



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
SPECIAL MEETING / RETREAT
JANUARY 18, 2017

A special meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:45 a.m. at the Computer History Museum, 1401 N. Shoreline Blvd., Mountain View, CA 94043.

**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.

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 SPECIAL MEETING / RETREAT AGENDA

WEDNESDAY
JANUARY 18, 2017
9:45 A.M.

COMPUTER HISTORY MUSEUM
HAHN AUDITORIUM
1401 N. SHORELINE BLVD.
MOUNTAIN VIEW, CA 94043

CALL TO ORDER

Chairperson, Liz Kniss

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.

COMMENDATIONS/PROCLAMATIONS/AWARDS

3. *The Board of Directors will recognize outgoing Board Member Warren Slocum for his service, leadership, and dedication to protecting air quality in the Bay Area.*

CONSENT CALENDAR (ITEMS 4 – 8)

Staff/Phone (415) 749-

4. Minutes of the Regular Board of Directors Meeting of December 7, 2016

Clerk of the Boards/5073

The Board of Directors will consider approving the draft minutes of the Regular Board of Directors Meeting of December 7, 2016.

5. Board Communications Received from December 7, 2016 through January 17, 2017

J. Broadbent/5052

jbroadbent@baaqmd.gov

A copy of communications directed to the Board of Directors received by the Air District from December 7, 2016 through January 17, 2017, if any, will be at each Board Member's place.

6. 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.

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

8. Consider Amending Job Descriptions for the Engineer, Inspector, and Administrative Analyst Classification Series J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will consider amending the job descriptions for the Engineer, Inspector, and Administrative Analyst classification series.

COMMITTEE REPORTS

9. Report of the **Legislative Committee** Meeting of December 12, 2016 J. Broadbent/5052
jbroadbent@baaqmd.gov
CHAIR: B. Wagenknecht

The Committee received the following reports:

A) Review of the 2016 Legislative Year

1) None; receive and file.

B) Discussion of Potential 2017 Legislative Agenda

1) Recommended a 2017 Legislative Agenda.

10. Report of the **Mobile Source Committee** Meeting of December 15, 2016

CHAIR: S. Haggerty

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Projects and Contracts with Grant Awards over \$100,000

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

B) Fiscal Year Ending (FYE) 2015 Transportation Fund for Clean Air (TFCA) Audit Report Results

- 1) *None; receive and file.*

C) Fiscal Year Ending (FYE) 2016 Report on Transportation Fund for Clean Air (TFCA) Regional Fund Expenditures and Effectiveness

- 1) *None; receive and file.*

11. Report of the **Budget and Finance Committee** Meeting of December 16, 2016

CHAIR: D. Hudson

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Fourth Quarter Preliminary Financial Report – Fiscal Year Ending (FYE) 2016

- 1) *None; receive and file.*

B) First Quarter Financial Report – Fiscal Year Ending (FYE) 2017

- 1) *None; receive and file.*

C) 375 Beale Street Acquisition Update

- 1) *None; receive and file.*

BOARD OF DIRECTORS RETREAT

12. Opening Comments

Chairperson, Liz Kniss

A. State of the Air District, Air Quality Summary and the Proposed Regulatory Agenda for 2017

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Executive Officer/APCO will address the Board of Directors regarding the state of the Air District, provide an overview of air quality in the Bay Area and discuss the proposed Regulatory Agenda for 2017.

B. Air District Administrative Overview

J. Broadbent/5052

jbroadbent@baaqmd.gov

J. McKay/4629

jmckay@baaqmd.gov

The Deputy Air Pollution Control Officer will provide an administrative overview of the Air District.

C. Technology Implementation Officer (T.I.O.)

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Executive Officer/APCO will discuss the new classification of the position of an Technology Implementation Officer (T.I.O.).

D. Clean Air Plan and Climate Protection Strategy

J. Broadbent/5052

jbroadbent@baaqmd.gov

J. Roggenkamp/4646

iroggenkamp@baaqmd.gov

The Executive Officer/APCO and the Deputy Executive Officer will provide an update on the Clean Air Plan and Climate Protection Strategy.

E. Update on Community Programs

J. Broadbent/5052

jbroadbent@baaqmd.gov

J. Roggenkamp/4646

iroggenkamp@baaqmd.gov

The Executive Officer/APCO and the Deputy Executive Officer will provide an update on Community Programs.

F. Upcoming Committee Assignments and Goals

Chairperson, Liz Kniss

The Board Chair will discuss the 2017 Board of Directors Committee assignments and goals.

PUBLIC COMMENT ON NON-AGENDA MATTERS

13. 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

14. *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

15. Report of the Executive Officer/APCO

16. Chairperson's Report

17. Time and Place of Next Meeting:

Wednesday, February 1, 2017, at 375 Beale Street, San Francisco, CA 94109 at 9:45 a.m.

18. Adjournment

The Board meeting shall be adjourned by the Board Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
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.
- 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 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District’s policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District’s Non-Discrimination Coordinator, Rex Sanders, at (415) 749-4951 or by email at rsanders@baaqmd.gov.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
375 BEALE STREET, SAN FRANCISCO, CALIFORNIA 94105
FOR QUESTIONS PLEASE CALL (415) 749-5016 or (415) 749-4941

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

JANUARY 2017

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month) - CANCELLED</i>	Monday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month) - CANCELLED</i>	Monday	16	10:30 a.m.	1 st Floor Board Room
Board of Directors Special Meeting/Retreat <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	18	9:45 a.m.	Computer History Museum Hahn Auditorium 1401 N Shoreline Blvd Mountain View, CA 94043
Board of Directors Climate Protection Committee <i>(Meets 3rd Thursday of Every Other Month) - CANCELLED</i>	Thursday	19	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	25	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	26	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month) -</i>	Monday	30	9:30 a.m.	1 st Floor Board Room

FEBRUARY 2017

<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) - CANCELLED</i>	Wednesday	1	9:45 a.m.	1 st Floor Board Room
Advisory Council Meeting <i>(At the Call of the Chair)</i>	Monday	6	10:00 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	15	9:45 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month) - CANCELLED</i>	Monday	20	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month) - CANCELLED</i>	Monday	20	10:30 a.m.	1 st Floor Board Room

FEBRUARY 2017

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	22	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	23	9:30 a.m.	1 st Floor Board Room

MARCH 2017

<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	1	9:45 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	15	9:45 a.m.	1 st Floor Board Room
Board of Directors Climate Protection Committee <i>(Meets on the 3rd Thursday of every other Month)</i>	Thursday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	20	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	20	10:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	22	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	23	9:30 a.m.	1 st Floor Board Room

VJ – 1/12/17 (1:11 p.m.)

G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Liz Kniss and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: January 4, 2017

Re: Minutes of the Board of Directors Regular Meeting of December 7, 2016

RECOMMENDED ACTION

Approve the attached draft minutes of the Board of Directors Regular Meeting of December 7, 2016.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Regular Meeting of December 7, 2016.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Maricela Martinez

Attachment 4A: Draft Minutes of the Board of Directors Regular Meeting of December 7, 2016

AGENDA 4A – ATTACHMENT

Draft Minutes - Board of Directors Regular Meeting of December 7, 2016

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, CA 94105
(415) 749-5073

Board of Directors Regular Meeting
Wednesday, December 7, 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>

CALL TO ORDER:

1. **Opening Comments:** Chairperson Eric Mar called the meeting to order 10:00 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, John Gioia, Osby Davis, Scott Haggerty, Rebecca Kaplan, Nate Miley, Karen Mitchoff, Katie Rice, Mark Ross, Rod Sinks, Jim Spering, Brad Wagenknecht, and Shirlee Zane.

Absent: Directors Pauline Russo Cutter, Carole Groom, Tyrone Jue, Jan Pepper, and Warren Slocum.

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

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

Susan Gustofson, Valero, reiterated a public comment that she made to the Board in June 2016, urging the Board to conduct a more robust and comprehensive assessment of the proposed fee structure (regarding Regulation 3: Fees). Ms. Gustofson said that she would like to see this happen earlier in the fiscal year, in parallel with the budget, as a more transparent approach of justifying program cost containment.

NOTED PRESENT: Director Wagenknecht was noted present at 10:06 a.m.

El Cerrito resident, Ruby Macdonald, advocated for caps on refinery emissions due to her belief that refineries are resilient enough to withstand whatever impacts caps may cause to refinery operations.

Greg Karras, Communities for a Better Environment, spoke about the state ruling which voided the Environmental Impact Report (EIR) and Land Use Permit that Contra Costa County approved for the Phillips 66 refinery's liquefied petroleum gas project in Rodeo, and urged the District to revoke this project's invalid air permits immediately.

Martinez resident, Tom Lewis, said that it is important to protect people from themselves and urged the Board to pass proposed Rule 12-16, despite the refineries' opposition to Rule 12-16.

Jeff Lord, Valero, described the pride he takes in seeing a refinery project's evolution, from concept to installation, insisted that high-quality improvements are constantly made to protect the community's health, and urged the Board to consider the people whose labor keeps the economy strong.

Rick Purser, Eichleay, opposed both proposed Rules 11-18 and 12-16, saying that current standards are already strict, and that the Board should consider sound science when voting on new rules.

Liz Roberts, Chevron, acknowledged Chevron's safety culture and the financial contributions that Chevron has made to the community of Richmond.

Palo Alto resident, Stephen Rosenblum, said that he felt that certain District producers discourage public input, and urged the District to hold Closed Sessions either before or after Board meetings, as well as create an email aggregate so that the public may send the Board correspondence directly.

Aimee Lohr, Phillips 66, asked the Board not to forget all of the good that the refineries do for their communities, such as giving back to schools and veterans, and making it possible for people to travel.

Bill Gamba, Phillips 66, said that the Bay Area refineries produce the cleanest fuel in the world, and that capping greenhouse gas (GHG) emissions at refineries would result in leakage.

Vallejo resident, Heather Blithely, requested that the District reassess the air monitoring needs in the City of Vallejo, as there is one air monitoring sensor located in central Vallejo, but none near the water, where oil spills have occurred in the past.

Richard Quiroz, Chevron, said that the District's stakeholder meeting process regarding the development of the two proposed refinery rules, 12-16 and 11-18, has not been balanced, and that failing to recognize the role of refineries will result in unintended consequences.

Scott Shapiro, Chevron, stated that he appreciates the rules that the District has implemented to ensure safe air for the community, but that the new proposed refinery rules are clearly targeted at pushing refining out of the Bay Area, causing leakage.

Richard Gray, 350 Bay Area, said that the District is failing to monitor fence line pollution impacts adequately because it allows refineries to self-regulate, and this should stop.

Vallejo resident, Ken Szutu, said that despite refineries' sustainable and safe practices, refinery-related incidents that impact public health still occur. Mr. Szutu also promoted citizen monitoring, saying that the public should become more engaged and familiar with low-cost weather monitoring tools.

Woodacre resident, Eileen Schatz, spoke of her concern regarding the levels of asthma in children and older adults in lower-income communities of the Bay Area, and urged the Board to separate the EIR into two and cap emissions at refineries immediately.

Mark Brett, Anvil Corporation, opposed both proposed rules 12-16 and 11-18, saying that refineries have evolved to produce clean fuel and decrease their toxic air contaminant emission levels, that the

public depends on refinery products, and that the Board should make its decisions based upon scientific facts, and not on emotions.

Walt Gill, Chevron, acknowledged the efforts and contributions of Chair Mar and Director Bates.

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

Jack Broadbent, Executive Officer/Air Pollution Control Officer, stated that every refinery in the Bay Area has fence line monitoring and will soon have neighborhood monitoring, which was made possible by fee increases approved by the Board last year.

Chair Mar suggested that Closed Session be pushed to the end of the Board meetings and that Report of the Executive Officer (regarding the development of proposed Rules 12-16 and 11-18) be moved to the beginning of the agenda, before the Consent Calendar.

COMMENDATIONS/PROCLAMATIONS/AWARDS

3. Recognition of Outgoing Board Chairperson

The Board of Directors recognized outgoing Board Chairperson Eric Mar for his outstanding leadership as Chair of the Board of Directors in 2016. Incoming Board Chairperson, Liz Kniss, listed Chair Mar's accomplishments as Chair, and Board members congratulated Chair Mar and praised his contributions. Chair Mar thanked the Board and staff, mentioned his plans to go back to teaching, and encouraged the remaining Board members to experience the Refinery Corridor Healing Walks that are offered by Native Americans in Prayer.

Public Comments:

Jed Holtzman, 350 Bay Area, thanked Chair Mar his service to the District and commended his commitment to community input, grassroots advocacy, environmental justice, and bottom-up leadership.

4. Recognition of Four Outgoing Board Members

The Board of Directors presented the "Lifetime Achievement Award" to Director Tom Bates for his service, leadership, and dedication to protecting air quality in the Bay Area. Chair Mar listed the highlights of Director Bates' entire career, as well as his accomplishments while with the Air District. Board members and staff also recognized Director Bates' longevity and leadership in politics and offered their thanks. Director Bates urged the regional agencies of the Bay Area to meet the challenges that will result from the incoming Presidential administration in unison, and praised the Bay Area for its innovation.

The Board of Directors also recognized the accomplishments of outgoing Directors John Avalos and Osby Davis, who are terming out of office, and Director David Canepa, who will be transitioning from his Council seat at the City of Daly City to the San Mateo County Board of Supervisors. After Board members gave individual remarks, which credited the outgoing Board Members for balancing local and regional perspectives, Director Davis urged the Board to do what is right, rather than what is popular,

Director Canepa thanked both the industry and community advocates for their courage, and Director Avalos said that he would be attending District Board meetings as a community activist.

Public Comments:

Jed Holzman, 350 Bay Area, thanked Director Avalos for being especially attentive to climate advocates and for helping develop and elevate the District's Regional Climate Protection Strategy.

OTHER BUSINESS

5. Report of the Executive Officer/APCO: Update on Progress of Regulation 11, Rule 18 and Regulation 12, Rule 16 (OUT OF ORDER, ITEM 15)

NOTED PRESENT: Director Miley was noted present at 11:22 a.m.

Mr. Broadbent first gave a brief air quality summary as part of his report, noting that the District has not yet had to call a Winter Spare the Air Alert and that the Bay Area has not exceeded the Federal Ambient Air Quality Standards during this winter season. Regarding the progress of proposed Rules 11-18 and 12-16, Mr. Broadbent displayed the updated proposed EIR schedule and reported that staff is currently reviewing comments received on the California Environmental Quality Act (CEQA) / Initial Study.

Board Comments Prior to Public Comments:

The Board and staff discussed the public's concern for assurance that proposed Rule 12-16 may still come before the Board for consideration in May 2017 as planned, even if proposed Rule 11-18 within the same EIR is delayed; staff's opinion that severing the single EIR into two will not accelerate the adoption of Rule 12-16; the reiteration of the fact that this item will remain a non-action item until May 2017 and the acknowledgment that the monthly staff updates have been generating a high volume of public comments which dominate the majority of the meeting and compromise actual action items; how the District will use the revised Scoping Plan of the California Air Resources Board (CARB) to enhance District rulemakings, rather than duplicate or exceed CARB's efforts; the industrial sector strategy proposed in CARB's Draft Scoping Plan regarding efficiency improvement opportunities at stationary sources, and the new partnerships between CARB and local air districts that may result; CARB's speculation of how the Cap and Trade Program or a carbon tax may affect the mid-term GHG reduction target for California of 40 percent below 1990 levels by 2030; the practicality of accelerating the adoption of District rules, despite the possibility of having to amend District rules that are approved prior to the adoption of new CARB regulations; and the Board's request that action items be considered and voted upon prior to the discussion of informational items, even if those informational items may generate substantial public comments.

Public Comments:

San Mateo resident, Mark Roest, urged the Board to separate the EIR into two in order to prevent the delay of capping emissions at refineries.

Cupertino resident, Gary Latshaw, supported Rule 12-16, urging the Board not to allow the refineries to increase their GHG emission levels or accommodate high-density crudes.

Bob Lilley, Contra Costa Electric, said that throughout his career within the industry, he has seen the air become cleaner and working and living conditions become safer.

Jack Lucero Fleck, 350 Bay Area, referred to the language of Section 5 of AB 197 to demonstrate that the Board has the authority to prioritize regulations that result in direct emission reductions at large stationary sources of greenhouse gas emissions. Director Gioia noted that this legislation is direction to CARB, and not to local air districts.

Brian Ruff, Shell, said that he was proud that Shell provides jobs for so many people while respecting the environment, and that he feels safe raising his children downwind of the Shell refinery. Mr. Ruff said that if regulations do not continue to let Bay Area refineries meet demand, product will have to be imported from less sustainable facilities.

Charles Han, Shell, said that he appreciates the good intentions behind the proposed rules which are meant to preserve children's health, but that he believes that the details of these rules will lead to unintended consequences, such as leakage.

Laura Pagano, Bay Area Clean Water Agencies, requested an extension of the EIR process so that local wastewater agencies may have more time to participate.

Alvin Lim, Shell, urged the Board to consider sound science when voting on regulations.

Robert Peters, Shell, said that Shell goes to extremes to operate safely and that Shell employees take pride in their work.

Berkeley resident, Dr. Claire Broome, said that she believes that Rule 12-16 would be consistent with CARB's Draft Scoping Plan.

Fairfield resident, Mike Easter, expressed his concern that if the Board disregards staff recommendations, irreparable results will occur.

Mark Webster, Shell, said that he moved his family here because of the good things he heard about the Bay Area refineries, and now he has seen that they are the cleanest in the world. Mr. Webster said that he will encourage other agencies to partner with the community and industry in order to make progressive change, as the District has demonstrated.

George Smith, East Bay Leadership Council, said that proposed Rule 11-18 is inconsistent with the proposed amendments to District Rule 2-5, and will impact many businesses, hospitals, and schools that do not foresee the regulations that this rule imposes.

Bob Brown, Western States Petroleum Association (WSPA), said that WSPA continues to support staff's recommendation of having both rules under a single EIR, and has submitted its concerns regarding both rules.

Robert Payn, Shell, said that without good-quality facts, clarity, and refinery engagement, changes to regulation can be harmful to the environment.

Debbie Meeks, Criterion Catalysts & Technologies, expressed her concern about the impact that these rules may have on her company's operations, which serve the refineries.

Bob Gutierrez, California Hispanic Chamber of Commerce, asked the Board to remember that when refinery operations are impacted by regulation, the community organizations and small businesses that benefit from the generosity of the refinery industry also suffer.

Janet Stromberg, 350 Bay Area, said that there is no urgency to adopt Rule 11-18, but that Rule 12-16 is urgent. Ms. Stromberg also said that taking the time to address comments on rule 11-18 will also delay Rule 12-16, and that the rules should be developed and considered separately.

Frances Aubrey, Alameda Interfaith Climate Action Network, urged the Board to act according to what is right, and not based upon pressure from the industry.

Ella Marie Kallois, Roberts Companies, asked the Board members that do not have a refinery in their jurisdiction, or who are not apprised of Bay Area refinery activities and the refining process, to defer to staff recommendations on the regulations.

Don England, Tesoro, urged the Board to defer to staff recommendations and said that Rule 12-16 would result in minimal environmental solutions and maximum economic consequences.

Iren Suhami, Valero, reiterated her request from November in which she asked that District staff recalculate the Valero refinery's proposed numeric cap calculations, including 2010 as a baseline year. Ms. Suhami said that 2010 had not been included in the original calculation and also requested a reason as to why.

Lori Schectel, Central Contra Costa County Sanitary District, said that she supports the intent of proposed Rule 11-18, but not the rule in its current form because of the excessive costs, aggressive implementation schedule, and conflicting GHG-reduction goals.

Carolyn Bowden, California Nurses Association, said that if the Board can guarantee that there will be two complete EIR studies by May 2017, one full analysis of each rule, the environmental organizations will cease to comment until then.

David Wong, Valero, said that he believes that the Risk Reduction Level from Rule 11-18 lacks scientific basis.

Justin Shapiro, Tesoro, said that he is concerned with some of the conditions of Rule 12-16, and hopes that the Board will carefully consider the rule's socioeconomic analysis in March 2017.

Gordon Johnson, Shell, said that it is unclear how the caps in Rule 12-16 were calculated and that the methodology should be transparent before regulations are approved.

Steve Nadel, Sunflower Alliance, predicted that Rule 11-18 will not be completed as scheduled, and urged the Board to separate the EIR into two.

Randy Schmidt, Bay Area Clean Water Agencies, said that the costs for businesses and public agencies having to comply with Rule 11-18 are too excessive and that the rule's proposed schedule is too aggressive.

Oakland resident, Dr. Heather Kuiper, supported Rule 12-16 and said that community activists will continue to provide the Board with health evidence in order to understand the health benefits of the rule and the implications of failing to implement it.

Sharon Evans, Phillips 66, said that local GHG caps are unlikely to improve air quality but will impact refinery production levels and the economy, and asked that the Board follow the recommendations of the District's Advisory Council and staff.

Charles Davidson, Sunflower Alliance, spoke about the association between high-GHG refinery processes and Particulate Matter.

Debi Lowe, Phillips 66, urged the Board to consider the potential impact on low-income families and the economy if refinery operations are curtailed.

David Gassman, No Coal in Oakland, urged the District to adhere to its committed rulemaking schedule.

Martinez resident, Lynn McGuire, urged staff to increase its outreach of Rule 11-18 to businesses in order to supply accurate representative data and allow for their review of health risks.

Walt Gill, Chevron, said that Chevron continues to support the analysis of Rules 12-16 and 11-18 in a combined EIR.

Ella Teevan, Food & Water Watch, requested the severance of the rules into two separate EIRs.

Steven Yang, Chevron, urged the Board not to adopt Rule 12-16, saying that diesel PM is the primary driver of health risk, and as this rule will not monitor diesel PM, it will not be effective. Mr. Yang also said that adopting this rule will set precedent that federal provisions can be disregarded.

Richard Gray, 350 Bay Area, disputed language from the Draft Staff Report regarding the District's claim that Air District maximum readings for PM2.5 and NOx do not come from the refinery-area monitors, and reminded the Board that fence line monitors have not yet been installed.

Palo Alto resident, Stephen Rosenblum, suggested that the reason that a large number of people continuously attend Board meetings solely for this item, even though action will not be taken until May 2017, is because it has taken five years for the District to come this far with the development of Rule 12-16 and people are worried about the motivation of staff now that it is being developed.

Bill Gamba, United Steelworkers, said that local refinery caps will not lower the GHG emissions, but will undermine the Cap and Trade Program and hurt the economy.

Richmond resident, Zeva Longley, said that she lives near the Chevron refinery and has lost multiple neighbors to cancer and other diseases. Ms. Longley requested the accelerated installation of fence line monitors and subsequent data analyzation.

Matt Regan, Bay Area Council, said that he is pleased to hear of staff's enhanced outreach to businesses regarding the development of Rule 11-18, and also urged the Board to understand that the largest determinant of health is having a job and health insurance.

Ratha Lai, Asian Pacific Environmental Network, thanked the Board for listening to listening to so many public comments on multiple occasions regarding this issue, and also said that the scoping of Rule 11-18 is currently prolonging the EIR process.

Rebecca Milliken, Berkeley Climate Action Coalition and Ecology Center, urged for the separation of the rules into two EIRS so that Rule 12-16 may progress.

Nicole Liner, Berkeley Climate Action Coalition and Ecology Center, urged the Board to assess the rules separately and swiftly adopt Rule 12-16.

