*, including an explanation of the Clean Air Plan; draft measures to reduce emissions from transportation; stationary sources; the energy sector; buildings; waste and water; agriculture and natural working lands; and short-lived climate pollutants; as well as recent open houses; and next steps.

The next meeting of the Committee is on Monday, May 16, 2016, at 9:30 a.m.

Board Action: Receive and File

**PRESENTATION**

**15. Overview of the 2015-2016 Wood Smoke Reduction Program (AGENDA ITEM 13)**

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), introduced Eric Stevenson, Director of Meteorology, Measurement, and Rules, who began the staff presentation *Overview of the 2015-2016 Winter Spare the Air Season*, including winter particulate matter (PM) 2.5 seasons; less rainfall resulting in more PM pollution; and highest air quality readings.

Mr. Stevenson then introduced Lisa Fasano, Communications Officer, who continued the staff presentation, including advertising; media coverage; social media; and survey results.

Ms. Fasano then introduced Wayne Kino, Director of Compliance and Enforcement, who continued the staff presentation, including wood smoke enforcement highlights and practices; Regulation 6-3 changes; and wood smoke reduction program.

Board Comments:

The Board and staff discussed the sole source of heat exemptions; opacity violations; storm water runoff; success rate of advertising and outreach, especially in areas with the most violations; frequency of enforcement on repeat violators; responses to enforcement; partnering with local jurisdictions to maximize Spare the Air outreach; suggestions on how to proactively follow up with noncomplying residences; the process of how a residence is fined; incentives; and financing options for compliant devices.

Chair Mar acknowledged community-based groups who have advocated for this program.

**PUBLIC COMMENT ON NON-AGENDA MATTERS**

**16. Public Comment On Non-Agenda Matters Round 2**

Charles Davidson, Sunflower Alliance, addressed the Board regarding impacts of not understanding the technical process and scientific analysis of crude refining.

**BOARD MEMBERS' COMMENTS:**

**17. Board Members' Comments:** None.

**OTHER BUSINESS**

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

Jean Roggenkamp, Deputy Executive Officer, addressed the Board regarding a summary of ozone seasons, and noted there is currently a break between the winter and summer Spare the Air seasons.

**19. Chairperson's Report:**

Chair Mar congratulated Vice Chair Kniss on being reappointed to the Board; confirmed Director Margaret Fujioka's resignation from the Board; and reminded Board members that the 2016 Air and Waste Management Conference will take place in New Orleans from June 20-24, 2016.

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

Chair Mar announced that the regular Board meeting scheduled for Wednesday, April 6, 2016 is canceled, and that the next Board meeting is scheduled on Wednesday, April 20, 2016 at Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, CA 94109 at 9:45 a.m.

**21. Adjournment:** The Board meeting adjourned at 11:40 p.m.

*MS/ Marcy Hiratzka*  
Marcy Hiratzka  
Clerk of the Boards