San Leandro resident, Lawrence Abbott, supported Rule 12-16 and requested that the rules be separated into two EIRs.

Albert Kueffner, Alameda Interfaith Climate Action Network, commented on the conflicting objectives of Rules 12-16 and 11-18 and urged the Board to separate them into two EIRs.

Bettina Hughes, 350 Marin, requested collection and analysis of independent fence line pollution and GHG data from refineries, and urged the District to include this in its study of these rules.

Sarah Deslauriers, California Association of Sanitation Agencies, said that Rule 11-18 may discourage the production and beneficial use of bio gas for generating renewable energy.

Laurie Mintzer, Chevron, expressed her concern that the Board is continuing toward adoption of a rule crafted by activists, despite staff's recommendations.

Paul Alder, Phillips 66, supported the Advisory Council's recommendation to not pursue local GHG caps at refineries, emphasizing that a Bay Area cap would force a reduction in this region's refining production capacity, even though the State's need for fuel consumption will remain the same.

Kate Malcom, Chevron, said that adopting a rule developed by activists without consideration of the regulatory community's comments, and against the advice of technical experts, conflicts with the District's mission statement.

Brenda Kuehnle, Chevron, said that refineries provide living wage to the general population, that the health risks from Bay Area refineries are small, and curtailing Bay Area refinery operations will impact the economy.

Brent Eastep, Phillips 66, requested clarification on the cancer risk action level threshold, 25 per million versus 10 per million, as he encountered two sources with conflicting numbers.

Brittany King, Sierra Club, urged the Board to separate the EIR into two, as she she sees mixed messages being given to the public by staff regarding the EIR schedule.

Suejung Shin, Phillips 66, urged the Board to read the staff report thoroughly, especially the science-based conclusions and evidence from CARB.

Board Comments Following Public Comments:

The Board and staff discussed staff's intent to bring both rules to the Board for consideration in May 2017 with one socioeconomic impact analysis; the types of facilities that would be affected by Rule 11-18; staff's assurance that both rules will be equally analyzed; public health versus "planet health"; concern that the Board is being pressured to accelerate the adoption of a rule, despite the fact that the rule opposes what the Advisory Council and staff have recommended; legal concerns regarding CARB's revised Scoping Plan, and whether or not supporting CARB would limit the District's liability or exposure; and staff's intended significance of Rule 11-18.

At Director Kaplan's direction, Mr. Broadbent confirmed that Rule 12-16 will be brought to the Board for consideration in May 2017, regardless of whether or not Rule 11-18 is still on schedule at that time.

Board Action:

None; file and receive.

CONSENT CALENDAR (ITEMS 5-7)

6. **Minutes of the Board of Directors Regular Meeting of November 16, 2016 (ITEM 5)**
7. **Board Communications Received from November 16, 2016 through December 6, 2016 (ITEM 6)**
8. **Proposed Regulatory Agenda for 2017 (ITEM 7)**

Public Comments:

No requests received.

Board Comments:

The Board and staff discussed the development of the Draft Regulatory Measures List in Item 7, Proposed Regulatory Agenda for 2017.

Board Action:

Director Mitchoff made a motion, seconded by Director Spring, to **approve** the Consent Calendar Items 5 through 7, inclusive; and the motion **carried** by the following vote of the Board:

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

COMMITTEE REPORTS

9. Report of the Climate Protection Committee Meeting of November 17, 2016 (ITEM 8)

In the interest of time, the Climate Protection Committee Chair Report was not read, though it was distributed to all Board members.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

10. Report of the Executive Committee Meeting of November 21, 2016 (ITEM 9)

In the interest of time, the Executive Committee Chair Report was not read, though it was distributed to all Board members.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

PUBLIC HEARING

11. Public Hearing to Consider Adoption of Proposed Amendments to Regulation 2, Rule 5: New Source Review of Toxic Air Contaminants and Adoption of a Negative Declaration Pursuant to the California Environmental Quality Act (ITEM 10)

Damian Breen, Deputy Air Pollution Control Officer, introduced Sanjeev Kamboj, Engineering Division Manager, who gave the staff presentation *Public Hearing to Consider Adoption of Proposed Amendments to Regulation 2, Rule 5: New Source Review of Toxic Air Contaminants*, including: outline; effectiveness of control programs; stationary source programs; Regulation 2, Rule 5 new source review for toxic air contaminants; summary of Rule 2-5; proposed Rule 2-5 changes; impacts of Rule 2-5 revisions; CEQA analysis; socioeconomic analysis; public outreach comments and responses from open houses and on public hearing documents; and recommendations.

Public Comments:

Shawn Lee, Chevron, expressed his concern that the socioeconomic analysis is inaccurate and not inclusive of the industry.

Susan Gustofson, Valero, said that staff did an inadequate job at responding to the latest comments provided, specifically regarding the interaction of Rule 2-5 and proposed Rule 11-18. Ms. Gustofsen said that unintended impacts have not been addressed by staff and that this rule should not be adopted as amended.

Brent Eastep, Phillips 66, said that he did not understand why the District would not allow for net health risk benefit projects or consider decreases in toxics in the analysis for all types of sources. Director Gioia challenged the validity of Mr. Eastep's statement.

Suejung Shin, Phillips 66, remarked that thorough consideration of public comments may have been overlooked by the District, as there was only one week between the deadline for public comments and consideration for adoption.

Iren Suhami, Valero, said that this amended rule does not take into account all of the projects that proposed Rule 11-18 will generate.

Paul Adler, Phillips 66, said that there is a lack of outreach to non-refinery facilities that will be impacted by these amendments.

Board Comments:

The Board and staff discussed the new calculated state cancer risk based on the Office of Environmental Health Hazard Assessment's 2015 Health Risk Assessment Guidelines; potentially significant impacts of individual projects and technical feasibility of risk limits; the need for an increase in workshops and better criteria for identifying workshop locations; enhanced outreach efforts to impacted areas; and the difference between this rule and proposed Rule 11-18 (Best Available Control Technology versus Best Available Retrofit Control Technology.)

Board Action:

Director Gioia made a motion, seconded by Director Wagenknecht, to **approve** the amendments to Regulation 2, Rule 5: New Source Review of Toxic Air Contaminants; and the motion **carried** by the following vote of the Board:

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

PRESENTATION

12. Regulation 6, Rule 3: Wood Burning Devices and Winter Spare the Air Messaging Program (ITEM 11)

In the interest of time, Mr. Broadbent suggested that this presentation be emailed to the Board members and brought back to the Board at a later date, and Chair Mar authorized Mr. Broadbent's suggestion.

Public Comments:

Richard Gray, 350 Bay Area, said that he hopes that this successful program will eventually phase out natural gas device incentives and move solely to wood to electric transfers.

Bettina Hughes, 350 Marin, said that she hopes that other incentives, such as insulation and solar panels, will eventually be incorporated into the program. Ms. Hughes also said that Forest Knolls is an area with a high volume of wood smoke, but she does not see District enforcement in the area.

Board Comments:

The Board and staff discussed the highest incentive of the program, which is electric heat pumps, due to their lack of emissions.

Board Action:

None; receive and file.

CLOSED SESSION (commenced at 1:23 p.m.)

13. CONFERENCE WITH LEGAL COUNSEL (ITEM 12)

EXISTING LITIGATION (Government Code Section 54956.9(a))

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

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

Brian Bunger, District Counsel, said that there was no reportable action on this item.

- b) **Western States Petroleum Association, Valero Refining Company – California, Tesoro Refining and Marketing Company, LLC, and Phillips 66 Company v. Bay Area AQMD**, Contra Costa County Superior Court, Case No. N16-0963

Brian Bunger, District Counsel, said that there was no reportable action on this item.

OPEN SESSION (commenced at 1:38 p.m.)

PUBLIC COMMENT ON NON-AGENDA MATTERS

14. Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3 (ITEM 13)

No requests received.

BOARD MEMBERS' COMMENTS

15. Board Members' Comments (ITEM 14)

None.

OTHER BUSINESS CONTINUED

16. Chairperson's Report

Chair Mar announced that Director Ross was reappointed for another two-year term on this Board, and that Director Miley was reappointed for another four-year term. Chair Mar also reminded everyone that the January Board meeting is the Board's Annual retreat and is presumed to be offsite.

17. Time and Place of Next Meeting

Wednesday, January 18, 2017, (location to be determined) at 9:45 a.m.

18. Adjournment

The Board meeting adjourned at 1:40 p.m. in honor of the victims of the Oakland Ghost Ship warehouse fire.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Liz Kniss and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: January 4, 2017

Re: Board Communications Received from December 7, 2016 through January 17, 2017

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from December 7, 2016, through January 17, 2017, if any, will be at each Board Member's place at the January 18, 2017, 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 Liz Kniss and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: January 3, 2017

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 Air District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified of Air District personnel who have traveled on out-of-state business.

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

DISCUSSION

No out-of-state business travel activities occurred in the months of November and December 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 Liz Kniss and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: January 10, 2017

Re: Notices of Violations Issued and Settlements in Excess of \$10,000 December 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 Violation 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. Bunger

Attachment 7A: Notices of Violations for the Month of December 2016

AGENDA 7A - ATTACHMENT

NOTICES OF VIOLATIONS ISSUED

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

Alameda						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Bay Area Rapid Transit	B8895	Dublin	A57003A	12/12/16	2-1-302	STANDBY OPERATED W/ EXPIRED P/O
Department of Transportation	E0537	Oakland	A56333A	12/5/16	2-1-302	Permit Expired 12/1/2014
East Bay Municipal Utility District	A0591	Oakland	A56332A	12/2/16	2-6-307	E07A81, P/O Cond. 18860, Part 3, Increased H2S
Receptient	Y4739	Hayward	A57063A	12/28/16	6-3-301	Burning on WSTA
Synergy Enterprises	L3268	Hayward	A56002A	12/8/16	11-2-401	Failure to wait ten working days
Synergy Enterprises	L3268	Hayward	A56978A	12/8/16	11-2-401	Failure to wait ten working days

Contra Costa						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
George F & Ruby Tellsworth	Y4644	Alamo	A57033A	12/21/16	6-3-301	Wood Smoke Violation
Jason G & Patricia Arguello	Y4677	El Sobrante	A57066A	12/29/16	6-3-301	Wood Smoke Violation
Miguel Cruz/ Cecilia Godoy	Y4661	Rodeo	A57059A	12/28/16	6-3-301	Wood Smoke Violation

AGENDA 7A - ATTACHMENT

Shell Martinez Refinery	A0011	Pacheco	A56186A	12/21/16	9-1-307	SO2 > 250ppm
Shell Martinez Refinery	A0011	Martinez	A56187A	12/21/16	12-11-502.3	Missed flare sample
West Contra Costa County Landfill	A1840	Richmond	A56484A	12/21/16	1-301	Public Nuisance odor.

Napa						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Larry & Beverly Jones	Y4679	Angwin	A57068A	12/29/16	6-3-301	Wood Smoke Violation
Robert Soper	Y4641	Angwin	A57037A	12/27/16	6-3-301	Wood Smoke Violation

San Francisco						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Chilton Auto Body	B4264	San Francisco	A56687A	12/6/16	2-1-302	No PO
Divisadero Heights Cleaners	B2336	San Francisco	A56688A	12/8/16	1-410	Failure to renew registration. Facility was operating with no registration.
Martini Cleaners	B8157	San Francisco	A56689A	12/8/16	1-410	Failure to renew registration. This facility has operated since 2010 without renewing their registration.

AGENDA 7A - ATTACHMENT

San Mateo						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Astound Broadband	B4087	San Mateo	A56508A	12/14/16	2-1-302	No permit to operate since 4/2015
Park Avenue Cleaners	B6409	Belmont	A56652A	12/5/16	1-410	Expired annual registration
Stephens Mark Whitney	Y4658	South San Francisco	A57058A	12/28/16	6-3-301	Wood Smoke Violation

Santa Clara						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Alliance Environmental Group, Inc.	Q8668	San Jose	A56001A	12/8/16	11-2-401	Failure to wait ten working days
Clean Harbors San Jose, LLC	B1925	San Jose	A55706A	12/1/16	8-5-306.2	Component on top of tank not gas tight
Owens Corning Insulating Systems, LLC	A0041	Santa Clara	A55637A	12/19/16	6-1-301	Exceeded Ringelmann #1 Limitation
Sine-Tific Solutions Inc	A7706	San Jose	A55685A	12/1/16	2-1-302	Expired PO. Permit expired on 11/1/14
Stephen & Harumi Bibby	Y4635	Monte Sereno	A57028A	12/21/16	6-3-301	Wood Smoke Violation
Xiaohua Geng	Y4636	Campbell	A57029A	12/21/16	6-3-301	Wood Smoke Violation
Zero Waste Energy Development Company, LLC	E1277	San Jose	A55686A	12/28/16	2-1-307	Pressure Exceedance at S17 and S18 – linked to Episode # 07A82, 07A95, 07A96 and 07B06.

AGENDA 7A - ATTACHMENT

Solano						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Potrero Hills Energy Producers, LLC	E0139	Suisun City	A56056A	12/15/16	2-1-307	failed outside S.T.# NTV-1854
Potrero Hills Energy Producers, LLC	E0139	Suisun City	A56057A	12/15/16	2-1-307	failed outside S.T.# NTV-1855
Potrero Hills Energy Producers, LLC	E0139	Suisun City	A56058A	12/15/16	2-1-307	failed outside S.T.# NTV-1856
Potrero Hills Energy Producers, LLC	E0139	Suisun City	A56059A	12/15/16	2-1-307	failed outside S.T.# NTV-1857
Potrero Hills Energy Producers, LLC	E0139	Suisun City	A56060A	12/15/16	2-1-307	failed outside S.T.# NTV-1858
Valero Refining Company - California	B2626	Benicia	A56457A	12/8/16	1-522.6	Failed H2S/TRS CEM Field Accuracy Test.

Sonoma						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Bob Kao	Y4639	Sebastopol	A57034A	12/21/16	6-3-301	Wood Smoke Violation
Kevin Shaw	Y4660	Sebastopol	A57054A	12/27/16	6-3-301	Wood Smoke Violation
Larry Paul Chiappellone	W3502	Sonoma	A57057A	12/28/16	6-3-301	Burning on WTSA
Mabel Jensen-Juncker	X0120	Windsor	A57031A	12/21/16	6-3-301	Wood Smoke Violation
Pedro Cardona & Maria Cerda	Y4642	Santa Rosa	A57036A	12/27/16	6-3-301	Wood Smoke Violation

AGENDA 7A - ATTACHMENT

Recipient	Y4640	Sebastopol	A57035A	12/21/16	6-3-301	Wood Smoke Violation
Recipient	W3334	Graton	A57055A	12/27/16	6-3-301	Burning on WSTA
Recipient	Y4678	Santa Rosa	A57069A	12/29/16	6-3-301	Wood Smoke Violation
Robbin Cummins	Y4638	Windsor	A57032A	12/21/16	6-3-301	Wood Smoke Violation
Ronald & Deborah Wheeler	Y4637	Santa Rosa	A57030A	12/21/16	6-3-301	Wood Smoke Violation
Tim J & Shauna L Weber	Y4659	Sebastopol	A57053A	12/27/16	6-3-301	Wood Smoke Violation
Tony R Rafael	Y4680	Santa Rosa	A57067A	12/29/16	6-3-301	Wood Smoke Violation

SETTLEMENTS FOR \$10,000 OR MORE REACHED

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

- 1) On December 4, 2016, the District reached settlement with Lumentum Operations, LLC for \$15,000, regarding the allegations contained in the following 1 Notice of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A54136A	10/1/15	8/22/15	2-1-307	Breakdown relief denied

- 2) On December 19, 2016, the District reached settlement with Dow Chemical Company for \$10,000, regarding the allegations contained in the following 1 Notice of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A56379A	7/21/16	3/19/16	2-6-307	Failure to meet Permit Condition S-30 and S-151.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Liz Kniss and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: January 4, 2017

Re: Consider Amending Job Descriptions for the Engineer, Inspector, and Administrative
Analyst Classification Series

RECOMMENDATION

The Board of Directors will consider amending the job descriptions for the Engineer, Inspector, and Administrative Analyst classification series.

BACKGROUND

Pursuant to Article VI of the Memorandum of Understanding (MOU) between the Air District and Employees' Association, the parties agreed to jointly conduct a classification study of the following classifications:

- Air Quality Engineer I/II
- Senior Air Quality Engineer
- Principal Air Quality Engineer
- Supervising Air Quality Engineer
- Air Quality Inspector I/II
- Senior Air Quality Inspector
- Administrative Analyst

DISCUSSION

The parties contracted with an independent consultant, Koff & Associates, to perform a classification study. After an extensive study, the consultant recommends updating the job descriptions to better describe the qualifications of the classifications and to better reflect the duties that are being performed. The parties agree to implement the changes.

Attached are the amendments of the job descriptions.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully Submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Judy Yu
Reviewed by: Rex Sanders

Attachment 8A: Air Quality Engineer I/II
Attachment 8B: Senior Air Quality Engineer
Attachment 8C: Principal Air Quality Engineer
Attachment 8D: Supervising Air Quality Engineer
Attachment 8E: Air Quality Inspector I/II
Attachment 8F: Senior Air Quality Inspector
Attachment 8G: Administrative Analyst



NOVEMBER 2016
FLSA – I: EXEMPT
FLSA – II: EXEMPT

AIR QUALITY ENGINEER I/II

DEFINITION

Under supervision, performs professional engineering work in a variety of areas such as permit application evaluation, toxic risk screening and assessment evaluations, emissions modeling, emission inventories and measurements, compliance audits, source testing, rule development and information services; duties may include review of emission sources; reviews design of air pollution control equipment associated with industrial or commercial processes; calculates air pollutant emissions, toxic risk screening and assessment evaluations; evaluates emission inventory plans and reports; and performs related work as required.

SUPERVISION RECEIVED AND EXERCISED

The **Air Quality Engineer I** receives immediate supervision from the assigned supervisor or manager. Exercises no supervision of staff.

The **Air Quality Engineer II** receives general supervision from the assigned supervisor or manager. Provides functional and technical direction to lower-level staff.

CLASS CHARACTERISTICS

The **Air Quality Engineer I** is the entry-level class in the Air Quality Engineer series. Initially, under immediate supervision, incumbents perform the more routine assignments within an established procedural framework, where there are minimal consequences of error, including assisting more experienced engineers and learning the permit evaluation process, standards, and procedures. With experience, the work becomes more diversified and difficult, and requires increasing independence. This classification is alternatively staffed with Air Quality Engineer II and incumbents may advance to the higher level after gaining experience and demonstrating a level of proficiency that meets the qualifications of the higher-level class. Positions at the Air Quality Engineer I level usually perform most of the duties required of the positions at the II level, but are not expected to function at the same skill level and usually exercise less independent discretion and judgment.

The **Air Quality Engineer II** is the fully-competent level class in the Air Quality Engineer series. Positions at this level are distinguished from the Air Quality Engineer I level by the performance of the full range of duties as assigned, working independently, and exercising more independent judgment and initiative. Positions at this level are fully aware of the operating procedures and policies of the work unit. This class is distinguished from the next higher classification of Senior Air Quality Engineer in that the latter is the advanced level class in the series and may have lead responsibilities, which include organizing, assigning, and reviewing the work of others participating in technically complex programs.

EXAMPLES OF TYPICAL JOB FUNCTIONS (Illustrative Only)

Management reserves the right to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

- Reviews air emissions, inventory plans and reports.

- Provides information to other divisions regarding the emissions impact of violations, explanation of permit conditions and explanation of emission factors and emissions rates; confers with other air pollution control entities regarding industrial processes, control systems; may act as an expert witness.
- Acts as a project leader for engineering studies or programs; recommends program guidelines and notifications to sources/persons affected by new or modified regulations; serves on special committees to develop guidelines and procedures; makes community presentations to convey technical information.
- Works with data, including the input and review of information in the database; generates reports with specific information on the subject of permitted sources to assist in program implementation; responds to internal and public requests for data, including requests for information on emission, fees, and permit source.
- Investigates and corrects permit data errors in data repositories.
- Assists in the development and implementation of District air quality rules and regulations.
- Reviews permit applications; reviews design of air pollution controls associated with the industrial or commercial process; analyzes operational procedures to determine control of emissions; calculates emissions rates associated with permit; creates and/or maintains inventory of criteria air pollutants for stationary sources; identifies and evaluates or prepares toxic air contaminant and risk assessment determinations; checks applicant's compliance with District rules and regulations.
- Inspects new or existing sources of air contaminants and evaluates effectiveness of control equipment; determines compliance and identifies problems.
- Conducts field inspections on manufacturing, commercial, and industrial sources for compliance.
- Generates air dispersion models and conducts health risk assessments; calculates Toxic Air Contaminant (TAC) emissions inventory; gathers and documents input parameters to mathematical models used to estimate potential health risks for substances emitted into the air; determines application and renewal fees.
- Provides compliance assistance to various constituents including small business owners or sole proprietors, engineering consultants, and public agency representatives; meets with industrial representatives to discuss modifications recommended for compliance with air quality rules and regulations; provides information to applicants, consultants and the public regarding permit requirements and District air quality rules and regulations.
- Conducts emission source tests using defined source testing methods; evaluates results and recommends appropriate actions, including violation notices.
- Obtains accurate and meaningful emissions data.
- Calculates and evaluates results and accuracy of source emission calculations and methodologies; generates reports on findings.
- Calibrates, maintains, and repairs testing equipment as necessary.
- May provide direction to technical and/or clerical staff.
- Performs other duties as assigned.

QUALIFICATIONS

Knowledge of:

- General engineering principles, practices, methods, procedures; and Air District engineering policies and procedures. Industrial processes and pollution control equipment.
- Stationary, mobile, and area sources of air quality and GHG emissions.
- Applicable federal, state, and local laws, codes, and regulations, including those related to air quality and GHG control.
- Principles and fundamentals of air source testing; standard source testing equipment, including process equipment operation and pollution abatement equipment.
- Basic methods and techniques for maintenance and repair to testing equipment.

- Principles and evaluation techniques for estimating and forecasting local and regional emission estimates.
- Structured and unstructured data analysis techniques; air dispersion modeling techniques; familiarity with air quality monitoring methods using measurements to assess emission inventories.
- Occupational hazards and standard safety practices.
- Standard office procedures, practices, and equipment, including a computer and applicable software.
- Methods and techniques for record keeping and report preparation and writing; English usage, spelling, vocabulary, grammar, and punctuation.
- Techniques for providing a high level of customer service by effectively dealing with the public, vendors, contractors, and District staff.

Ability to:

- Apply District engineering policies and procedures and perform engineering computations.
- Prepare technical reports; prepare health risk assessments.
- Analyze engineering problems and recommend solutions; interpret and analyze processes and equipment blueprints and specifications.
- Identify type and amount of toxic air contaminant emissions; read, interpret, and record data accurately.
- Understand, explain, and apply applicable laws, codes, and regulations.
- Respond to issues and concerns from contractors, permit holders, and the community.
- Analyze a complex issue and develop and implement an appropriate response.
- Make determinations on the best testing method to measure pollutant concentrations.
- Observe safety principles and work in a safe manner; utilize and organize large and heavy pieces of equipment.
- Work independently and as part of a team; follow written and oral directions; make sound decisions within established guidelines.
- Operate an office computer and a variety of word processing and software applications.
- Use English effectively to communicate in person, over the telephone, and in writing.
- Establish, maintain, and foster positive and effective working relationships with those contacted in the course of work.

Education and Experience:

Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be

Air Quality Engineer I: Equivalent to the completion of a Bachelor's degree from an accredited college or university with major coursework in chemical, environmental, mechanical, or petroleum engineering, or a related field. Two (2) years of experience in air quality engineering. Additional related coursework or engineering training may substitute for the required experience.

Air Quality Engineer II: In addition to the above, two (2) additional years of experience in air quality engineering.

Licenses and Certifications:

- Possession of, or ability to obtain, a valid Class C California Driver License.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer. Position requires sitting, prolonged standing, walking on level and slippery surfaces, reaching, twisting, turning, kneeling, bending, stooping, squatting, crouching, grasping, and making repetitive hand movement in the performance of daily duties. The need to lift, carry, and push tools, equipment, and supplies weighing 50 pounds or less may be required. The nature of the work may also require the incumbent to climb ladders and drive motorized vehicles when visiting businesses or construction sites.

ENVIRONMENTAL ELEMENTS

Incumbents may work outdoors in all weather conditions, including wet, hot, and cold with exposure to dust, fumes, diesel, gas and other vapors. Incumbents may be required to wear protective clothing and breathing equipment while working around asbestos or other toxins.

WORKING CONDITIONS

Must be willing to work non-typical work hours to accommodate and not disrupt work sites.



**NOVEMBER 2016
FLSA: EXEMPT**

SENIOR AIR QUALITY ENGINEER

DEFINITION

Under general direction, leads, coordinates, and participates in the work of Air Quality Engineers such as permit application evaluation, toxic risk screening and assessment evaluations, emissions modeling, emission inventories and measurement, compliance audits, source testing, rule development and information services; acts as project or program facilitator; performs complex engineering work and related research and policy analysis; evaluates and processes the more difficult permit engineering assignments; serves as an engineering advisor; performs related work as required.

SUPERVISION RECEIVED AND EXERCISED

Receives general direction from the assigned supervisor or manager. Provides functional and technical direction to lower-level staff.

CLASS CHARACTERISTICS

This is the senior-level within the Air Quality Engineer class series. Incumbents in this classification act as a lead or specialist, and perform work of considerable technical complexity requiring in-depth knowledge of industrial processes and control technology. The complexity of the engineering assignments and projects can be characterized by formulation of new guidelines, definitions, methods, or approaches; or working with complex facilities or facilities of high visibility and sensitivity. At this level, incumbents may be responsible for the development of new programs and/or special projects and may serve as the project leader for the coordination and completion of professional engineering work within specified areas such as federal or state mandated programs. Incumbents may be assigned responsibility for leading other staff in subject matter areas consistent with specialized fields of expertise. Incumbents are also expected to be able to communicate with external stakeholders with sensitivity, clarity and empathy and to represent the interests and policies of the Air District in those interactions. This class is distinguished from the classification of Supervising Air Quality Engineer in that the latter supervises and coordinates the work of staff. This class is distinguished from the classification of Principal Air Quality Engineer in that the latter serves as a subject matter expert in a specific area, conducts projects of increased complexity, provides in depth analysis in a number of areas including projecting future trends.

EXAMPLES OF ESSENTIAL JOB FUNCTIONS (Illustrative Only)

Management reserves the rights to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

- Performs job functions listed in the Air Quality Engineer I/II job specification.
- Participates in complex, sensitive, controversial, and/or large projects or facilities, and plans.
- Acts as lead, mentor, and/or project lead; provides functional direction to engineers, possibly other professionals, technical and/or clerical staff.
- Responds to complaints and questions from the general public and applicants, including regulation

interpretation, permit preparation, various compliance measures and emission calculation methods in person, by phone, and in writing.

- Establishes goals and deadlines; administers programs; reviews permit applications for Authority to Construct (ATC) and Permits to Operate (PTO).
- Drafts evaluations determining compliance; issues ATCs and PTOs.
- Leads implementation of Title V of the Federal Clean Air Act; develops and updates Title V Permits; performs research work, engineering studies, and calculations related to the statutes; coordinates with the Federal Environmental Protection Agency (EPA) and other governmental agencies; reviews Title V applications; drafts evaluations determining compliance; drafts proposed permits; issues public notices; responds to comments; issues final permit.
- Leads the review and preparation of criteria and toxic emission inventories and risk assessment pursuant to the “Hot Spots” Information and Risk Assessment Act (AB 2588) and for California Environmental Quality Act (CEQA) requirements; informs facilities that criteria pollutants or toxic emission inventory must be updated; provides guidance on how to prepare an inventory; reviews and/or helps to prepare emission inventories; determines if risk assessment must be prepared from toxic emissions inventory data and notifies sources if assessment is needed; provides guidance on the preparation of risk assessments; reviews risk assessment plans; prepares electronic files for State review.
- Calculates emissions and emission forecasts of air pollutants and greenhouse gases from stationary, area, and mobile source; prepares associated reports and documentation.
- Conducts research on emission quantification practices and forecasting methods.
- Investigates the use of monitoring data to evaluate emissions estimates; collects and applies monitoring data to evaluate and improve greenhouse gas emissions estimates.
- Reports agency emission estimates of toxics, criteria pollutants, and greenhouse; conducts research on greenhouse gas forecasting methods.
- Evaluates effectiveness of federal, state, and local policies to reduce greenhouse gas emissions.
- Responds to internal and public requests for database related information, including requests for information on emission, fees and revenue, and permit source, by using or writing programs in DataBank and writing queries in the Production System database.
- Writes and revises computer programs; investigates and corrects errors in the DataBank.
- Works with Production Staff to identify and correct issues with data transfer from old to new database.
- Develops new rules and modifies existing rules; drafts rule language and staff reports; provides data for environmental documents; sets, holds, and leads public meetings to discuss proposals; drafts legal and public notices; drafts proposed rules, and staff reports, and resolutions; presents proposed rules to Advisory Committee and Air District Board; drafts transmittal; provides newly adopted rules with documentation to oversight agencies; maintains Rule Book Subdirectory and Archived Rules; maintains State Implementation Plan Rule Book.
- Responds to phone calls and emails from stakeholders or members of the public about current rules, rules in development, or District processes and procedures such as the permitting process.
- Represents the District as a technical expert in meetings with outside agencies, environmental groups and industry personnel regarding air quality control regulations, and source inventory procedures and results; may act as an expert witness before the Hearing Board.
- Performs other duties as assigned.

QUALIFICATIONS

Knowledge of:

- In addition to the knowledge requirements in the Air Quality Engineer I/II job specification;
- Practices of program management; principles and practices of project management and work organization.
- Toxic air contaminants and health risk assessment procedures.
- Basic principles, methods, and techniques of leading and providing training to assigned staff.
- Methods and techniques of scheduling work assignments.
- Basic principles and practices of computer science, including computer programming, Google Query Language (GQL) queries and database structures; proficiency with computer scripting programming languages.
- Mechanical and chemical processes that result in air emissions from various types of machines, operations, and processes.
- Structure and logic of government regulations.
- Computer office software and programs such as text editors, spreadsheets, analysis software and presentation software PowerPoint; modern office equipment, including a computer and applicable software.
- Principles and evaluation techniques for estimating and forecasting local and regional emission inventories; air dispersion modeling techniques.

Ability to:

- In addition to the ability requirements in the Air Quality Engineer I/II job specification;
- Analyze and solve engineering problems involving advanced processes and control equipment.
- Maintain positive working relationships with staff, public, commercial and industrial sources, and other regulatory agencies.
- Provide lead direction, instruction, and training.
- Complete assignments within the District's permitting process in a timely and accurate manner.
- Process diverse permit applications.
- Negotiate effectively.
- Organize, prioritize, and follow-up on work assignments.
- Respond to issues and concerns from the regulated community, contractors, permit holders, and the community; analyze a complex issue and develop and implement an appropriate response.
- Quantitatively represent and analyze mechanical and chemical processes, and techniques to reduce the air emissions produced by these processes.
- Communicate technical information in a variety of written formats, including staff reports and presentations; present technical and regulator information to a variety of audiences, including general public, industry representatives, District staff and management, and District Board Members.
- Think analytically and systemically in order to make determinations regarding various factors such as cost, options, and impact.

Education and Experience:

Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:

Equivalent to the completion of a Bachelor's degree from an accredited college or university with major coursework in chemical, environmental, mechanical, or petroleum engineering and five (5) years of experience in air quality engineering.

A graduate degree in a related area may be desirable for some assignments, and may be substituted for one (1) year of experience.

Licenses and Certifications:

- Possession of, or ability to obtain, a valid Class C California Driver License.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer. Position requires sitting, prolonged standing, walking on level and slippery surfaces, reaching, twisting, turning, kneeling, bending, stooping, squatting, crouching, grasping, and making repetitive hand movement in the performance of daily duties. The need to lift, carry, and push tools, equipment, and supplies weighing 50 pounds or less may be required. The nature of the work may also require the incumbent to climb ladders and drive motorized vehicles when visiting businesses or construction sites.

ENVIRONMENTAL ELEMENTS

Incumbents may work outdoors in all weather conditions, including wet, hot, and cold with exposure to dust, fumes, diesel, gas and other vapors. Incumbents may be required to wear protective clothing and breathing equipment while working around asbestos or other toxins.

WORKING CONDITIONS

Must be willing to work non-typical work hours to accommodate and not disrupt work sites.



**NOVEMBER 2016
FLSA: EXEMPT**

PRINCIPAL AIR QUALITY ENGINEER

DEFINITION

Under general direction, participates in and performs the most complex and highly specialized and professional engineering work in the areas of permit application evaluation, toxic risk screening and assessment evaluations, emissions modeling, emission inventories and measurements, compliance audits, source testing, rule development or information services; duties may include health risk assessments for industrial facilities and the most complex operations, analyses to determine exposure concentrations or health risk impacts for special projects, analyses to project future trends, and review and analyses of highly technical and complex reports on field testing; provides technical support and assistance to the public and other divisions; and performs related work as required.

SUPERVISION RECEIVED AND EXERCISED

Receives general direction from assigned manager. Provides functional and technical direction to professional, technical, or support staff on a project basis.

CLASS CHARACTERISTICS

This is the subject matter expert in the Air Quality Engineer series responsible for providing highly specialized and complex professional air quality engineering services. Incumbents in this classification perform highly technical and complex work requiring in-depth knowledge of analyses, industrial processes, and control technology. Incumbents may serve as the project leader for the coordination and completion of professional engineering work within specified areas. Incumbents may be assigned responsibility for leading other staff in subject matter areas consistent with specialized fields of expertise. Incumbents are also expected to be able to communicate with external stakeholders with sensitivity, clarity and empathy and to represent the interests and policies of the Air District in those interactions. The work involves a high-level of problem-solving requiring analysis of unique issues or problems without precedent and/or structure and formulating and presenting strategies and recommendations to management. At this level, incumbents may be responsible for the development of new programs and/or special projects. This class is distinguished from the classification of Supervising Air Quality Engineer in that the latter supervises and coordinates the work of staff.

EXAMPLES OF ESSENTIAL JOB FUNCTIONS (Illustrative Only)

Management reserves the rights to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

- Participates in complex, sensitive, controversial, and/or large projects or facilities and plans.
- Act as lead, mentor, and/or project lead.
- Responds to complaints and questions from the general public and applicants, including regulation interpretation, permit preparation, various compliance measures and emission calculation methods in person, by phone, and in writing.

- Serves on special committees to develop guidelines and procedures; makes community presentations; provides functional direction to engineers, technicians, and/or clerical staff.
- Meets with industrial representatives to discuss modifications recommended for compliance with air quality rules and regulations; provides information to applicants, consultants and public regarding permit requirements and District air quality rules and regulations.
- Participates, provides guidance or leads in rule development and implementation.
- Represents the District as a technical expert in meetings with outside agencies, environmental groups and industry personnel regarding air quality control regulations, and source inventory procedures and results; may act as an expert witness before the Hearing Board.
- Attends and participates in professional group meetings, workshops and trainings; stays abreast of new trends, guidelines, and innovations in the air quality management field.
- Prepares and/or reviews health risk assessments using air dispersion modeling.
- Consults staff, applicants, or consultants regarding data needed in order to complete a health risk assessment.
- Reviews updates to guidance documents, modeling software, and health risk assessment software.
- Prepares or reviews technical documents, including health risk assessment and environmental impact reports.
- Reviews and finalizes on technical, complex, and extensive third party reports.
- Prepares disposition of report acceptability; shares disposition with internal stakeholders.
- Analyzes and reviews industrial processes and emissions for legal actions.
- Calculates emissions and emission forecasts of air pollutants and greenhouse gases from stationary, area, and mobile source; prepares associated reports and documentation.
- Conducts research on emission quantification practices and forecasting methods.
- Investigates the use of monitoring data to evaluate emissions estimates.
- Reports agency emission estimates of toxics, criteria pollutants, and greenhouse gases.
- Performs other duties as assigned.

QUALIFICATIONS

Knowledge of:

- In addition to the knowledge requirements in the Senior Engineer job specification;
- Principles of fluid dynamics.
- Advanced air dispersion modeling techniques using different types of modeling software.
- Principles and practices of health risk assessments and health risk assessment pursuant to the “Hot Spots’ Information and Risk Assessment Act (AB2588).
- Requirements for determining land use and processing meteorological data.
- Principles and fundamentals of all major areas of source testing.
- Calculation of emissions and emission forecasts of air pollutants and greenhouse gases from stationary, area, and mobile source; preparation of reports and documentation.
- Conducting research on emission quantification practices and forecasting methods.
- Reporting of agency emission estimates of toxics, criteria pollutants, and greenhouse gases.

Ability to:

- In addition to the ability requirements in the Senior Engineer job specification;
- Perform mathematical and engineering calculations quickly and accurately; understand, explain, and apply applicable laws, codes, and regulations; perform complex engineering calculations to estimate air pollutant emissions and to partition the air pollutant emissions out to different types of emission points.

- Organize, prioritize, and follow-up on work assignments.
- Respond to issues and concerns from the regulated community, contractors, homeowners, and the community.
- Analyze a complex issue and develop and implement an appropriate response.
- Utilize and run different types of modeling software; create visuals of modeling results.
- Analyze air dispersion modeling results.
- Read and comprehend long and complex technical reports very quickly.
- Quickly observe and act on incongruities that need further investigation.
- Communicate data and rationale for course of action clearly, completely and concisely in order to ensure stakeholders are aligned and able to move forward.
- Quantitatively represent and analyze mechanical and chemical processes, and techniques to reduce the air emissions produced by these processes.
- Think analytically and systemically in order to make determinations regarding various factors such as cost, option, and impact.

Education and Experience:

Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:

Equivalent to the completion of a Bachelor's degree from an accredited college or university with major coursework in chemical, environmental, mechanical, or petroleum engineering and six (6) years of experience in air quality engineering. A Master's degree in environmental, chemical, mechanical, or petroleum engineering is desired.

Licenses and Certifications:

- Possession of, or ability to obtain, a valid Class C California Driver License.
- Possession of a valid California Professional Engineering license is desired.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer. Position requires sitting, prolonged standing, walking on level and slippery surfaces, reaching, twisting, turning, kneeling, bending, stooping, squatting, crouching, grasping, and making repetitive hand movement in the performance of daily duties. The need to lift, carry, and push tools, equipment, and supplies weighing 50 pounds or less may be required. The nature of the work may also require the incumbent to climb ladders and drive motorized vehicles when visiting businesses or construction sites.

ENVIRONMENTAL ELEMENTS

Incumbents may work outdoors in all weather conditions, including wet, hot, and cold with exposure to dust, fumes, diesel, gas and other vapors. Incumbents may be required to wear protective clothing and breathing equipment while working around asbestos or other toxins.

WORKING CONDITIONS

Must be willing to work non-typical work hours to accommodate and not disrupt work sites.



**NOVEMBER 2016
FLSA: EXEMPT**

SUPERVISING AIR QUALITY ENGINEER

DEFINITION

Under general direction, supervises, coordinates, and participates in District professional engineering areas such as permit application evaluation, toxic risk screening and assessment evaluations, compliance audits, emission modeling, emission inventories and measurements, compliance audits, source testing, rule development and information services; reviews emission sources and evaluation of applications for permits to construct and operate; coordinates and implements the annual permit renewal process; oversees District staff engaged in special projects related to the work of the Engineering Division; may act for assigned Manager as needed; provides technical support and assistance to the public and other divisions; and performs related work as required.

SUPERVISION RECEIVED AND EXERCISED

Receives general direction from assigned Manager. Exercises general direction and supervision over assigned staff.

CLASS CHARACTERISTICS

This is the supervisory level class in the Air Quality Engineer series responsible for supervising, coordinating, and participating in the work of all Air Quality Engineering staff within the District. Incumbents in this classification perform and review work of considerable technical and political complexity requiring in-depth knowledge of industrial processes technology, sound understanding of new and existing rules and regulation, and the ability to negotiate between and respond to multiple conflicting parties. This class is distinguished from the classification of Manager in that the latter is responsible for the overall management of an assigned section or program.

EXAMPLES OF ESSENTIAL JOB FUNCTIONS (Illustrative Only)

Management reserves the rights to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

- Supervises, assigns, reviews, and evaluates the work of professional, technical and support staff.
- Participates in and supervises the continuing study of air pollution emissions from stationary sources; evaluates and makes recommendations of plans to reduce air pollution.
- Interviews and makes hiring recommendations; evaluates the performance of subordinates; participates in the implementation of discipline of subordinates; trains new engineers in procedures; provides technical guidance and rule interpretation to engineers and other technical staff; prepares new permit applications and/or projects for assignment.
- Supervises and participates in emissions evaluations and the issuance or denial of permits to construct and/or operate air-contaminating equipment; develops and revises permit processing procedures, policies, standards and data forms.

- Reviews and participates in permit evaluations and permit issuances to ensure proper inclusion of applicable rules and regulations, accuracy in emission calculations, and consistency and readability of enforceable operating conditions.
- Coordinates and generates renewal fee billing information; provides tracking, permit reviews, and follow-ups associated with annual renewal inventory and facility update submittals; reconciles and journals permit renewal lists and annual renewal inventory and facility update forms; manages and maintains the permit database.
- Meets with industrial representatives to discuss modifications recommended for compliance with air quality rules and regulations; provides information to applicants, consultants and public regarding permit requirements and/or District air quality rules and regulations.
- Reviews and approves test reports by signature.
- Consults with rule development regarding technical applications of rules.
- Responds to public information requests for historical source test data.
- Reviews and approves equipment and consumable purchase requests.
- Participates or leads in rule development and implementation related to permitting; fills in for assigned Manager in his/her absence.
- Testifies as expert witness before Hearing Board.
- Performs other duties as assigned.

QUALIFICATIONS

Knowledge of:

- In addition to the knowledge requirements in the Senior Engineer job classification;
- Principles and practices of project management and work organization.
- Methods and techniques of supervision, training and motivation of assigned staff; methods and techniques of scheduling work assignments.
- Budget techniques and practices; best practices for resource evaluation and budget management.
- Principles, practices, methods, and procedures of chemical, mechanical, and environmental engineering.
- Evaluation of test protocols; air dispersion modeling techniques.
- Source test design and operations; principles of chemistry and chemical reactions, equipment, and emissions.
- Applicable federal, state, and local laws, codes, and regulations, including laws, ordinances, and codes related to building construction and zoning.
- Techniques for providing a high level of customer service by effectively dealing with the public, vendors, contractors, and District staff.
- Principles of fluid dynamics.
- Requirements for determining land use and processing meteorological data.
- Principles and fundamentals of all major areas of source testing.
- Reporting of agency emission estimates of toxics, criteria pollutants and green house gases.

Ability to:

- In addition to the ability requirements in the Senior Engineer job specification;
- Analyze and solve engineering problems involving advanced processes and control equipment; perform complex engineering calculations to estimate air pollutant emissions and to partition the air pollutant emissions out to different types of emission points.
- Plan, organize, train, evaluate, motivate, and direct work of assigned staff.

- Perform mathematical and engineering calculations quickly and accurately; understand, explain, and apply applicable laws, codes, and regulations; read, interpret, and record data accurately.
- Organize, prioritize, and follow-up on work assignments.
- Respond to issues and concerns from applicants, contractors, homeowner, and the community.
- Analyze a complex issue and develop and implement an appropriate response.
- Supervise multiple teams and projects in an environment with shifting priorities.

Education and Experience:

Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:

Equivalent to the completion of a Bachelor's degree from an accredited college or university with major coursework in chemical, environmental, or mechanical engineering and six (6) years of experience in air quality engineering with one (1) year of experience in a lead capacity.

Licenses and Certifications:

- Possession of, or ability to obtain, a valid Class C California Driver License.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer. Position requires sitting, prolonged standing, walking on level and slippery surfaces, reaching, twisting, turning, kneeling, bending, stooping, squatting, crouching, grasping, and making repetitive hand movement in the performance of daily duties. The need to lift, carry, and push tools, equipment, and supplies weighing 50 pounds or less may be required. The nature of the work may also require the incumbent to climb ladders and drive motorized vehicles when visiting businesses or construction sites.

ENVIRONMENTAL ELEMENTS

Incumbents may work outdoors in all weather conditions, including wet, hot, and cold with exposure to dust, fumes, diesel, gas and other vapors. Incumbents may be required to wear protective clothing and breathing equipment while working around asbestos or other toxins.

WORKING CONDITIONS

Must be willing to work non-typical work hours to accommodate and not disrupt work sites.



**NOVEMBER 2016
FLSA: NON-EXEMPT**

AIR QUALITY INSPECTOR I-II

DEFINITION

Under supervision, performs inspections and investigations of residential, industrial and commercial facilities with the potential to emit air contaminants for compliance with air pollution control regulations; responds to citizen complaints regarding air pollution; issues notices to comply or notices of violation when violations of federal, state or District regulations are found; documents findings; provides compliance assistance to facilities; confers with industry representatives and explains compliance requirements; performs related work as required.

SUPERVISION RECEIVED AND EXERCISED

The **Air Quality Inspector I** receives immediate supervision from assigned supervisory or management personnel. Exercises no supervision of staff.

The **Air Quality Inspector II** receives general supervision from assigned supervisory or management personnel. May exercise functional and technical direction over staff assigned to the classification of Air Quality Inspector I.

CLASS CHARACTERISTICS

The **Air Quality Inspector I** is the entry-level class in the Air Quality Inspector series that allows the incumbent to develop journey-level knowledge and abilities. Initially, incumbents perform the more routine and less complex assignments within an established procedural framework, including inspection procedures, industrial processes, and enforcement regulations. This classification is alternatively staffed at the Air Quality Inspector II level and incumbents may advance to the higher-level class after gaining experience and demonstrating a level of proficiency that meets the qualifications of the higher-level class. Positions at this level usually perform most of the duties required of the positions at the II level, but are not expected to function at the same skill level and usually exercise less independent discretion and judgment in matters related to work procedures and methods. Exceptions or changes in procedures are explained in detail as they arise.

The **Air Quality Inspector II** is the journey-level class in the Air Quality Inspector series. Additionally, incumbents are responsible for periodic special investigations. Positions at this level are distinguished from the I level by the performance of the full range of duties as assigned, working independently, and exercising more independent judgment and initiative. Positions at this level typically receive occasional instruction or assistance as new or unusual situations arise and are fully aware of the operating procedures and policies of the work unit. This class is distinguished from the next higher classification of Senior Air Quality Inspector in that the latter is the advanced journey-level class in the series and is responsible for organizing and reviewing the work of journey level inspection staff assigned to a regional or program area, in addition to performing the most complex duties assigned to the work unit that require specialized knowledge and/or the ability to perform special assignments reflecting a skill level above that required of a journey-level inspector.

EXAMPLES OF ESSENTIAL JOB FUNCTIONS (Illustrative Only)

Management reserves the rights to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

- Conducts inspections and surveillance of residential, industrial and commercial facilities for compliance with permit conditions and regulations, which may involve assignment to a region of the District or specific inspection program; determines adequacy of air pollution control maintenance programs; makes periodic inspections to ensure proper operation and compliance; investigates cause of equipment failure, and corrective action taken.
- Inspects and enforces the federal Title V operating permit program; inspects and enforces the California Air Resources Board (CARB) portable equipment registration program.
- Investigates complaints of nuisance and alleged violations of air quality regulations; interviews complainants; initiates appropriate actions to resolve problems; performs surveillance of non-permitted sources.
- Inspects industrial and commercial equipment for which permits are pending; coordinates and participates on special investigations; surveys area while on duty for visible emissions or odors; investigates new and existing businesses and determines if a permit is required.
- Issues notices of violation; documents violation with written reports, photographs and other electronic recording devices; may advise source of compliance options; re-inspects source for corrective action and compliance; assists in preparation of hearing board and prosecution cases; serves as an expert witness in court.
- Reviews source files for pertinent data; maintains records, databases, and prepares reports regarding violations, complaints, contacts, special investigations, breakdowns and violation follow-up.
- Interacts with industry representatives to explain all aspects of air quality enforcement and to solicit voluntary cooperation in reducing air pollution; answers questions and provides information and assistance to the public, industries, commercial businesses and other public agencies; answers questions regarding compliance issues; represents the District with other government agencies; assists the public with concerns regarding air quality.
- Uses monitoring equipment and instrumentation to measure and evaluate various emissions and particulates; sets up and operates equipment; maintains monitoring devices for integrity and consistency of performance; obtains samples from various sources.
- Assists in the training of inspectors; attends training classes and seminars on applicable laws, investigative procedures, sources of pollution, and safety procedures.
- Prepares and updates various forms; files paperwork; assists in case development for mutual settlement or other prosecution cases; may represent the District before Hearing Boards or courts on assigned cases.
- Establishes positive working relationships with representatives of community organizations, federal/state/local agencies, District management and staff, and the public.
- Performs other duties as assigned.

QUALIFICATIONS

Knowledge of:

- Principles of physics, chemistry, and engineering related to air pollution control; basic scientific research methods; principles and concepts of basic process and control equipment; Industrial processes and related mechanical, electrical, and chemical systems.
- District rules and standards pertaining to air pollution control.
- Investigation procedures, occupational hazards and standard safety practices; methods and techniques for record keeping and report preparation and writing.
-
- Standard office procedures, practices, and equipment, including a computer and applicable software.
- English usage, spelling, vocabulary, grammar, and punctuation.

In addition to above, Air Quality Inspector II's:

- Principles and practices of air quality inspection and enforcement.
- Practices and techniques of operating, maintaining, and calibrating chemical testing equipment and instrumentation.
- Sources, types and characteristics of air contaminants; various programs, including the Federal Operating Permit Program (Title V), Vapor Recovery Program, Asbestos NESHAP Compliance Program, Refinery Program, and CARB Portable Equipment Registration Program.
- Applicable federal, state, and local laws, codes, and regulations related to air compliance.

Ability to:

- Learn and apply air quality inspection techniques.
- Prepare technical reports, read, interpret, and record data accurately
- Understand, explain, and apply applicable laws, codes, and regulations.
- Organize, prioritize, and follow-up on work assignments; work independently and as part of a team; make sound decisions within established guidelines.
- Respond to issues and concerns from industry, and the community and interact with a variety of individuals from various socio-economic, cultural, and ethnic backgrounds, in person, electronically and over the telephone.
- Follow written and oral directions.
- Operate an office computer and a variety of word processing and software applications.
- Observe safety principles and work in a safe manner. select and use various safety and respiratory equipment; safely and effectively operate equipment and instruments.
- Use English effectively to communicate in person, over the telephone, and in writing.
- Establish, maintain, and foster positive and effective working relationships with those contacted in the course of work.
Detect, document, and collect evidence of violations of air pollution control laws; analyze a variety of enforcement related problems and recommend solutions; troubleshoot and track down sources of pollution; investigate violations of District regulations caused by industrial equipment breakdown; analyze a complex issue and develop and implement an appropriate response.

Education and Experience:

Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:

Air Quality Inspector I and II: Equivalent to the completion of a Bachelor's degree from an accredited college or university with major coursework in chemistry, engineering, biology, physical or environmental sciences, or a related field.

Air Quality Inspector II: Two (2) years of experience in a position equivalent to an Air Quality Inspector I.

Licenses and Certifications:

- Possession of, or ability to obtain, a valid Class C California Driver License.
- Possession of, or ability to obtain bi-annual certification by the California Air Resources Board in Visible Emissions Evaluation.
- Possession of, or ability to obtain and maintain the Occupational Safety and Health Administration's Hazardous Waste Operations and Emergency Response Standard (HAZWOPER) certification.

PHYSICAL DEMANDS

Position requires sitting, prolonged standing, walking on level and slippery surfaces, reaching, twisting, turning, kneeling, bending, stooping, squatting, crouching, grasping, and making repetitive hand movement in the performance of daily duties. The position also requires both near and far vision when inspecting work and operating assigned equipment. The need to lift, carry, and push tools, equipment, and supplies weighing 25 pounds or less is also required. The nature of the work also requires the incumbent to climb ladders or structures, drive motorized vehicles, work after-hours as required, and perform on-call duties.

ENVIRONMENTAL ELEMENTS

Incumbents occasionally work outdoors in all weather conditions, including wet, hot, and cold with exposure to dust, fumes, diesel, gas and other vapors. Incumbents may be required to wear protective clothing and breathing equipment while working around asbestos or other toxins.

WORKING CONDITIONS

Must be willing to perform work outside of regular working hours.



**NOVEMBER 2016
FLSA: NON-EXEMPT**

SENIOR AIR QUALITY INSPECTOR

DEFINITION

Under supervision, performs specialized and complex field inspections and technical duties to ensure compliance with federal, state, regional, local and District laws, rules and regulations regarding a variety of emission sources; provides technical lead direction to staff for an assigned regional or program area; investigates complaints of reported sources of air pollution; assists with the development and settlement of enforcement cases; performs technical research and prepares reports; may lead one or more specialized pollution control inspection programs; may lead and/or participates in highly sensitive investigations, especially those involving multiple entities and/or regulatory agencies; and performs other related work as required.

SUPERVISION RECEIVED AND EXERCISED

Receives general direction from assigned supervisory or management personnel. Provides functional and technical direction to lower-level inspection staff.

CLASS CHARACTERISTICS

This is the advanced journey level, class in the Air Quality Inspector series. Incumbents may have a lead capacity and have formal responsibility for coordinating, training and reviewing the work of other staff on a regular basis. Incumbents are responsible for complex or particularly difficult investigations requiring specialized knowledge and skills not typically expected of the Inspector II. This class is distinguished from the classification of Air Quality Specialist by the latter's responsibility for technical enforcement program work in areas such as rule development, program development, and training. This classification is further distinguished from the Supervising Air Quality Specialist in that the latter has full supervisory responsibility for, and coordinates the work of, all staff assigned to the program or region of responsibility.

EXAMPLES OF TYPICAL JOB FUNCTIONS (Illustrative Only)

Management reserves the rights to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

- Performs job functions listed in the Air Quality Inspector I/II job specification.
- Leads the work of assigned inspectors engaged in the investigation and evaluation of air pollution emission sources; provides technical guidance on inspection methods, techniques, procedures, and interpretations of rules and regulations.
- Performs on-call duties as scheduled; responds to after-hour calls as required.
- Leads, participates, coordinates, and reviews the work of inspection and other District staff involved in special projects, audits, sensitive complaint investigations, and other relevant activities.
- Keeps abreast of changes in technology, laws, rules, and regulations that may affect areas of responsibility, and recommends procedural and operational changes as required; attends training classes and seminars on applicable laws, investigative procedures, sources of pollution, and safety procedures.

- Prepares a variety of written communications, including detailed technical reports, compliance guidance memoranda and case summaries used for hearing board sessions.
- Represents the District before Hearing Board and/or courts; assist in case development for mutual settlement or other prosecution cases; may serve as an expert witness in court.
- Monitors inspection-generated enforcement data for accuracy and validity and documents sources of air pollution, control equipment, methods of operation, and related data.
- Acts as a representative of the District in meetings with various federal, state, regional, local agencies, businesses, and private organizations and responds to public inquiries regarding complex laws, rules, and regulations; may represent the District in public hearings and other meetings.
- Conducts workshops, trainings, and meetings and provides consultation and advice to inspectors, industrial and commercial facilities in matters related to area of expert knowledge.
- May assist in source testing; sets up and operates equipment; interacts with laboratory staff regarding the analysis of field samples.
- Participates in annual permit review program to determine enforceability of outstanding permits
- Performs other duties as assigned.

QUALIFICATIONS

Knowledge of:

- In addition to the knowledge requirements in the Air Quality Inspector I/II job specification;
- Authority and functions of government agencies involved in air pollution control and environmental regulation.
- Methods, techniques and procedures of inspecting, testing, and evaluating air pollution emission sources within a wide variety of residential, commercial, industrial, agricultural, and other sources of air pollution.
- Methods and procedures of environmental review, planning, and rule, regulation, and procedure development.
- Practices and procedures of performing technical studies and data analysis, evaluating alternatives, making recommendations, and preparing narrative and statistical reports.
- Techniques of modifying production processes and equipment in order to reduce emissions.
- Principles and practices of program and project management and work organization, coordination of work assignments and basic lead principles and methods and techniques of training and motivation of designated staff.
- Sources, types, and characteristics of air contaminants and applicable federal, state, local and district laws, codes, regulations, rules and standards pertaining to air pollution control.
- Physical evidence gathering, including visual document techniques.
- Modern office procedures, practices and equipment, including computers and applicable software.
- Techniques for effectively representing the District in contacts with governmental agencies, community groups, various businesses, and organizations.

Ability to:

- In addition to the ability requirements in the Air Quality Inspector I/II job specification;
- Independently conduct complex technical inspections and studies related to air quality emissions and their mitigation and preparing clear and persuasive reports and recommendations.
- Research and develop various inspection and complaint investigation methods, techniques, and procedures.
- Use initiative, discretion, and sound independent judgment within general policy and procedural guidelines.

- Provide lead direction, instruction, and training.
- Read and interpret piping and instrument diagrams (P&ID's), process flow diagrams (PFD's) and blueprints and specifications.
- Make instructional presentations.
- Maintain accurate records and files.
- Assist legal staff in the preparation of enforcement cases and testifying effectively in court.
- Use initiative, discretion, and sound independent judgment within general policy and procedural guidelines.
- Deal constructively with conflict and develop effective resolutions.
- Observe safety principles and work in a safe manner.
- Operate specialized software applications to meet District's needs.

Education and Experience:

Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:

Equivalent to the completion of a Bachelor's degree from an accredited college or university with major coursework in chemistry, engineering, biology, physical or environmental sciences, or a related field, and four (4) years of experience in air pollution control inspection or (2) years of experience as an Air Quality Inspector II.

Licenses and Certifications:

- Possession of, or ability to obtain, a valid Class C California Driver License.
- Possession of, or ability to obtain bi-annual certification by the California Air Resources Board in Visible Emissions Evaluation.
- Possession of, or ability to obtain and maintain the Occupational Safety and Health Administration's Hazardous Waste Operations and Emergency Response Standard (HAZWOPER) certification.

PHYSICAL DEMANDS

Position requires sitting, prolonged standing, walking on level and slippery surfaces, reaching, twisting, turning, kneeling, bending, stooping, squatting, crouching, grasping, and making repetitive hand movement in the performance of daily duties. The position also requires both near and far vision when inspecting work and operating assigned equipment. The need to lift, carry, and push tools, equipment, and supplies weighing 25 pounds or less is also required. The nature of the work also requires the incumbent to climb ladders and structures, drive motorized vehicles, work after-hours as required, and perform on-call duties.

ENVIRONMENTAL ELEMENTS

Incumbents occasionally work outdoors in all weather conditions, including wet, hot, and cold with exposure to dust, fumes, diesel, gas and other vapors. Incumbents may be required to wear protective clothing and breathing equipment while working around asbestos or other toxins.

WORKING CONDITIONS:

Must be willing to perform work outside of regular working hours.

NOVEMBER 2016
FLSA: EXEMPT



ADMINISTRATIVE ANALYST

DEFINITION

Under general direction, provides administrative, budgetary, systems and/or work-flow support to assigned projects and programs; analyzes programmatic practices and procedures and makes recommendations for organizational, operational, policy and procedural improvements; conducts needs analyses, feasibility studies and evaluations; develops, summarizes and maintains administrative and fiscal records and databases; fosters cooperative working relationships among departments and divisions; acts as liaison with community, public and regulatory organizations; and performs related work as required.

SUPERVISION RECEIVED AND EXERCISED

Receives general supervision or direction from supervisory or management personnel. Exercises no direct supervision over staff. May provide technical and functional direction to lower-level staff.

CLASS CHARACTERISTICS

Incumbents support the work of management staff by conducting day-to-day administrative activities; by providing a professional-level resource for organizational, managerial and operational analyses and studies; and by developing and implementing policies and procedures for assigned projects and programs, including budget and/or contract administration, management analysis and program evaluation. The work has technical and programmatic aspects requiring interpretation and application of policies, procedures, and regulations, and may involve frequent external contact. Incumbents receive only occasional instruction or assistance as new or unusual situations arise, and are fully aware of the operating procedures and policies of the work unit. This class is distinguished from the Staff Specialist series in that the latter spends the majority of time in the administration and execution of an established program.

EXAMPLES OF TYPICAL JOB FUNCTIONS (Illustrative Only)

Management reserves the right to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

- Assists in developing goals, objectives, policies, procedures, work standards and administrative control systems for assigned projects or programs.
- Participates in and oversees the development and administration of budgets; monitors revenues and expenditures; identifies and recommends solutions for budgetary problems.
- Plans, oversees, and administers highly complex programs and projects; develops and manages program budgets, including revenue projection, multi-year cash flow analysis, cost containment and grant funds disbursement; administers all aspects of assigned programs, including legal and regulatory compliance to

avoid fines; receives, reviews and organizes program applications; ensures awards stay within funding limits.

- Participates on interdisciplinary committees and presents committee recommendations to the Board; represents the District to community and stakeholder groups.
- Serves as a liaison to employees, public and private organizations, and community groups; provides information and assistance to the public about assigned programs and services; receives and responds to complaints and questions about assigned area of responsibility; reviews problems and recommends corrective actions.
- Participates in the development and implementation of new or revised programs, systems, procedures and methods of operation; compiles and analyzes data and makes recommendations about staffing, equipment and facility needs.
- Conducts a variety of analytical and operational studies regarding departmental and programmatic activities, including complex financial, budget, personnel, operational, or administrative issues or questions; identifies and evaluates alternatives, makes and justifies recommendations and assists with the implementation of approved procedural, administrative and/or operational changes; prepares comprehensive records and reports.
- Assists in the development and reporting of alternate funding sources and ensures compliance with Federal, State, Local, funding agency and District accounting and reporting requirements, and applicable laws, regulations and professional accounting practices.
- Prepares and submits Board agendas, committee and staff reports, resolutions, ordinances and correspondence related to assigned activities.
- Confers with management staff regarding provision of administrative and support services, including contracts, agreements and grant reporting.
- Maintains accurate databases and records; develops records storage and retention methods.
- Communicates orally and in writing, or through graphic representations and statistical summaries, with colleagues, managers, the public and representatives of organizations.
- Performs other duties as assigned.

QUALIFICATIONS

Knowledge of:

- Principles and practices of public administration and government.
- Basic principles, practices, and procedures of budget development and administration and financial management, funding sources and grant funds disbursement.
- Project and/or program management, analytical processes and report preparation techniques; including, but not limited to, purchasing, finance and budgeting.
- Organizational and management practices as applied to the analysis, evaluation, development, and implementation of programs, policies, and procedures.
- Research and reporting methods, techniques, and procedures, and record-keeping principles and procedures.
- Sources of information related to a broad range of programs, operations, services and administration, including recent and on-going developments and current literature related to the operations of the assigned area of responsibility.
- Applicable Federal, State, and local laws, regulatory codes, ordinances and procedures relevant to the assigned area of responsibility.
- Public relations techniques to effectively represent the District with government agencies, community groups, and business, professional and educational organizations.
- Modern office practices, methods, and computer equipment and applications related to the work.
- English usage, grammar, spelling, vocabulary and punctuation.
- Customer service techniques to deal effectively with the public, vendors, contractors and District staff.

Ability to:

- Assist in the development of goals, objectives, policies, procedures and work standards for the assigned area of responsibility. Evaluate and develop improvements in operations, procedures, policies or methods. Research, analyze, and evaluate new service delivery methods, procedures, and techniques.
- Coordinate and oversee programmatic, administrative, budgeting and fiscal reporting activities.
- Plan, organize, and carry out, with minimal direction, responsible and difficult administrative work involving the use of independent judgment and personal initiative.
- Plan and conduct management, administrative and operational research studies on a variety of topics, including grant funding, contract feasibility, budget and staffing proposals, and operational alternatives.
- Analyze, interpret, summarize and present administrative and technical information and data in an effective manner.
- Prepare clear and concise reports, correspondence, policies, procedures and other written materials.
- Interpret, apply, explain and ensure compliance with applicable Federal, State and local policies, procedures, laws and regulations.
- Represent the work unit and the District effectively in meetings with government agencies, community groups, individuals, and business and professional organizations.
- Establish and maintain a variety of filing, record keeping and tracking systems.
- Organize and prioritize multiple projects and tasks in an effective and timely manner; organize own work, set priorities and meet critical deadlines.
- Operate and maintain modern office equipment, including computer equipment and specialized software applications.
- Use English effectively to communicate in-person, by telephone and in writing.
- Use tact, initiative, prudence and independent judgment within policy and legal guidelines in politically-sensitive situations.
- Establish, maintain and foster positive and effective working relationships with those contacted in the course of work.

Education and Experience:

Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications is:

Equivalent to graduation from an accredited four-year college or university with major coursework in business administration, public administration or a related field, and three (3) years of professional administrative experience preferably within the public sector.

Licenses and Certifications:

- Possession of or ability to obtain a valid California Driver's License by the time of appointment.

PHYSICAL DEMANDS

Must possess mobility and finger dexterity to work in a standard office setting and use standard office equipment, including a computer, and to operate a motor vehicle; vision to read printed materials and a computer screen; and hearing and speech to communicate in-person and by telephone. This is primarily a sedentary office classification although standing and walking between work areas may be required. Positions in this classification occasionally bend, stoop, kneel, reach, and push and pull drawers open and closed to retrieve and file information. Employees must possess the ability to lift, carry, push and pull materials and objects up to 25 pounds.

ENVIRONMENTAL ELEMENTS

Employees work in an office environment with moderate noise levels, controlled temperature conditions, and no direct exposure to hazardous physical substances.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Liz Kniss and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: January 4, 2017

Re: Report of the Legislative Committee Meeting of December 12, 2016

RECOMMENDED ACTION

Due to a lack of quorum, a consensus of the Legislative Committee (Committee) members present supported staff recommendations to the Board of Directors (Board) for the following items:

- A) Review of the 2016 Legislative Year
 - 1) None; receive and file
- B) Discussion of Potential 2017 Legislative Agenda
 - 1) Recommend a 2017 Legislative Agenda to the Board of Directors

BACKGROUND

The Committee met on Monday, December 12, 2016, and received the following reports and recommendations:

- A) Review of the 2016 Legislative Year
- B) Discussion of Potential 2017 Legislative Agenda

Chairperson Brad Wagenknecht will give an oral report of the meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Maricela Martinez

Attachment 9A: 12/12/16 – Legislative Committee Meeting Agenda #4
Attachment 9B: 12/12/16 – Legislative Committee Meeting Agenda #5

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Legislative Committee

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

Date: December 1, 2016

Re: Review of the 2016 Legislative Year

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The California Legislature ended its work for the 2015-2016 session on the last day of September, and the Governor concluded his work of signing and vetoing bills that the Legislature had sent him at the end of October. Climate legislation, including how to spend cap-and-trade revenues, was one of the most watched and heavily lobbied issues in Sacramento this year, with both legislative leaders and the Governor personally involved. The Assembly had a new Speaker, Anthony Rendon (D-Lakewood), ascend to his post in March, while the Senate Pro Tem (Kevin De Leon; D-Los Angeles) retained his position. The dynamic of both legislative leaders representing Southern California influenced the discussion around and the content of a number of bills, including those on cap-and-trade revenues.

DISCUSSION

The Air District (District) co-sponsored SB 1128 this year with the Metropolitan Transportation Commission (MTC). The bill (authored by Senator Steven Glazer; D - Orinda) removed the sunset on the region's commuter benefits program, which otherwise would have terminated at the end of 2016. This popular and successful program had been authorized in 2012 by SB 1339, and is having measurable and significant reductions in emissions, vehicle miles traveled, and congestion. The bill became law with near universal, bipartisan support.

Additionally, the District sponsored SB 773 (authored by Senator Ben Allen; D-Santa Monica), which essentially would have the University of California study the issue of unregistered vehicles, and vehicles in California with out-of-state plates. Because these vehicles operate illegally outside the smog check program, they have significant public health impacts, as well as representing perhaps several hundred million dollars annually in lost revenues to local cities and counties (through not paying the vehicle license fees) and the state. The bill was introduced in 2015, but was held in the Assembly Transportation Committee because of inter-house tension unrelated to the bill's subject. This year, staff was able to break the measure free from its

legislative logjam. It advanced through both houses without a single vote in opposition, and the Governor signed the measure into law.

Beyond these two sponsored bills, the District adopted positions on a number of other measures. AB 1685 (authored by Jimmy Gomez; D-Los Angeles), which was supported by the District, increases penalties for vehicle manufacturers who fail to comply with California air quality requirements. The measure was crafted in response to the VW emissions cheating scandal, and was signed into law. On the other hand, three measures to provide increased funding for emissions cleanup technology at ports that the District supported failed to become law. Another bill the District supported (SB 1441, authored by Mark Leno; D-San Francisco) would have ended the current practice of allowing utilities to bill customers for natural gas leaks, thereby cutting emissions of the short-lived climate pollutant methane. That bill made it almost all the way through the Legislature. But it failed to garner enough votes on the Assembly Floor, where moderate Democrats, typically aligned with business interests, wield their greatest influence. SB 1239, authored by Ted Gaines (R-El Dorado Hills), would have exempted 1976 through 1980 model year cars from Smog Check. This would have undone legislation that the District sponsored in 2004. While similar measures to SB 1239 have been introduced perhaps three times since 2004, previous rollback attempts had failed to clear their first policy committee. SB 1239 made it further, but was defeated on the Senate floor.

Some of the most heavily lobbied and tracked bills of 2016 involved climate change, disadvantaged communities, and where cap-and-trade funds are to be spent. The Air District had positions on a number of these measures. SB 32 (Fran Pavley; D-Agoura Hills) was supported by the District and introduced in 2015, but lacked the votes to pass the Assembly Floor in 2015. It extends California's climate emissions limits beyond 2020, by codifying a 40% reduction below 1990 levels by 2030. This was fiercely opposed by a potent coalition of business, industry, and oil interests, yet was strongly supported by the Pro Tem, the Governor, and ultimately the Speaker. To get the required 41 votes, moderate Democrats were heavily lobbied, and a number of steps were taken this year to secure their votes. Less than two weeks before the end of the 2016 session, the bill had new findings and declarations added. These include that the state's most disadvantaged communities are disproportionately affected by the deleterious effects of climate change, and that the Air Resources Board (ARB) shall achieve the more stringent GHG reductions in a way that benefits the state's most disadvantaged communities. Additionally, SB 32 was double joined to AB 197 (meaning that both bills had to pass for either to take effect), authored by Eduardo Garcia (D-Coachella). AB 197 creates a Joint Legislative Committee on Climate Policies, adds two legislators to the ARB as non-voting members, makes ARB Board member terms six years, and puts a variety of new requirements on ARB. These include that ARB is to prioritize rules that directly reduce emissions at large stationary sources. With these changes, SB 32 and AB 197 passed, and were signed into law.

The District has long been concerned that CalEnviroScreen, the tool used to identify disadvantaged communities (which are prioritized for cap-and-trade funding), fails to identify severely disadvantaged communities, including many in the Bay Area. Thus, the District supported and worked closely with Rich Gordon (D- Menlo Park), the author of AB 2292, which mandated improvements to CalEnviroScreen. That bill was opposed by environmental justice organizations, and failed to pass the Appropriations Committee in its first house. The

organizations opposing AB 2292 strongly backed AB 1550 (Jimmy Gomez; D-Los Angeles), which also dealt with disadvantaged communities. AB 1550 increases reliance on CalEnviroscreen, by saying that all 25% of the cap-and-trade funds required to be spent to *benefit* disadvantaged communities must now be spent *within* these communities. Additionally, it requires an additional 5% of the funds go to low-income communities no more than half a mile from disadvantaged communities, and another 5% to go to low-income communities anywhere in the state. The District had an ‘oppose unless amended’ position on AB 1550, because of our longstanding concerns that CalEnviroscreen is well-intentioned but flawed, and that Bay Area communities that should be identified as disadvantaged will continue to be overlooked. But AB 1550 was part of the climate package being advanced by legislative leadership, and it was signed into law. Another component of the package that became law was AB 2722, authored by Autumn Burke (D-Inglewood). This bill establishes that Transformative Climate Communities are to be funded with cap-and-trade funds, which this year received \$140 million in appropriations in the budget process. While the District did not take a position on this bill, the Strategic Growth Council has recently announced funding guidelines which would exclude all Bay Area communities from being eligible to even compete for funds.

The last climate bill the District had a position on was SB 1383, authored by Ricardo Lara (D-Bell Gardens). This bill codified emissions reduction targets for short-lived climate pollutants, specifically methane, hydrofluorocarbons, and black carbon. The District had a ‘support if amended’ position, and while very supportive of the emissions reductions, had concerns about some disadvantaged communities language in the bill, given our concerns about CalEnviroscreen. The author graciously amended the bill to address those concerns, and in a fierce lobbying battle at the end of session, this bill also passed the gauntlet of the Assembly floor and was signed into law.

SB 1387 was authored by the Senate Pro Tem, Kevin De Leon. It would have added three new members to the Board of the South Coast Air District, increasing its size from 13 to 16. The new members were to be appointed by the Governor, the Pro Tem and the Speaker (who each already appoint a member to that Board), and the new members were to have an environmental justice focus or background. The bill would also have given the ARB the ability to overturn certain aspects of the South Coast’s RECLAIM program, although these provisions were struck towards the end of session. SB 1387 was defeated on the floor of the Assembly by a 30-35 vote, although the Pro Tem was outspoken on the need for the measure. Staff note that a measure to add an environmental justice voice to the Coastal Commission (AB 2616, authored by Autumn Burke) was passed, and that a bill to add two environmental justice representatives to the ARB was passed at the end of 2015.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Tom Addison
Reviewed by: Jean Roggenkamp

Attachment: BAAQMD Bill Discussion List

BAAQMD BILL DISCUSSION LIST

November 2016

BILL NO.	AUTHOR	SUBJECT	STATUS	POSITION (Positions in italics are staff recommendations)
AB 197	E. Garcia	Adds 2 legislators as non-voting members to ARB, and creates legislative committee on oversight of ARB's GHG reduction efforts.	Chaptered	
AB 1550	Gomez	Changes current cap-and-trade allocation from 10% within disadvantaged communities and 25% to <i>benefit</i> disadvantaged communities, to 25% <i>within</i> disadvantaged communities, 5% within low-income communities adjacent to disadvantaged communities, and 5% to low-income communities anywhere.	Chaptered	<i>Oppose unless amended</i>
AB 1555	Gomez	Intent to distribute \$1.7B of cap-and-trade funds.	Failed passage	
AB 1591	Frazier	Transportation funding proposal, with increased fees, including funding from cap-and-trade funds.	Failed passage	
AB 1657	O'Donnell	Zero- and Near-Zero Emission Intermodal Terminals Program; cap-and-trade funds to clean ports.	Failed passage	
AB 1685	Gomez	Intent to increase civil penalties for vehicle manufacturers violating standards.	Chaptered	<i>Support</i>
AB 1691	Gibson	Changes Enhanced Fleet Modernization Program; 10,000 vehicles annually to be retired in disadvantaged communities.	Failed passage	
AB 1698	Hadley	Ends utility surcharge for renewable energy (EPIC) program; creates replacement using cap-and-trade funds.	Failed passage	
AB 1710	Calderon	ARB to develop a plan to drastically increase the use of advanced technology light-duty vehicles, with an emphasis on disadvantaged communities.	Failed passage	
AB 1717	Hadley	Moves cap-and-trade funds from high speed rail to transit/intercity rail.	Failed passage	
AB 1759	Bonta	Effectively prohibits use of hydrofluoric acid at oil refineries.	Failed passage	
AB 1780	Medina	Directs 25% of cap-and-trade funds to Sustainable Trade Corridors Program.	Failed passage	
AB 1815	Alejo	Requires ARB to provide technical assistance funding to disadvantaged communities and communities at or below 80% of the median income.	Failed passage	

AB 1851	Gray	Removes cap on green-stickered vehicles in HOV lanes; increases incentives for clean vehicles, especially in disadvantaged communities.	Failed passage	
AB 1886	McCarty	Loosens requirements for transit priority projects to receive CEQA exemption.	Failed passage	
AB 1902	Wilk	Increases time for civil actions against Aliso Canyon natural gas leak.	Failed passage	
AB 1903	Wilk	Requires state report on long-term health impacts of Aliso Canyon leak.	Failed passage	
AB 1905	Wilk	Requires independent study of natural gas storage and injection practices.	Failed passage	
AB 1937	Gomez	CEC not to certify 50 megawatt or greater fossil power plants if non-fossil alternatives are possible.	Chaptered	
AB 1964	Bloom	Extends sunset for HOV lane access for plug-in hybrid vehicles.	Failed passage	
AB 1965	Cooper	Expands Enhanced Fleet Modernization Program, focusing on disadvantaged communities.	Failed passage	
AB 2055	Gibson	Reserves 25% of GO-Biz tax credits for companies investing in zero or near-zero emissions infrastructure at marine terminals.	Failed passage	<i>Support in Concept</i>
AB 2066	Lackey	Requires service stations to display cost-per-gallon to comply with cap-and-trade requirements, as calculated by the CEC.	Failed passage	
AB 2090	Alejo	Allows cap-and-trade funds currently allocated to Low Carbon Transit Operations Program to fund existing transit where a fiscal emergency exists.	Failed passage	
AB 2145	Linder	Reduces vehicle license fee paid by low- and moderate-income recipients of incentives under the Enhanced Fleet Modernization Program.	Failed passage	
AB 2146	Patterson	Directs \$200M of cap-and-trade funds to reduce forest fire emissions.	Failed passage	
AB 2170	Frazier	Directs federal freight funds to 1B's Trade Corridors Improvement Fund.	Vetoed	
AB 2181	Brown	Requires accounting in the bidding process for GHG emissions from energy-intensive products used in state-funded infrastructure.	Failed passage	
AB 2206	Williams	Authorizes California Council on Science and Technology to conduct a study of biomethane and issues with using it with existing gas supply pipelines.	Failed passage	
AB 2222	Holden	Puts \$50M annually of cap-and-trade funds into Transit Pass Program for public school students, with 50% in disadvantaged communities.	Failed passage	
AB 2223	Gray	Puts \$10M of cap-and-trade funds to loans for manure digesters.	Failed passage	
AB 2292	Gordon	Requires OEHHA to add population density to CalEnviroscreen.	Failed passage	<i>Support in Concept</i>
AB 2293	C. Garcia	Requires ARB to develop a technical assistance program to assist small disadvantaged communities to apply for and receive cap-and-trade funds.	Failed passage	

AB 2332	E. Garcia	Requires recipients of state transportation funds to prioritize projects providing mobility and safety benefits to disadvantaged communities.	Failed passage	
AB 2343	C. Garcia	Adds to reporting requirements for cap-and-trade funds, to look at investments geographically across state.	Failed passage	
AB 2415	E. Garcia	Requires cap-and-trade funded Clean Truck, Bus, and Off-Road Vehicle program to allocate \$100M annually to technology meeting certain standards, and requires increasing amount of renewable fuel use for funded projects.	Failed passage	
AB 2426	Low	Workplace Charging Station Grant program.	Failed passage	
AB 2432	Brown	Requires CalTrans to plan to address inefficiencies in truck freight network.	Failed passage	
AB 2564	Cooper	Lowers income eligibility requirements for Clean Vehicle Rebate Project, and increases rebates to low-income households.	Failed passage	
AB 2576	Gray	Pays \$20M annually of cap-and-trade funds to recycled glass makers.	Failed passage	
AB 2585	Williams	Review of certain cap-and-trade regulations.	Failed passage	
AB 2653	E. Garcia	Requires major new reporting on cap-and-trade spending, including actions to connect disadvantaged community members with economic benefits.	Failed passage	
AB 2673	Harper	Exempts hydrogen refueling station equipment from sales tax.	Failed passage	
AB 2702	Atkins	Study of GHG best practices.	Failed passage	
AB 2715	E. Garcia	Creates Agricultural Working Poor Energy Efficient Housing Program, and urges at least \$25M of cap-and-trade funds be spent annually on the program.	Failed passage	
AB 2722	Burke	Creates Transformative Climate Communities Program for disadvantaged communities, with budget appropriation of \$140 million.	Chaptered	
AB 2781	E. Garcia	Requires 10% of CalEPA agency enforcement actions to go to Supplemental Environmental Projects in disadvantaged communities.	Failed passage	
AB 2783	E. Garcia	Reduces barriers for rural areas to cap-and-trade funded Affordable Housing and Sustainable Communities Program.	Failed passage	
AB 2841	Allen	Allows public financing (using Infrastructure Bank) of port infrastructure projects, including zero- and near-zero equipment and related infrastructure.	Failed passage	<i>Support in Concept</i>
ACR 112	Hadley	Thanks ARB for working to uncover VW emissions cheating, and declares support for increased ARB penalty authority.	Chaptered	<i>Support</i>
SB 32	Pavley	Requires GHG emissions to be 40% of 1990 levels by 2030.	Chaptered	Support
SB 773	Allen	UC to study vehicle registration fraud.	Chaptered	Sponsor

SB 824	Beall	Increases flexibility for transit agency recipients of cap-and-trade funds through the Low Carbon Transit Operations Program.	Chaptered	
SB 887	Pavley	Increases regulation of natural gas storage wells, including increases monitoring to be developed by ARB in consultation with air districts.	Chaptered	
SB 888	Allen	Creates Gas Storage Facility Leak Mitigation Account, and establishes Office of Emergency Services as being lead on large gas leaks.	Chaptered	
SB 970	Leyva	Requires CalRecycle to consider GHG reductions and factors including disadvantaged community benefits when awarding grants for composting.	Chaptered	
SB 1000	Leyva	Requires cities and counties with disadvantaged communities to address environmental justice in their general plans.	Chaptered	
SB 1030	McGuire	Eliminates sunset of Sonoma Regional Climate Protection Authority	Asm. Approps.	
SB 1043	Allen	Requires ARB to adopt policies to significantly increase the production and use of biogas and biomethane.	Failed passage	
SB 1128	Glazer	Eliminates sunset on Bay Area Commuter Benefit Program.	Chaptered	Co-sponsor
SB 1153	Cannella	California Renewable Natural Gas Act (biomethane feed-in tariff at PUC).	Failed passage	
SB 1213	Wieckowski	Allocates \$20M annually for Biosolids to Clean Energy grant program; also one-time \$12M allocation for Bay Area biosolids to clean energy project.	Failed passage	
SB 1239	Gaines	Exempts 1976 through 1980 model year vehicles from smog check.	Failed passage	<i>Oppose</i>
SB 1277	Hancock	Requires every public agency with discretionary approval of anything related to coal shipment through the Port of Oakland to prepare an EIR.	Failed passage	
SB 1278	Hancock	Requires every public agency with discretionary approval of anything related to coal shipment through the Port of Oakland to prepare an EIR.	Failed passage	
SB 1279	Hancock	Prohibits CTC from funding new (post 2016) bulk coal terminal projects.	Chaptered	
SB 1280	Hancock	Effectively requires CEQA lead agency to prohibit port coal shipment, or fully mitigate the GHG emissions from the burning the shipped coal.	Failed passage	
SB 1301	Hertzberg	Requires 25% of revenues from auction of GHG allowances by a gas corporation to go towards clean energy and energy efficiency projects.	Failed passage	
SB 1338	Lara	Eliminates state sales tax on purchase of zero- and near-zero-emissions technology at seaports, from 2017 through 2030.	Failed passage	<i>Support in Concept</i>
SB 1350	Wolk	\$20M of cap-and-trade funds for Healthy Soils Program, for on-farm reductions of GHG emissions.	Failed passage	

SB 1383	Lara	Requires ARB plan to cut short-lived climate pollutants specified amounts below 2013 levels by 2030; includes requirements for methane reductions from livestock, and from organic waste.	Chaptered	<i>Support if Amended</i>
SB 1386	Wolk	Declares protection and management of natural and working lands key part of GHG emission reduction goals, and requires state agencies to consider this.	Chaptered	
SB 1387	De Leon	Increases SCAQMD Board from 13 to 16, with new public health Governor's appointee, and new environmental justice Speaker and Pro Tem appointees.	Failed passage	
SB 1402	Pavley	Allows cap-and-trade funds to encourage production of low-carbon alternative fuels, with preference to disadvantaged communities.	Failed passage	
SB 1405	Pavley	Expands ZEV credits to transportation systems.	Failed passage	
SB 1425	Pavley	Requires CalEPA to develop water-energy nexus registry of GHG emissions.	Chaptered	
SB 1430	Pavley	Legislative intent for ARB to reassert state standards if federal tailpipe standards are weakened in midterm review.	Failed passage	
SB 1441	Leno	Prohibits utilities from charging customers for utility natural gas leaks.	Failed passage	<i>Support</i>
SB 1464	De Leon	Requires investment plan for cap-and-trade funds to be assessed against different metrics.	Chaptered	

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 1, 2016

Re: Discussion of Potential 2017 Legislative Agenda

RECOMMENDED ACTION

The Committee will consider recommending a 2017 Legislative Agenda to the Board of Directors.

DISCUSSION

For several years, the Air District (District) has expressed strong concerns that many severely disadvantaged communities in the Bay Area are not so identified by the California Environmental Protection Agency (CalEPA), and thus these communities are not eligible for the wide variety of state funding programs specifically targeted to disadvantaged communities. We have expressed our concerns to both CalEPA and the Office of Environmental Health Hazard Assessment (OEHHA), and to legislators, legislative committees, and staff at the Capitol. The situation has worsened, both with the September 5, 2016, release of draft CalEnviroScreen 3.0, as well as the passage of yet more bills that increase cap-and-trade and other funding to disadvantaged communities using CalEnviroScreen.

Under existing law (SB 535 of 2012, as modified by AB 1550 of 2016), a minimum of 25% of cap-and-trade revenues are set aside to be spent within disadvantaged communities, and an additional 5% is to be spent in low-income communities directly adjacent to disadvantaged communities. The initial rationale for this set-aside was that communities directly adjacent to large stationary sources of greenhouse gas (GHG) emissions are subjected to ancillary disbenefits, such as increased exposures to air toxics. The tool used to identify which communities are disadvantaged is CalEnviroScreen. Bay Area facilities generate almost one in four tons of GHG stationary source emissions covered by the cap-and-trade program, and the dense nature of the region means that invariably there are communities adjacent to these sources. Yet under the latest draft iteration of CalEnviroScreen, less than 3% of the disadvantaged communities across the state are in the Bay Area. Many communities across the region that are clearly very heavily disadvantaged by any reasonable measure are not identified as such by the flawed CalEnviroScreen tool.

Staff has worked the last several years to create legislative awareness of this issue, particularly among the Bay Area delegation. The delegation's interest in addressing this issue is high, as

illustrated by their joint letter to CalEPA Secretary Rodriguez dated October 20, 2016. The Metropolitan Transportation Commission, which has collaborated closely with the District on efforts to date to address the issue, remains engaged in seeking a change to the state's definition of disadvantaged communities and is poised to include it as a key element of its 2017 State Advocacy Program, to be adopted later this month. Staff recommend that the District also adopt as a critical part of its own legislative agenda continued work on this issue.

Another possible issue for 2017 concerns the maximum penalties for violations of stationary source air regulations. The southern California oil refinery in Torrance had a significant explosion in 2015. The Committee will recall that the District sponsored legislation (SB 691) authored by Senator Loni Hancock (D-Berkeley) in 2012 as a direct response to the Chevron refinery fire. The District has long believed that adequate deterrents for violations help ensure compliance with our regulations, and such deterrents are essential to our public health goals. While we have sponsored a number of measures to address shortcomings in the existing statutory air penalty scheme, none of these efforts have been successful since the 2000 passage of SB 1865, authored by Don Perata. Yet the shortcomings with current law remain, and it appears that the South Coast Air District may sponsor legislation this year in response to the Torrance explosion. Thus staff recommend that the District be directly involved in any efforts to improve air penalty legislation.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Tom Addison
Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Liz Kniss and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: January 4, 2017

Re: Report of the Mobile Source Committee Meeting of December 15, 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) projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
 - 2) Authorize the Executive Officer/APCO to enter into agreements with applicants for the recommended projects
- B) Fiscal Year Ending (FYE) 2015 Transportation Fund for Clean Air (TFCA) Audit Report Results
 - 1) None; receive and file
- C) Fiscal Year Ending (FYE) 2016 Report on Transportation Fund for Clean Air (TFCA) Regional Fund Expenditures and Effectiveness
 - 1) None; receive and file

BACKGROUND

The Committee met on Thursday, December 15, 2016, and received the following reports:

- A) Projects and Contracts with Proposed Grant Awards over \$100,000;
- B) Fiscal Year Ending (FYE) 2015 Transportation Fund for Clean Air (TFCA) Audit Report Results; and
- C) Fiscal Year Ending (FYE) 2016 Report on Transportation Fund for Clean Air (TFCA) Regional Fund Expenditures and Effectiveness

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

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None. Through the CMP and MSIF, the Air District distributes “pass-through” funds to the public agencies and private entities on a reimbursement basis. Administrative costs for these programs are provided by each funding source;
- B) None. As required by California Health and Safety Code Section 44242(a), the costs of TFCA audits are taken from the TFCA motor vehicle registration fee surcharges. Resources for Audit #17 were identified in the Air District’s FYE 2016 Budget; and
- C) None. The Air District distributes program monies as “pass-through” funds. Administrative costs for projects staff are provided by the Air District’s TFCA funding.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Aloha Galimba
Reviewed by: Maricela Martinez

Attachment 10A: 12/15/16 – Mobile Source Committee Meeting Agenda #4
Attachment 10B: 12/15/16 – Mobile Source Committee Meeting Agenda #5
Attachment 10C: 12/15/16 – Mobile Source Committee Meeting Agenda #6

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: November 30, 2016

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

RECOMMENDATIONS

Recommend Board of Directors:

1. Approve Carl Moyer Program (CMP) projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into agreements with applicants 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 March 16, 2016, the Board of Directors (Board) authorized Air District participation in Year 18 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.

CMP 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

The Air District started accepting project applications for the CMP Year 18 funding cycle on July 11, 2016. The Air District had approximately \$11 million available for CMP projects from a combination of MSIF and CMP funds for the Year 18 cycle. Project applications are accepted and evaluated on a first-come, first-served basis.

As of November 21, 2016, the Air District had received 32 project applications for the CMP Year 18 cycle. Of the applications that have been evaluated between October 7, 2016 and November 21, 2016, three eligible project have proposed individual grant awards over \$100,000. These projects will replace four diesel marine engines and one diesel tractor, and reduce over 2.54 tons of NOx, ROG and PM per year. Staff recommends the allocation of \$525,230 for 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 Year 18 projects that have been received by the Air District as of November 21, 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 52% 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 \$127 million awarded to 776 projects).

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Through the CMP and MSIF, 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
Reviewed by: Damian Breen

- Attachment 1: Projects with grant awards greater than \$100,000 (evaluated 10/7/16 – 11/21/16)
- Attachment 2: Summary of all Year 18 CMP/ MSIF and VIP approved and eligible projects (evaluated 8/30/16 – 11/21/16)
- Attachment 3: Summary of program distribution by county and equipment category for CMP, MSIF, VBB, and VIP funding since 2009.

AGENDA 4 - ATTACHMENT 1

Table 1 - Summary of Carl Moyer Program/ Mobile Source Incentive Fund projects with grant awards greater than \$100k (Evaluated between 10/7/16 and 11/21/16)

Project #	Applicant name	Equipment category	Project description	Proposed contract award	Total project cost	Emission Reductions (Tons per year)			County
						NOx	ROG	PM	
18MOY14	Reel Time Charters, LLC	Marine	Replacement of two diesel marine main engines	\$ 130,000.00	\$ 153,014.70	0.875	0.005	0.032	San Francisco
18MOY26	Saturnino Del Castillo (Farmer)	Ag/ off-road	Replacement of one diesel off-road tractor	\$ 165,230.00	\$ 206,537.81	0.799	0.084	0.028	Solano
18MOY19	Sport Fishing Enterprises, LLC	Marine	Replacement of two diesel marine main engines	\$ 230,000.00	\$ 284,802.00	0.681	0.000	0.037	Alameda
3 Projects				\$ 525,230.00		2.355	0.089	0.097	

AGENDA 4 - ATTACHMENT 2

Summary of all Yr 18 CMP, MSIF and VIP approved/ eligible projects (between 8/30/16 and 11/21/16)

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
18MOY10	Ag/ off-road	Equipment replacement	3	\$ 117,165.00	Pina Vineyard Management , LLC.	0.361	0.049	0.021	11/16/2016	Napa
18MOY7	Ag/ off-road	Equipment replacement	1	\$ 71,800.00	Walter Hansel Winery & Vineyards LLC	0.174	0.031	0.015	APCO	Sonoma
18MOY5	Ag/ off-road	Equipment replacement	1	\$ 34,550.00	Corey J Coggins (Farmer)	0.103	0.018	0.004	APCO	San Mateo
18MOY9	Off-road	Equipment replacement	1	\$ 20,700.00	Silicon Roadways, Inc.	0.086	0.016	0.007	APCO	Alameda
18MOY15	Off-road	Equipment replacement	1	\$ 85,200.00	Keith J. Gale General Engineering, Inc.	0.545	0.056	0.020	APCO	Solano
18MOY13	Ag/ off-road	Equipment replacement	1	\$ 95,530.00	Robert and Julia Marsh (Farmer)	0.667	0.070	0.024	APCO	San Mateo
18MOY17	Off-road	Equipment replacement	1	\$ 85,000.00	SF Recovery, Inc.	0.823	0.099	0.035	APCO	San Francisco
18MOY14	Marine	Engine replacement	2	\$ 130,000.00	Reel Time Charters, LLC	0.875	0.005	0.032	TBD	San Francisco
18MOY23	Off-road	Equipment replacement	1	\$ 74,800.00	Columbia Electric, Inc.	0.366	0.052	0.023	APCO	Alameda
18MOY25	Off-road	Equipment replacement	1	\$ 64,000.00	Iron House Sanitary District	0.379	0.046	0.016	APCO	Contra Costa
18MOY12	Ag/ off-road	Equipment replacement	1	\$ 35,000.00	Mazzetta Dairy	0.086	0.002	0.006	APCO	Sonoma
18MOY20	Ag/ off-road	Equipment replacement	2	\$ 97,520.00	Wight Vineyard Management, Inc.	0.221	0.046	0.021	APCO	Napa
18MOY26	Ag/ off-road	Equipment replacement	1	\$ 165,230.00	Saturnino Del Castillo (Farmer)	0.799	0.084	0.028	TBD	Solano
18MOY19	Marine	Engine replacement	2	\$ 230,000.00	Sport Fishing Enterprises, LLC	0.681	0.000	0.037	TBD	Alameda
VIP282	VIP	Truck Replacement	1	\$ 10,000.00	Cornel Roman/ Camelia Roman	0.400	0.000	0.010	APCO	Alameda
VIP283	VIP	Truck Replacement	1	\$ 15,000.00	Javier De La Torre	0.300	0.010	0.000	APCO	Yolo
VIP284	VIP	Truck Replacement	1	\$ 30,000.00	J/W Sanchez Trucking, Inc.	0.600	0.010	0.000	APCO	Alameda
VIP285	VIP	Truck Replacement	1	\$ 40,000.00	Phieu Hung Nguyen	0.870	0.010	0.000	APCO	Alameda
VIP287	VIP	Truck Replacement	1	\$ 45,000.00	Manuel Rivera DBA JJC Trucking	0.900	0.010	0.000	APCO	San Joaquin
19 Projects			24	\$ 1,446,495.00		9.235	0.613	0.300		

AGENDA 4 - ATTACHMENT 2

Figure 1: CMP/ MSIF Funding Distribution by Equipment Category as of 11/21/16

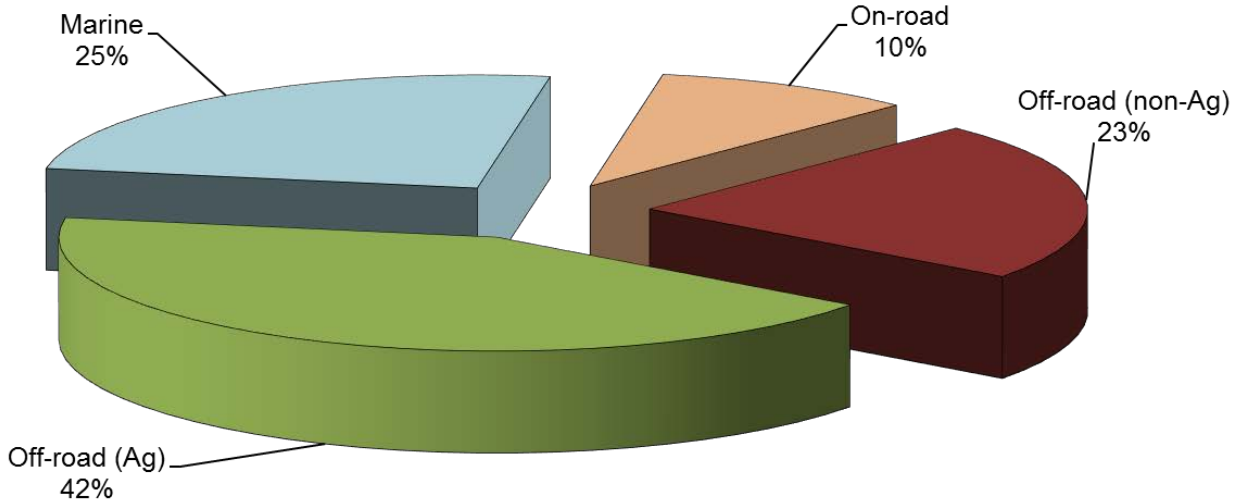
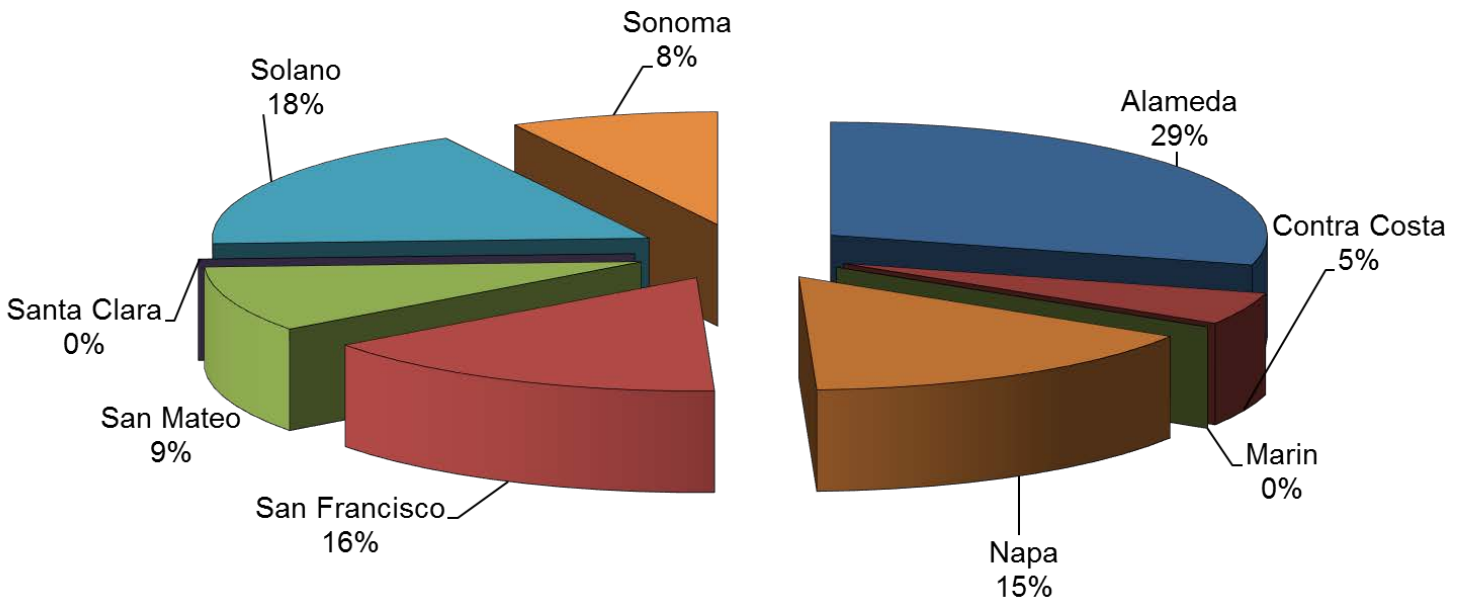


Figure 2: CMP/ MSIF Funding Distribution by County as of 11/21/16



AGENDA 4 - ATTACHMENT 3

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

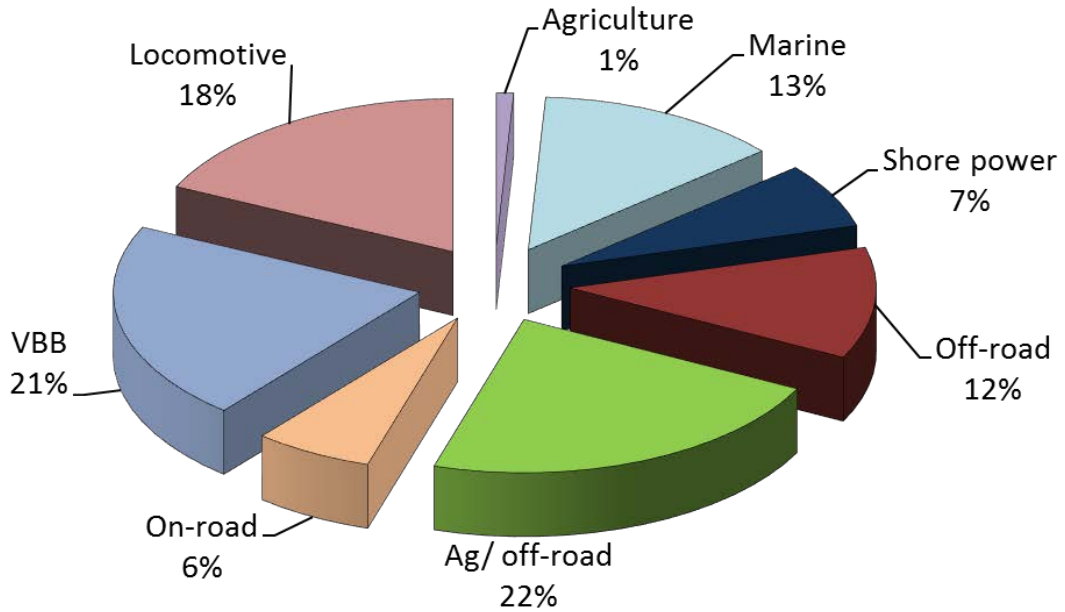
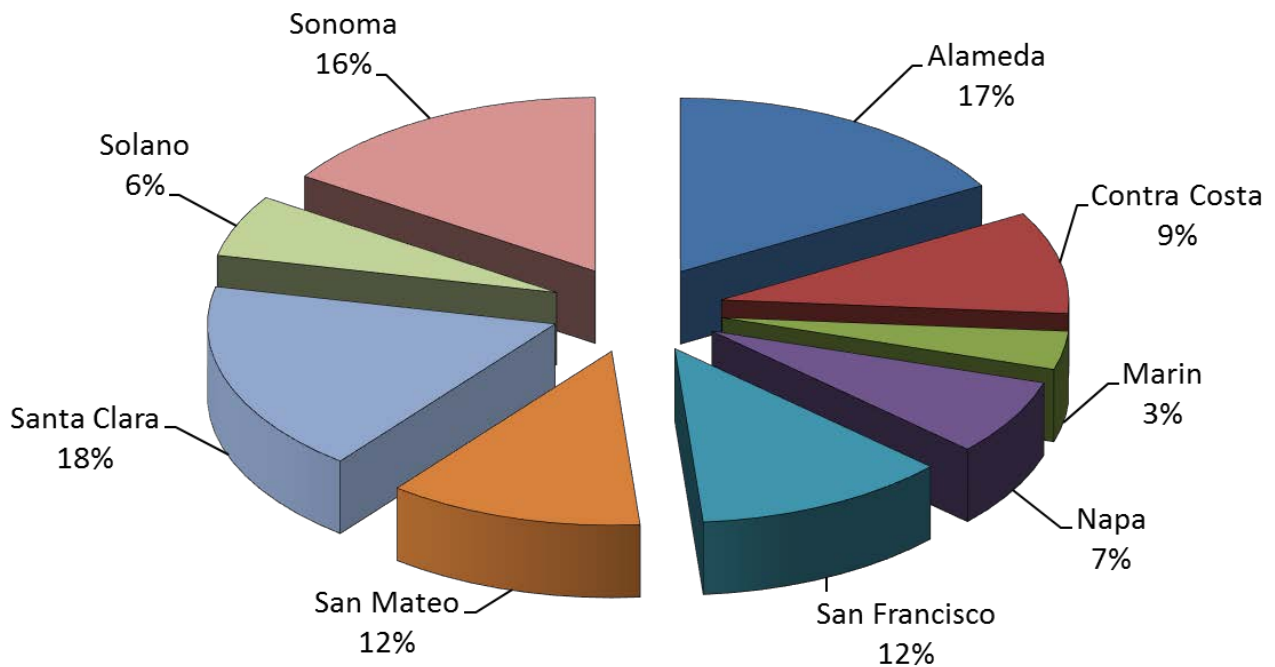


Figure 4: CMP, MSIF, VBB and VIP funding since 2009 by county



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: November 30, 2016

Re: Fiscal Year Ending (FYE) 2015 Transportation Fund for Clean Air (TFCA) Audit
Report Results

RECOMMENDATIONS

None; receive and file.

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. Since 1992, the Air District has allocated these funds to its Transportation Fund for Clean Air (TFCA) Program to fund eligible projects. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 and 44242.

Sixty percent of TFCA funds are awarded by the Air District to eligible programs and projects implemented directly by the Air District (e.g., the Smoking Vehicle, Enhanced Mobile Source Enforcement, Spare the Air, and Bicycle Facility Programs) and through a grant program known as the Regional Fund. The remaining 40% of TFCA funds are forwarded to a designated agency within each Bay Area county to be distributed via the County Program Manager Fund.

HSC Section 44242 requires that the Air District conduct an audit of every program and project funded with TFCA monies, at least once every two years. The Air District conducts audits of Regional Fund projects annually and County Program Manager Fund projects biennially.

On February 18, 2015, the Air District's Board of Directors (Board) approved the award of a contract to Gilbert Associates, Inc. (Gilbert) for audit services, including a financial and compliance review of TFCA funded projects and programs. This is the second audit to be conducted under this contract (Audit # 17), which covers Regional Fund and Air District-lead projects, and County Program Manager projects that were paid all awarded funds (closed out) by June 30, 2015.

DISCUSSION

TFCA Audit #17

For Audit #17, Gilbert Associates, Inc. conducted financial and compliance audits of:

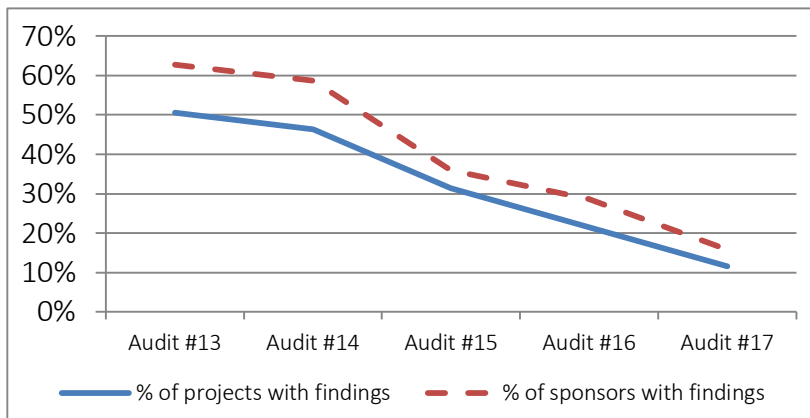
- 26 TFCA Regional Fund and Air District-sponsored program projects that were closed out between July 1, 2014 and June 30, 2015; and
- 114 TFCA County Program Manager Projects that were closed out between July 1, 2014 and June 30, 2015.

Gilbert conducted field work from June 2016 through October 2016 and issued a draft audit report to each of the agencies and companies (Project Sponsors) that were part of Audit #17. Each Project Sponsor was then provided an opportunity to respond in writing to any findings and those responses are included in the final individual audit reports.

The results of Audit #17 are presented in Audit Summary Reports shown in Attachment A (for the Regional Fund) and Attachment B (for the County Program Manager Fund). Each report contains a list of all of the projects and programs that were audited as part of Audit #17 (in Appendix B) and a summary of findings from the individual audit reports, which are as follows: Project Sponsors for three projects submitted one or more late report (e.g., semiannual, annual monitoring).

Although Audit #17 contains one finding, the results reflect an overall improvement in Project Sponsor's adherence to program and contractual requirements. Over the last five years, the Air District has taken significant steps to improve and strengthen its administrative processes, and consequently more recent projects have shown an improvement in adherence to program and contractual requirements. Figure 1 below shows the performance trend of the most recent five TFCA audits.

Figure 1: Performance Trend for TFCA Audits # 13 - # 17



A discussion of the audit process, results, and the additional steps that Air District staff is taking to ensure compliance with program requirements will be presented at the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. As required by California Health and Safety Code Section 44242(a), the costs of TFCA audits are taken from the TFCA motor vehicle registration fee surcharges. Resources for Audit #17 were identified in the Air District's FYE 2016 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ken Mak
Reviewed by: Chengfeng Wang and Anthony Fournier

Attachment A: TFCA Audit Summary Report for the TFCA Regional Fund (Audit #17)

Attachment B: TFCA Audit Summary Report for the TFCA County Program Manager Fund (Audit #17)

**BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**

**TRANSPORTATION FUND FOR CLEAN AIR
PROGRAM REGIONAL FUND**

AUDIT SUMMARY REPORT

PROJECT PERIOD ENDED JUNE 30, 2015

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
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BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

1. INTRODUCTION

The Bay Area Air Quality Management District (Air District) was created by the California legislature in 1955. The Air District's structure, operating procedures and authority are established by Division 26 of the California Health and Safety Code.

The Air District includes seven counties: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo and Santa Clara and portions of two other counties, Southwestern Solano and Southern Sonoma. The Air District is governed by a twenty-two member Board of Directors that includes representatives from all of the above counties.

The Air District's jurisdiction is limited principally to policing non-vehicular sources of air pollution within the Bay Area, primarily industry pollution and burning. Any company wishing to build or modify a facility in the Bay area must first obtain a permit from the Air District to ensure that the facility complies with all applicable rules.

The Air District also acts as the program administrator for Transportation Fund for Clean Air (TFCA) funds and Mobile Source Incentive funds (MSIF) derived from Assembly Bill 434 and Assembly Bill 923 respectively. TFCA and MSIF funding comes from a \$4 and \$2 surcharge, respectively, on motor vehicles registered within the Air District. TFCA funding may only be used to fund eligible projects that reduce motor vehicle emissions and support the implementation of the transportation and mobile source control measures in the Clean Air Plan in place at time of award. All projects must fall within the categories listed in State Law (Health and Safety Code Section 44241).

The Health and Safety Code requires the Air District to pass-through no less than 40% of the TFCA revenues raised within a particular county, after audit and administrative costs, to that county's designated Program Manager. The remaining 60% is for Regional Fund grants and is being allocated to projects on a competitive basis. Projects are evaluated using the Air District's Board adopted evaluation and scoring criteria.

2. PROGRAM DESCRIPTION

Health and Safety Code Sections 44223 and 44225 authorize a surcharge on the motor vehicle registration fee (surcharge) to be used by the Air District and local governments specifically for programs to reduce air pollution from motor vehicles. The Department of Motor Vehicles collects the surcharge and allocates the amounts to the Air District. The Air District administers these funds through the TFCA Program. Under the TFCA Program, money is allocated to two funds: (1) 60% is placed in the Regional Fund and allocated to entities on a competitive basis by the Air District and (2) 40% is placed in the Program Managers Fund and allocated to designated agencies. Allowable projects under Health and Safety Code Section 44241 include the following:

- Ridesharing programs
- Purchase or lease of clean fuel school and transit buses
- Feeder or shuttle bus service to rail and ferry stations and airports

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

- Arterial traffic management
- Demonstrations in congestion pricing of highways, bridges and public transit
- Rail bus integration and regional transit information systems
- Low emission vehicle projects
- Bicycle facility improvement projects
- Physical improvements that support "Smart Growth" projects

State law requires that any agency receiving TFCA funding be subject to an audit, at least once every two years. Health and Safety Code Section 44242 provides the legal compliance guidelines for the Air District to follow in the event revenues are not spent appropriately or when projects do not result in emission reductions. Health and Safety Code Sections 44241 and 44242 are provided in Appendix A.

The Air District retained the firm of Gilbert Associates, Inc. to conduct financial and compliance audits of completed projects funded through the Regional Fund for the project period ended June 30, 2015, with the exception of Motivate International Inc.'s second year of operations of the Bay Area Bike Share project, whose project period ended December 31, 2015. These audits were conducted during the months of January 2015 through October 2016.

A total of 19 individual Sponsors and 26 projects were audited, with \$12,849,073 total funds expended. A listing of the projects audited is provided in Appendix B. Unqualified opinions were issued on all 19 reports.

3. AUDIT PROCESS

The audits were designed to address numerous financial and compliance objectives; however, the principal objectives of the audits were to (1) provide assurance that amounts reported in the Schedules of Expenditures are fairly stated, and (2) determine whether projects financed through the Air District's Regional Fund met funding agreement requirements. The audit procedures were specifically designed for TFCA financial and compliance requirements. The audit approach is described below:

Auditing Standards and Specific Procedures

The financial audits were performed in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States for the period ended June 30, 2015.

Procedures performed included, but were not limited to:

- Gaining an understanding of the project sponsors' internal controls over financial reporting of the TFCA program through observation, inquiry, and supporting documentation.
- Tracing expenditures related to the TFCA program to the Sponsor's accounting records.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

- Validating TFCA expenditures related to vendor disbursements, payroll, and administrative charges to supporting documentation.
- Conducting interviews with project sponsors to inquire about known, alleged or suspected fraud related to the program.

Compliance Auditing Procedures

The audits were performed in accordance with the requirements outlined in the Health and Safety Code, individual funding agreements and *Government Auditing Standards*. The principal focus of the compliance auditing procedures was to ensure TFCA expenditures were paid in accordance with the program's objectives (Health and Safety Code Sections 44241 and 44242). Detailed tests on select transactions were performed to verify compliance with the Health and Safety Code and individual funding agreements, but were not designed to provide assurance on overall project compliance.

Auditing procedures performed included, but were not limited to:

- Testing expenditures for allowable costs in accordance with Section 44241 of the Health and Safety Code.
- Verifying that the Sponsor used the TFCA funds for the reduction of emissions from motor vehicles.
- Determining that the Sponsor adopted appropriate resolutions authorizing the grant application or, where applicable, an authorizing letter of commitment.
- Verifying the expenditure of funds was within two years, unless a longer period was approved in writing by the Air District.
- Determining whether the Sponsor submitted to the Air District all required reports and that the reports contained all information required as specified on Attachment C of the funding agreement.
- Verifying the use of the Air District's approved logo or acknowledgment of the Air District in printed or electronic materials for public distribution.
- Determining if the Sponsor followed the indirect cost determination approach when allocating indirect costs to the project.
- Determining whether administrative costs were adequately supported and did not exceed 5% of the TFCA revenues.
- Determining whether other specific terms of the funding agreement were adhered to, such as additional reporting requirements.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

4. SPONSOR FINDINGS

A summary of Sponsor audit findings is provided below.

Finding 2015-1: *Late Filing of Reports*

According to the funding agreement between the Air District and the Sponsors, Sponsors were required to submit to the Air District quarterly or semiannual reports, a final report, and other reports specified in the Sponsor's funding agreements.

During the audit, we noted that the projects listed in Table 1 had one or more late reports. 3 Sponsors out of 19 (15.79%) and 3 projects out of the 26 audited (11.54%) had one or more late reports. The number of reports submitted late are noted below:

	<u>Late Reports</u>	<u>Number of Sponsors</u>	<u>Number of Projects</u>
Quarterly reports	3	1	1
Semiannual reports	2	2	2
Annual report	<u>1</u>	1	1
Total Late Reports	<u>6</u>		

Air District's Response to Finding 2015-1:

The District has taken a series of steps over the past years to ensure project sponsors are aware of their contractual obligations to minimize the occurrence of late and missing progress reports, which have significantly reduced the incidence of late reports. These efforts include further strengthening the District's Administrative Operating Procedure (AOP) for Regional Fund Administration to specify that reminder notices be sent to project sponsors three weeks prior to report due dates and that follow-up telephone calls and/or emails be made beginning one week prior to the due date if a report is still not received.

If a report is more than three weeks late, the project sponsor is sent a Delinquent Notice, which includes language warning that failure to submit a report will delay payment, may result in termination of the grant, and may render the sponsor ineligible from future grants.

Additionally, the District has transitioned to online electronic submittal for reports to streamline the reporting process for project sponsors.

Current TFCA Regional Fund policies also prohibit project sponsors with uncorrected audit findings from being eligible for grant funding. The District is also exploring options for further action to reduce the incidence of late reports.

Moreover, Motivate International, Inc. was fined for the late filing of reports based on the terms and conditions set forth in the funding agreement.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
AUDIT SUMMARY REPORT
FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

5. OVERSIGHT FINDINGS

No oversight findings noted as of and for the project period ending June 30, 2015.

TABLE 1

SPONSORS WITH LATE REPORTS

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

**TABLE 1 - SPONSORS WITH LATE REPORTS
FOR THE PROJECT PERIOD ENDED JUNE 30, 2015**

Project Number	Project Sponsor	Project Description
12R19	San Francisco Municipal Transportation Agency	Shuttle Operations
08BFP04	Successor Agency to the Richmond Community Redevelopment Agency	Barrett Avenue Bicycle Lanes
2013.025	Motivate International, Inc.	Bay Area Bike Share, Year 2 Operations

APPENDIX A

HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

44241

- (a) Fee revenues generated under this chapter in the bay district shall be subvended to the bay district by the Department of Motor Vehicles after deducting its administrative costs pursuant to Section 44229.
- (b) Fee revenues generated under this chapter shall be allocated by the bay district to implement the following mobile source and transportation control projects and programs that are included in the plan adopted pursuant to Sections 40233, 40717, and 40919:
 - (1) The implementation of ridesharing programs.
 - (2) The purchase or lease of clean fuel buses for school districts and transit operators.
 - (3) The provision of local feeder bus or shuttle service to rail and ferry stations and to airports.
 - (4) Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets."
 - (5) Implementation of rail-bus integration and regional transit information systems.
 - (6) Implementation of demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit. No funds expended pursuant to this paragraph for telecommuting projects shall be used for the purchase of personal computing equipment for an individual's home use.
 - (7) Implementation of vehicle-based projects to reduce mobile source emissions, including, but not limited to, engine repowers, engine retrofits, fleet modernization, alternative fuels, and advanced technology demonstrations.
 - (8) Implementation of a smoking vehicles program.
 - (9) Implementation of an automobile buy-back scrappage program operated by a governmental agency.
 - (10) Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management program.
 - (11) The design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

- (c) (1) Fee revenue generated under this chapter shall be allocated by the bay district for projects and programs specified in subdivision (b) to cities, counties, the Metropolitan Transportation Commission, transit districts, or any other public agency responsible for implementing one or more of the specified projects or programs. Fee revenue generated under this chapter may also be allocated by the bay district for projects and programs specified in paragraph (7) of subdivision (b) to entities that include, but are not limited to, public agencies, consistent with applicable policies adopted by the governing board of the bay district. Those policies shall include, but are not limited to, requirements for cost-sharing for projects subject to the policies. Fee revenues shall not be used for any planning activities that are not directly related to the implementation of a specific project or program.
- (2) The bay district shall adopt cost-effectiveness criteria for fee revenue generated under this chapter that projects and programs are required to meet. The cost-effectiveness criteria shall maximize emissions reductions and public health benefits.
- (d) Not less than 40 percent of fee revenues shall be allocated to the entity or entities designated pursuant to subdivision (e) for projects and programs in each county within the bay district based upon the county's proportionate share of fee-paid vehicle registration.
- (e) In each county, one or more entities may be designated as the overall program manager for the county by resolutions adopted by the county board of supervisors and the city councils of a majority of the cities representing a majority of the population in the incorporated area of the county. The resolution shall specify the terms and conditions for the expenditure of funds. The entities so designated shall be allocated the funds pursuant to subdivision (d) in accordance with the terms and conditions of the resolution.
- (f) Any county, or entity designated pursuant to subdivision (e), that receives funds pursuant to this section, at least once a year, shall hold one or more public meetings for the purpose of adopting criteria for expenditure of the funds and to review the expenditure of revenues received pursuant to this section by any designated entity. If any county or entity designated pursuant to subdivision (e) that receives funds pursuant to this section has not allocated all of those funds within six months of the date of the formal approval of its expenditure plan by the bay district, the bay district shall allocate the unallocated funds in accordance with subdivision (c).

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

44242

- (a) Any agency which receives funds pursuant to Section 44241 shall, at least once every two years, undertake an audit of each program or project funded. The audit shall be conducted by an independent auditor selected by the bay district in accordance with Division 2 (commencing with Section 1100) of the Public Contract Code. The district shall deduct any audit costs which will be incurred pursuant to this section prior to distributing fee revenues to cities, counties, or other agencies pursuant to Section 44241.
- (b) Upon completion of an audit conducted pursuant to subdivision (a), the bay district shall do both of the following:
 - (1) Make the audit available to the public and to the affected agency upon request.
 - (2) Review the audit to determine if the fee revenues received by the agency were spent for the reduction of air pollution from motor vehicles pursuant to the plan prepared pursuant to Sections 40233 and 40717.
- (c) If, after reviewing the audit, the bay district determines that the revenues from the fees may have been expended in a manner which is contrary to this chapter or which will not result in the reduction of air pollution from motor vehicles pursuant to that plan, the district shall do all of the following:
 - (1) Notify the agency of its determination.
 - (2) Within 45 days of the notification pursuant to paragraph (1), hold a public hearing at which the agency may present information relating to expenditure of the revenues from the fees.
 - (3) After the public hearing, if the district determines that the agency has expended the revenues from the fees in a manner which is contrary to this chapter or which will not result in the reduction of air pollution from motor vehicles pursuant to the plan prepared pursuant to Sections 40233 and 40717, the district shall withhold these revenues from the agency in an amount equal to the amount which was inappropriately expended. Any revenues withheld pursuant to this paragraph shall be redistributed to the other cities within the county, or to the county, to the extent the district determines that they have complied with the requirements of this chapter.
- (d) Any agency which receives funds pursuant to Section 44241 shall encumber and expend the funds within two years of receiving the funds, unless an application for funds pursuant to this chapter states that the project will take a longer period of time to implement and is approved by the district or the agency designated pursuant to subdivision (e) of Section 44241. In any other case, the district or agency may extend the time beyond two years, if the recipient of the funds applies for that extension and the district or agency, as the case may be, finds that significant progress has been made on the project for which the funds were granted.

APPENDIX B
LISTING OF AUDITED PROJECTS

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
TRANSPORTATION FUND FOR CLEAN AIR PROGRAM REGIONAL FUND
APPENDIX B
FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Project Number	Project Sponsor	Project Description	Project Expenditures
14R18	Associated Students, San Jose State University	SJSU - Ridesharing & Trip Reduction	\$ 120,000
14PEV00A	BAAQMD	PEV Rebate Program	112,500
15R00	BAAQMD	Administration	1,246,837
15R01	BAAQMD	Enhanced Mobile Source Inspections	2,162,493
15R02	BAAQMD	Vehicle Buy Back Program	124,948
15R03	BAAQMD	Spare The Air/Intermittent Control Programs	1,176,363
09R46	City of Berkeley	Berkeley Transit Action Plan	100,000
14R07	City of Oakland	City of Oakland Broadway Shuttle	219,518
14R09	County of Alameda	Bay Fair BART Shuttle	16,400
09R28	East Bay Clean Cities Coalition	U.S. Department of Energy's - Clean Cities Coalition Outreach (East Bay)	25,000
12R13	Metropolitan Transportation Commission	511 Rideshare Program	878,581
14R17	Metropolitan Transportation Commission	511 Rideshare Program	903,435
2013.025	Motivate International Inc.	Bay Area Bike Share (year 2 operations)	1,500,943
09R44	Pacific Gas & Electric Company	E-PTO Hybrid Demonstration	310,953
12R14	Peninsula Corridor Joint Powers Board	Caltrain Shuttles	992,823
14R14	Peninsula Corridor Joint Powers Board	Caltrain Shuttle Program	954,948
12R16	The Presidio Trust	PresidiGO Downtown Shuttle	100,000
09R52	ProPark America West, LLC	(20) Charging Stations	21,365
09R24	The Regents of the University of California, Davis Fleet	(1) Compressed Natural Gas Bus	36,626
09BFP12	San Francisco Municipal Transportation Agency	San Francisco Citywide Bicycle Racks Installation	83,760
12R19	San Francisco Municipal Transportation Agency	Shuttle Operations	122,000
14R12	San Joaquin Regional Rail Commission	Shuttle/Feeder Bus	49,723
14R16	Santa Clara Valley Transportation Authority	ACE Shuttle Bus Program	960,000
08BFP04	Successor Agency to the Richmond Community Redevelopment Agency	Barrett Avenue Bicycle Lanes	56,639
09R47	University of California, Berkeley	High-Pressure Hydrogen Fueling Facility and Fuel-Cell-Vehicle Demonstration	97,218
09R25	Waste Management of Alameda County	(31) Compressed Natural Gas Refuse Trucks	<u>476,000</u>
		Total Funds Expended	<u>\$ 12,849,073</u>
		Total Sponsors Audited	19
		Total Projects Audited	26

**BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**

**TRANSPORTATION FUND FOR CLEAN AIR
PROGRAM MANAGER FUND**

AUDIT SUMMARY REPORT

PROJECT PERIOD ENDED JUNE 30, 2015

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT TABLE OF CONTENTS

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BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

1. INTRODUCTION

The Bay Area Air Quality Management District (Air District), created by the California legislature in 1955, is the state's first regional agency dealing with air pollution. The Air District regulates stationary sources of air pollution within the nine San Francisco Bay Area counties in California. The Air District's jurisdiction includes Alameda County, Contra Costa County, Marin County, Napa County, City/County of San Francisco, San Mateo County, Santa Clara County, southern Sonoma County, and south-western Solano County. The primary mission of the Air District is to achieve ambient air quality standards designed to protect the public's health and the environment. The Air District is governed by a twenty-two member Board of Directors who has the authority to develop and enforce regulations for the control of air pollution within its jurisdiction.

2. PROGRAM DESCRIPTION

Health and Safety Code Sections 44223 and 44225 authorize a surcharge on the motor vehicle registration fee (surcharge) to be used by the Air District and local governments to fund projects that implement transportation control measures in accordance with the 1988 California Clean Air Act and the 2010 Clean Air Plan. These measures are designed specifically to reduce air pollution from motor vehicles. The Department of Motor Vehicles collects the surcharge and allocates the amounts to the Air District.

The Air District administers these funds through the Transportation Fund for Clean Air (TFCA) Program. Under the TFCA Program, money is allocated to two funds: (1) 60% is placed in the Regional Fund and allocated to entities on a competitive basis by the Air District and (2) 40% is placed in the Program Managers Fund and allocated to designated agencies, known as program managers. Allowable projects under Health and Safety Code Section 44241 include the following:

- Ridesharing programs
- Purchase or lease of clean fuel school and transit buses
- Feeder or shuttle bus service to rail and ferry stations and airports
- Arterial traffic management
- Demonstrations in congestion pricing of highways, bridges and public transit
- Rail bus integration and regional transit information systems
- Low emission vehicle projects
- Bicycle facility improvement projects
- Physical improvements that support "Smart Growth" projects

State law requires that any agency receiving TFCA funding be subject to an audit, at least once every two years. Health and Safety Code Section 44242 provides the legal compliance guidelines for the Air District to follow in the event revenues are not spent appropriately or when projects do not result in emission reductions. Health and Safety Code Sections 44241 and 44242 are provided in Appendix A.

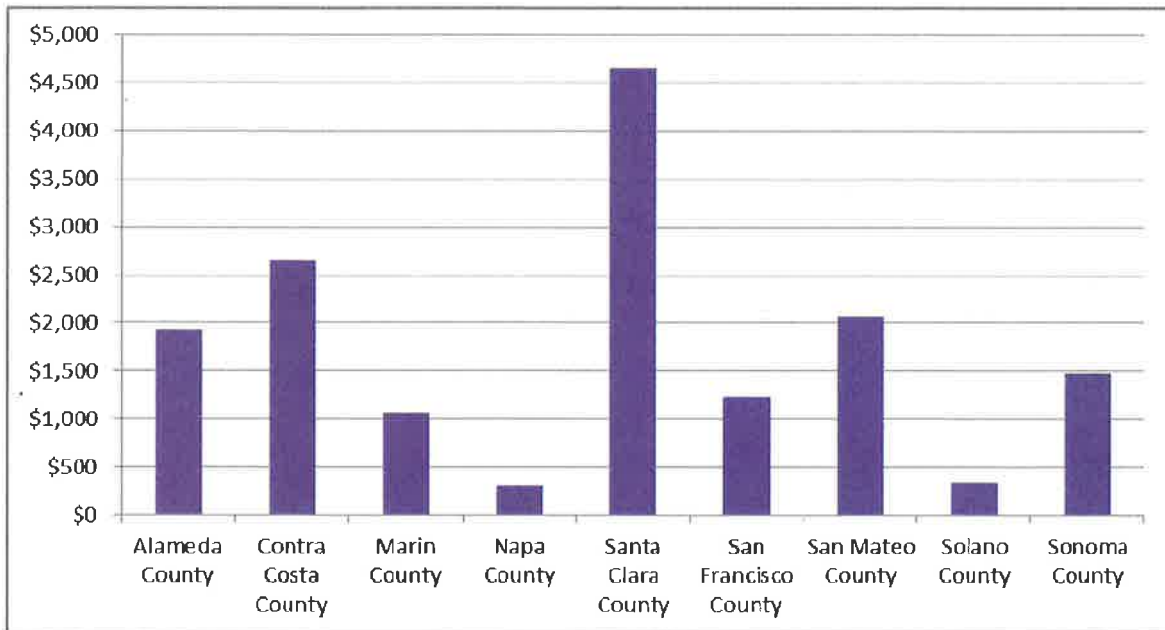
BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

The Air District retained the firm of Gilbert Associates, Inc. to conduct financial and compliance audits of completed projects funded through the Program Manager Fund for the project period ended June 30, 2015. The graph below reports the amount of TFCA Funds allocated to each of the individual Program Managers for projects that closed during the period from July 1, 2013 through June 30, 2015. These audits were performed during the period of December 2015 through April 2016. A list of audited projects is provided in Attachment B.

**Total Funds Expended by Program Manager for Specified Projects Conducted
for the period from July 1, 2013 through June 30, 2015 (in thousands)**



3. AUDIT PROCESS

The audits were designed to address numerous financial and compliance objectives; however, the principal objectives of the audits were to (1) provide assurance that amounts reported in the Schedules of Expenditures are fairly stated, and (2) determine whether projects financed through the Air District's Program Manager Fund met funding agreement requirements. The audit procedures were specifically designed for TFCA financial and compliance requirements. The audit approach is described below:

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Auditing Standards and Specific Procedures

The audits were performed in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The expenditures under audit were TFCA expenditures, incurred by the Program Managers in the Air District's jurisdiction, related to projects that had been reported closed between July 1, 2013, and June 30, 2015.

Compliance Auditing Procedures

The audits were performed in accordance with the requirements outlined in the Health and Safety Code, individual funding agreements and *Government Auditing Standards*. The principal focus of the compliance auditing procedures was to ensure TFCA expenditures were paid in accordance with the program's objectives (Health and Safety Code Sections 44241). In the individual Program Manager Fund audits, a report entitled "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Schedule of Expenditures of Projects Performed in Accordance with *Government Auditing Standards* and Requirements of Section 44241 of the California Health and Safety Code" was issued for each Program Manager to provide specific assurance that the Program Manager did or did not comply with the Health and Safety Code. Each of the nine program managers audited received an unmodified opinion.

4. PROGRAM MANAGER FINDINGS

No program manager findings were noted as of and for the project period ended June 30, 2015.

5. OVERSIGHT FINDINGS

No oversight findings were noted as of and for the project period ended June 30, 2015.

APPENDIX A
HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

44241

- (a) Fee revenues generated under this chapter in the bay district shall be subvended to the bay district by the Department of Motor Vehicles after deducting its administrative costs pursuant to Section 44229.
- (b) Fee revenues generated under this chapter shall be allocated by the bay district to implement the following mobile source and transportation control projects and programs that are included in the plan adopted pursuant to Sections 40233, 40717, and 40919:
 - (1) The implementation of ridesharing programs.
 - (2) The purchase or lease of clean fuel buses for school districts and transit operators.
 - (3) The provision of local feeder bus or shuttle service to rail and ferry stations and to airports.
 - (4) Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets."
 - (5) Implementation of rail-bus integration and regional transit information systems.
 - (6) Implementation of demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit. No funds expended pursuant to this paragraph for telecommuting projects shall be used for the purchase of personal computing equipment for an individual's home use.
 - (7) Implementation of vehicle-based projects to reduce mobile source emissions, including, but not limited to, engine repowers, engine retrofits, fleet modernization, alternative fuels, and advanced technology demonstrations.
 - (8) Implementation of a smoking vehicles program.
 - (9) Implementation of an automobile buy-back scrappage program operated by a governmental agency.
 - (10) Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management program.
 - (11) The design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

- (c) (1) Fee revenue generated under this chapter shall be allocated by the bay district for projects and programs specified in subdivision (b) to cities, counties, the Metropolitan Transportation Commission, transit districts, or any other public agency responsible for implementing one or more of the specified projects or programs. Fee revenue generated under this chapter may also be allocated by the bay district for projects and programs specified in paragraph (7) of subdivision (b) to entities that include, but are not limited to, public agencies, consistent with applicable policies adopted by the governing board of the bay district. Those policies shall include, but are not limited to, requirements for cost-sharing for projects subject to the policies. Fee revenues shall not be used for any planning activities that are not directly related to the implementation of a specific project or program.
- (2) The bay district shall adopt cost-effectiveness criteria for fee revenue generated under this chapter that projects and programs are required to meet. The cost-effectiveness criteria shall maximize emissions reductions and public health benefits.
- (d) Not less than 40 percent of fee revenues shall be allocated to the entity or entities designated pursuant to subdivision (e) for projects and programs in each county within the bay district based upon the county's proportionate share of fee-paid vehicle registration.
- (e) In each county, one or more entities may be designated as the overall program manager for the county by resolutions adopted by the county board of supervisors and the city councils of a majority of the cities representing a majority of the population in the incorporated area of the county. The resolution shall specify the terms and conditions for the expenditure of funds. The entities so designated shall be allocated the funds pursuant to subdivision (d) in accordance with the terms and conditions of the resolution.
- (f) Any county, or entity designated pursuant to subdivision (e), that receives funds pursuant to this section, at least once a year, shall hold one or more public meetings for the purpose of adopting criteria for expenditure of the funds and to review the expenditure of revenues received pursuant to this section by any designated entity. If any county or entity designated pursuant to subdivision (e) that receives funds pursuant to this section has not allocated all of those funds within six months of the date of the formal approval of its expenditure plan by the bay district, the bay district shall allocate the unallocated funds in accordance with subdivision (c).

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT HEALTH AND SAFETY CODE SECTIONS 44241 AND 44242 FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

44242

- (a) Any agency which receives funds pursuant to Section 44241 shall, at least once every two years, undertake an audit of each program or project funded. The audit shall be conducted by an independent auditor selected by the bay district in accordance with Division 2 (commencing with Section 1100) of the Public Contract Code. The district shall deduct any audit costs which will be incurred pursuant to this section prior to distributing fee revenues to cities, counties, or other agencies pursuant to Section 44241.
- (b) Upon completion of an audit conducted pursuant to subdivision (a), the bay district shall do both of the following:
 - (1) Make the audit available to the public and to the affected agency upon request.
 - (2) Review the audit to determine if the fee revenues received by the agency were spent for the reduction of air pollution from motor vehicles pursuant to the plan prepared pursuant to Sections 40233 and 40717.
- (c) If, after reviewing the audit, the bay district determines that the revenues from the fees may have been expended in a manner which is contrary to this chapter or which will not result in the reduction of air pollution from motor vehicles pursuant to that plan, the district shall do all of the following:
 - (1) Notify the agency of its determination.
 - (2) Within 45 days of the notification pursuant to paragraph (1), hold a public hearing at which the agency may present information relating to expenditure of the revenues from the fees.
 - (3) After the public hearing, if the district determines that the agency has expended the revenues from the fees in a manner which is contrary to this chapter or which will not result in the reduction of air pollution from motor vehicles pursuant to the plan prepared pursuant to Sections 40233 and 40717, the district shall withhold these revenues from the agency in an amount equal to the amount which was inappropriately expended. Any revenues withheld pursuant to this paragraph shall be redistributed to the other cities within the county, or to the county, to the extent the district determines that they have complied with the requirements of this chapter.
- (d) Any agency which receives funds pursuant to Section 44241 shall encumber and expend the funds within two years of receiving the funds, unless an application for funds pursuant to this chapter states that the project will take a longer period of time to implement and is approved by the district or the agency designated pursuant to subdivision (e) of Section 44241. In any other case, the district or agency may extend the time beyond two years, if the recipient of the funds applies for that extension and the district or agency, as the case may be, finds that significant progress has been made on the project for which the funds were granted.

APPENDIX B

LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Alameda County Transportation Commission:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Alameda County Transportation Commission		
Program Administration	12ALA00	\$ 92,723
Program Administration	14ALA00	94,730
Guaranteed Ride Home Program	11ALA13	232,614
AC Transit		
Easy Pass Transit Incentive Program	09ALA07	335,703
California State University, East Bay		
CSU East Bay Second (Peak Hours) Campus to BART Shuttle	11ALA04	193,999
CSU East Bay Second Shuttle - Increased Service Hours	12ALA03	56,350
CSU East Bay Shuttle II	14ALA13	130,000
City of Albany		
Buchanan Class 1 Bike Path and Class 2 Bike Lanes	11ALA03	100,000
City of Fremont		
North Fremont Arterial Management	11ALA06	171,830
City of Oakland, Economic Development		
Oakland Broadway Shuttle - Friday and Saturday Evening Service	12ALA01	35,300
City of Pleasanton		
Pleasanton Trip Reduction Program	12ALA02	57,507
City of San Leandro		
San Leandro LINKS Shuttle	11ALA12	47,500
East Bay Regional Park District		
Iron Horse Trail, Dublin/Pleasanton BART Santa Rita Road	14ALA03	180,000
Livermore Amador Valley Transit Authority		
Route 10 Service Operations	12ALA04	144,346
Route 53 Operations	12ALA05	34,180
Route 54 Operations	12ALA06	30,700
Total		<u>\$ 1,937,482</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Contra Costa Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Contra Costa Transportation Authority		
Program Administration	12CC00	\$ 66,602
Program Administration	14CC00	68,692
Program Administration	15CC00	70,505
City of Martinez		
San Francisco Bay Trail, Phase II	04CC13	87,508
City of San Ramon		
511 South Contra Costa County Student Program	10CC06	166,626
511 Contra Costa Southwest Employer Program	11CC05	43,195
511 Contra Costa Southwest Employer Program	12CC05	48,695
511 Contra Costa Countywide Vanpool Incentive Program	12CC06	39,335
TRANSPAC/City of Pleasant Hill		
Central/East SOV Trip/Emissions Reduction Trip	12CC04	730,527
Central/East SOV Trip/Emissions Reduction Trip	14CC04	754,046
West Contra Costa Transportation Advisory Committee		
I-80 Plus Commute Incentive Program	08CC01	163,096
West Contra Costa Commute Incentive Program	09CC01	75,258
West County Employer Outreach	09CC02	107,164
Countywide Guaranteed Ride Home Program	11CC03	143,810
Countywide Guaranteed Ride Home Program	12CC03	<u>88,289</u>
Total		<u>\$ 2,653,348</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Transportation Authority of Marin:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Transportation Authority of Marin		
Vanpool Program	10MAR01	\$ 50,000
Emergency Ride Home Program	10MAR02	50,000
Electric Vehicle Charging Stations	10MAR04	91,256
Dynamic Rideshare	10MAR06	60,000
Program Administration	12MAR00	16,770
Emergency Ride Home Program	12MAR01	10,475
Program Administration	14MAR00	17,736
Town of Fairfax		
Fairfax Spine Project	11MAR01	110,000
Town of San Anselmo		
Electric Assist Utility Bicycle for Town Staff	14MAR05	6,000
Town of Tiburon		
Tiburon Boulevard and Lyford Drive Multi-modal Commuter Lot	09MAR10	314,207
County of Marin		
Sir Francis Drake Blvd. - Westbound Class II Bike Lane (Baywood Canyon - Brown Bridge)	07MAR03	29,163
Construct a Westbound Class II Bike Lane on Sir Francis Drake Boulevard	09MAR06	45,837
Tennessee Valley Pathway (Class II)	09MAR07	265,000
Bel Marin Keys Boulevard Class II Bicycle Lanes	11MAR03	9,189
Total		<u>\$ 1,075,633</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

**AUDIT SUMMARY REPORT
LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER
FOR THE PROJECT PERIOD ENDED JUNE 30, 2015**

Napa County Transportation and Planning Agency:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Napa County Transportation and Planning Agency		
Program Administration	12NAP00	\$ 9,429
Program Administration	14NAP00	9,641
City of Napa		
Lincoln Ave Class II Bike Lane	10NAP01	39,405
Bicycle Racks and Bicycle Locker	11NAP01	10,026
Lincoln Ave Class II Bike Lane Between Jefferson St. and Railroad Crossing	11NAP02	77,687
Saratoga Drive Class II Bicycle Lane	12NAP05	31,154
City of St. Helena		
Wappo Class I Multi-purpose Trail Gap Closure	11NAP03	90,000
Solano Napa Commuter Information		
SNCI Commuter Incentives and Marketing Materials	10NAP04	<u>39,958</u>
Total		<u>\$ 307,300</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Santa Clara Valley Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Santa Clara Valley Transportation Authority		
Program Administration	12SC00	\$ 113,469
Light Rail Shuttles	12SC02	665,000
Program Administration	14SC00	112,251
Light Rail Shuttles	14SC05	625,000
City of Campbell		
Winchester Boulevard Signal Timing Project	14SC10	130,000
City of Cupertino		
Stevens Creek "Corridor Park"	14SC07	95,000
City of Gilroy		
10th Street Adaptive Signal Synchronization Project	10SC05	52,118
City of Milpitas		
Milpitas Traffic Signal Management System	08SC05	762,744
City of Mountain View		
Grant Road Adaptive Signal Project	08SC07	330,058
Permanente Creek Trail	11SC05	100,000
City of San Jose		
Traffic Signal Synchronization Project	09SC10	308,069
Traffic Signal Synchronization Project - Phase 2	10SC06	531,621
Park/San Fernando/San Antonio Bikeway	11SC06	43,000
Hedding Street Bike Lanes	11SC07	47,548
Public Bike Rack Purchase and Installation	12SC01	22,604
City of Santa Clara		
San Tomas Aquino Spur Trail	10SC01	260,000
Traffic Signal & Interconnect Project	10SC02	315,000
Stevens Creek Colorized Bike Lanes	11SC04	59,200
City of Sunnyvale		
El Camino Bike Lanes	14SC09	15,000
Santa Clara County - Roads and Airports Department		
San Tomas Weekend Signal Timing	12SC04	53,250
Total		<u>\$ 4,640,932</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

San Francisco County Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
San Francisco County Transportation Authority		
Program Administration	12SF00	\$ 33,019
Program Administration	14SF00	36,589
San Francisco Department of the Environment		
CCSF Bicycle Fleet	11SF01	36,901
Emergency Ride Home Program	11SF03	8,373
MTC School Ridematching Program	11SF04	91,497
City and County of San Francisco (CCSF) Bicycle Fleet Program	12SF02	30,134
San Francisco Employer Commuter Benefits Program	12SF03	71,732
Emergency Ride Home Program	14SF01	1,455
Commuter Benefits Program	14SF02	87,313
San Francisco SchoolPool	14SF03	22,674
San Francisco Municipal Transportation Agency		
Regional Bicycle Sharing Pilot	11SF09	401,250
Alternative Fuel Taxicab Vehicle Incentive Program	12SF05	69,251
Short Term Bicycle Parking	12SF07	165,000
Sloat Boulevard Bicycle Lanes	12SF08	85,000
San Francisco State University		
Abundant Bicycle Parking (Outdoor Racks)	14SF06	50,932
University of California, San Francisco		
Parnassus Campus Bike Cage	10SF08	<u>50,000</u>
Total		<u>\$ 1,241,120</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

City/County Association of Governments of San Mateo County:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
City/County Association of Governments of San Mateo County		
Program Administration	12SM00	\$ 28,636
Program Administration	14SM00	37,822
Peninsula Traffic Congestion Relief Alliance		
Countywide Voluntary Trip Reduction Program	12SM01	435,600
Countywide Voluntary Trip Reduction Program	14SM01	443,604
San Mateo County Transit District		
SanTrans Shuttle Bus Program	12SM02	554,400
SanTrans Shuttle Bus Program	14SM02	<u>566,000</u>
Total		<u>\$ 2,066,062</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

**AUDIT SUMMARY REPORT
LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER
FOR THE PROJECT PERIOD ENDED JUNE 30, 2015**

Solano Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Solano Transportation Authority		
Program Administration	14SOL00	\$ 14,804
Safe Routes to School Program, Program Coordination and School Event Student Incentives	11SOL01	47,909
Solano Commute Alternatives Incentive Activities and Outreach Program	12SOL02	254,328
City of Benicia		
Matthew Turner Elementary Smart Growth Project	12SOL01	<u>23,263</u>
Total		<u>\$ 340,304</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR PROGRAM MANAGER FUND

AUDIT SUMMARY REPORT LISTING OF AUDITED PROJECTS BY PROGRAM MANAGER FOR THE PROJECT PERIOD ENDED JUNE 30, 2015

Sonoma County Transportation Authority:

<u>Project Description</u>	<u>TFCA Project Number</u>	<u>Final Project Expenditures through 6/30/15</u>
Sonoma County Transportation Authority		
Program Administration	14SON00	\$ 29,276
Program Administration	12SON00	28,337
Sonoma County Transit		
CNG Fueling Station Expansion	03SON05	257,275
Cotati Intermodal Facility/Park & Ride	04SON04	26,369
Cotati Intermodal Facility/Park & Ride	05SON03	9,695
Cotati Intermodal Facility/Park & Ride	06SON02	25,158
Cotati Intermodal Facility/Park & Ride	08SON01	359,244
Transit Marketing Program	10SON03	59,356
Transit Marketing Program	12SON05	60,000
City of Petaluma		
Sonoma Mountain Parkway & McDowell Boulevard Corridor Signal Timing	11SON04	85,427
Petaluma Transit - Transit Marketing	14SON07	60,000
City of Santa Rosa, Transit Department		
Santa Rosa Free Ride Trip Reduction Incentive Program	12SON03	170,788
Student/Youth Bus Pass Subsidy	12SON04	65,000
Youth Bus Pass Subsidy Program	14SON01	75,000
Santa Rosa Free Ride Trip Reduction Incentive Program	14SON02	<u>153,636</u>
Total		<u>\$ 1,464,561</u>

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: November 30, 2016

Re: Fiscal Year Ending (FYE) 2016 Report on Transportation Fund for Clean Air (TFCA)
Regional Fund Expenditures and Effectiveness

RECOMMENDATIONS

None; receive and file.

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. Since 1992, the Air District has allocated these funds to its Transportation Fund for Clean Air (TFCA) Program to fund eligible projects. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 and 44242.

Sixty percent of TFCA funds are awarded by the Air District to eligible programs and projects implemented directly by the Air District (e.g., the Smoking Vehicle, Enhanced Mobile Source Enforcement, Spare the Air, and Bicycle Facility Programs) and through a grant program known as the Regional Fund. The remaining 40% of TFCA funds are forwarded to a designated agency within each Bay Area county to be distributed via the County Program Manager Fund.

HSC Section 44241 requires that the Board hold a public hearing each year to review the Air District's expenditure of TFCA funds to determine their effectiveness in improving air quality.

DISCUSSION

The report on expenditures and effectiveness of TFCA Regional Fund and Air District-sponsored programs that concluded in FYE 2016 (fully paid and closed-out) is provided in Attachment A.

The following are the key report findings:

- TFCA funds were allocated to eligible projects and programs, consistent with the legislation that authorizes the TFCA program.

- The TFCA expenditures for projects and programs that concluded in FYE 2016, and administrative costs totaled \$8.56 million. This includes \$4.57 million in Regional Fund projects, \$3.17 million in Air District-sponsored programs, and \$825,838 in administrative and indirect costs.
- These projects and programs reduced criteria pollutant emissions over their lifetimes by an estimated 203.61 tons, including 70.35 tons of reactive organic gases (ROG), 79.29 tons of nitrogen oxides (NOx), and 53.97 tons of particulate matter (PM10). The lifetime reduction of carbon dioxide (CO2), a greenhouse gas, is estimated to be over 91,000 tons.
- These projects and programs achieved a combined weighted average cost-effectiveness of \$36,585 per ton of weighted criteria pollutant emissions reduced.

A discussion of the expenditures, emission reductions, and cost-effectiveness of the TFCA Regional Fund and Air District-sponsored programs and projects that closed in FYE 2016 will be presented at the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The Air District distributes program monies as “pass-through” funds. Administrative costs for project staff are provided by the Air District’s TFCA funding.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ken Mak and Linda Hui
Reviewed by: Chengfeng Wang and Anthony Fournier

Attachment A: TFCA Report on Expenditures and Effectiveness of Regional Fund Projects and Air District-sponsored programs that closed in FYE 2016



BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TRANSPORTATION FUND FOR CLEAN AIR (TFCA)

**REPORT ON EXPENDITURES AND EFFECTIVENESS
OF REGIONAL FUND PROJECTS AND AIR DISTRICT-
SPONSORED PROGRAMS
THAT CLOSED IN
FISCAL YEAR ENDING (FYE) 2016**

375 Beale Street, Suite 600, San Francisco, CA 94105
www.baaqmd.gov

December 2016

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THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT

The California Legislature created the Bay Area Air Quality Management District (Air District) in 1955 as the first regional air pollution control agency in the country, recognizing that air emissions cross political boundaries. The nine counties of the San Francisco Bay Area form a regional air basin, sharing common geographical features and weather patterns, and therefore similar air pollution burdens, which cannot be addressed by counties acting on their own.

The Air District is the public agency entrusted with regulating stationary sources of air pollution in the nine counties that surround San Francisco Bay: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, southwestern Solano, and southern Sonoma counties.

BACKGROUND

On-road motor vehicles, including cars, trucks, and buses, are the most significant source of air pollution in the San Francisco Bay Area. Vehicle emissions contribute to unhealthy levels of ozone (summertime "smog"), particulate matter, and greenhouse gases. Because of this, reducing emissions from the on-road transportation sector is essential to helping the Bay Area attain State and Federal ambient air quality standards and meet greenhouse gas reduction commitments.

To protect public health, the State Legislature enacted the California Clean Air Act in 1988. As part of the requirements, the Air District prepared the *2010 Clean Air Plan (CAP)* which includes transportation control measures (TCMs), defined as "any strategy to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for the purpose of reducing motor vehicle emissions," and mobile source measures (MSMs), which encourage the introduction of newer, cleaner motor vehicle technologies and the retirement of older, more polluting vehicles.

TRANSPORTATION FUND FOR CLEAN AIR (TFCA)

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the San Francisco Bay Area to fund projects that reduce on-road motor vehicle emissions. The Air District has allocated these funds to its Transportation Fund for Clean Air (TFCA) to fund eligible projects. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242.

Sixty percent of TFCA funds are awarded by the Air District's Board of Directors to eligible programs and projects implemented directly by the Air District (e.g., the Enhanced Mobile Source Inspections, Vehicle Buy-Back, Spare the Air, and Bicycle Facility Programs) and through a grant program known as the Regional Fund. The remaining forty percent of TFCA funds are forwarded to a designated agency within each Bay Area county to be distributed via the County Program Manager Fund.

Each year, the Air District Board of Directors adopts criteria for the evaluation and ranking of project applications for the TFCA Program. Cost-effectiveness, expressed in terms of TFCA dollars per ton of criteria emissions reduced, is the most important criterion for evaluating TFCA projects.

In addition to reducing air pollution, including toxic particulate matter, TFCA-funded projects have other benefits including the following:

- Conserving energy and helping to reduce emissions of carbon dioxide (CO₂), a greenhouse gas;
- Reducing traffic congestion;
- Improving quality of life for its residents and commuters by expanding access to services that provide first and last-mile connections to rail, ferry, and mass transit; and
- Improving physical fitness and public safety by facilitating pedestrian and other car-free modes of travel.

State legislation restricts TFCA funding to the following 11 types of projects:

- Implementation of ridesharing programs
- Clean fuel school and transit bus purchases or leases
- Feeder bus or shuttle service to rail and ferry stations and to airports
- Arterial traffic management
- Rail-bus integration and regional transit information systems
- Demonstrations in congestion pricing of highways, bridges and public transit
- Low-emission vehicle projects
- Smoking vehicles program
- Vehicle buy-back scrappage program
- Bicycle facility improvement projects
- Physical improvements that support “smart growth” projects

This report summarizes the expenditures and effectiveness of the TFCA Regional Fund projects and Air District-sponsored programs that concluded during fiscal year ending (FYE) 2016.

Key Highlights

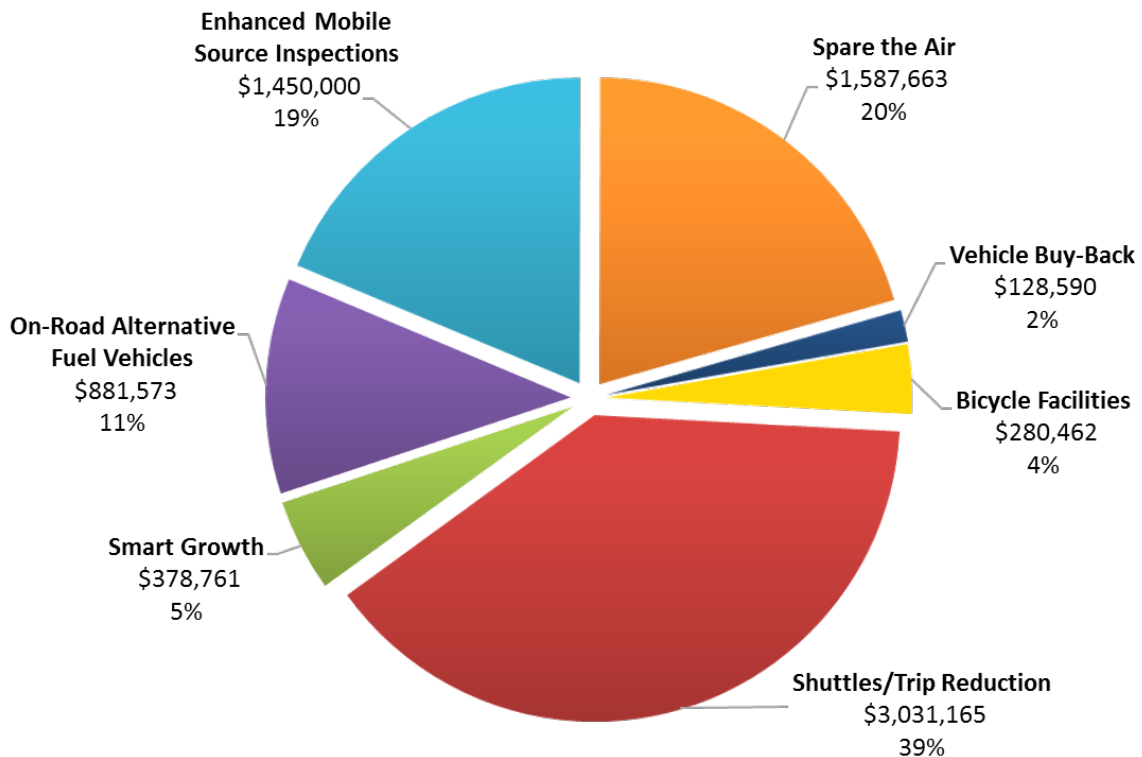
- TFCA funds were allocated to eligible projects and programs, consistent with the legislation that authorizes the TFCA program.
- The TFCA expenditures for projects, programs, and administration that concluded in FYE 2016 totaled \$8.56 million. This includes \$4.57 million in Regional Fund projects, \$3.17 million in Air District-sponsored programs, and \$825,838 in administrative and indirect costs.
- These projects and programs reduced criteria pollutant emissions over their lifetimes by an estimated 203.61 tons, including 70.35 tons of reactive organic gases (ROG), 79.29 tons of nitrogen oxides (NO_x), and 53.97 tons of particulate matter (PM₁₀). The lifetime reduction of carbon dioxide (CO₂), a greenhouse gas, is estimated to be over 91,000 tons.
- These projects and programs achieved a combined weighted average cost-effectiveness of \$36,585 per ton of criteria pollutant emissions reduced.

EXPENDITURES

The TFCA expenditures for projects and programs that concluded in FYE 2016 and administrative costs totaled \$8.56 million. This total includes \$3.17 million for the programs administered directly by the Air District and \$4.57 million in Regional Fund grants to other organizations. In addition, the Air District expended \$825,838 in administrative and audit costs associated with the oversight of these projects and programs.¹ **Appendix A** lists project expenditure details.

A summary of the expenditures for the TFCA Regional Fund projects and Air District-sponsored programs that concluded in FYE 2016 is shown in **Figure 1**.

Figure 1. TFCA Expenditures for Projects and Programs Closing in FYE 2016



EFFECTIVENESS

The cost-effectiveness of TFCA projects and programs is calculated by dividing the TFCA funds allocated or awarded by the lifetime criteria pollutant emissions reductions (ROG, NO_x, and weighted PM₁₀ combined). The result is TFCA dollars per ton of reduced emissions.

Projects and programs concluding in FYE 2016 are anticipated to reduce criteria pollutant emissions over their lifetimes by an estimated total of 203.61 tons. This total is the sum of ozone precursors (70.35 tons of ROG and

¹ In FYE 2016, total TFCA revenues, for both the Regional Fund and County Program Manager Fund, were \$24.58 million. Administrative and audit costs across both programs totaled \$1.38 million.

79.29 tons of NO_x) and particulate matter (53.97 tons of PM₁₀). The lifetime reduction of CO₂ is estimated to be over 91,000 tons.²

The Regional Fund projects and Air District-sponsored programs that concluded in FYE 2016 achieved a combined weighted-average cost-effectiveness of \$36,585 per ton of criteria pollutant emissions reduced.

A summary of expenditures, emission reductions, and cost-effectiveness values by program category is provided in **Table 1**.

Table 1: Emission Reductions and Cost-Effectiveness (C/E) by Program Category for Projects and Programs that Closed in FYE 2016

Category	# of Projects	TFCA \$ Expended	% of TFCA \$ Expended	Emissions Reduced (tons) ^a	% of Emissions Reduced	C/E - Weighted (\$/ton) ^b
Bicycle Facilities	18	\$280,462	3.62%	2.87	1%	\$89,621 ^c
Shuttles/Trip Reduction	10	\$3,031,165	39.17%	80.00	39%	\$28,214 ^d
Smart Growth	1	\$378,761	4.89%	-	-	-
On-Road Alternative Fuel Vehicles	10	\$881,573	11.39%	24.07	12%	\$64,099
Enhanced Mobile Source Inspections	1	\$1,450,000	18.74%	3.43	2%	\$349,347
Spare the Air	1	\$1,587,663	20.52%	93.24	46%	\$19,963
Vehicle Buy-Back	1	\$128,590 ^e	1.66%	-	-	-
Total for Projects and Programs^f	42	\$7,738,213	100%	203.61	100%	\$36,585
Administration		\$825,838				

(a) Lifetime emission reductions of ROG, NO_x, and PM₁₀ combined.

(b) Consistent with the current California Air Resources Board methodology to calculate cost-effectiveness for the Carl Moyer Program (CMP); PM emissions were weighted by a factor of 20 to account for their harmful impacts on human health.

(c) Emissions reduced from the bicycle facility projects were determined using the default cost-effectiveness value of \$90,000 per ton of emissions reduced.

(d) Four of ten projects were cost-effective.

(e) Total FYE 2016 program cost was \$6,866,991.82, which includes funds from CMP, Mobile Source Incentive Fund (MSIF), and TFCA.

(f) Total may vary due to rounding.

Of the 42 projects and programs listed in Table 1, six achieved lower-than-originally-estimated emissions reductions, and one could not be determined. The following sections provide further analysis of those programs and projects that achieved lower-than-originally-estimated emission reductions: six shuttle/trip reduction projects and one smart growth project. This report will also discuss the Enhanced Mobile Source Inspections, which has historically achieved lower-than-originally-estimated emission reductions.

SHUTTLE/TRIP REDUCTION PROGRAM

Overall the Shuttle/Trip Reduction Program, consisting of 10 projects that closed in FYE 2016, achieved a total cost-effectiveness of \$28,214 per ton of emissions reduced. Four of the ten projects in this category met the

² Lifetime reduction in carbon dioxide from the Enhanced Mobile Source Inspections and Vehicle Buy-Back Programs are not included in the total amount.

established cost-effectiveness cap for the program and six projects did not.³ The projects that were not cost-effective included five Shuttle Projects and one Trip Reduction project.

Over time, the cost-effectiveness of trip-reduction projects, and specifically shuttle projects, has been (negatively) affected as the Bay Area's fleet becomes increasingly cleaner. For the past two years, Air District staff has conducted extensive outreach to solicit input from trip-reduction project stakeholders and interested parties to obtain their feedback on options for meeting this challenge. Based on this feedback, staff has proposed annual increases to the cost-effectiveness threshold for shuttle projects, which has gone from \$90,000 (for projects that were awarded funding before FYE 2013) to the FYE 2017 threshold of \$250,000/ton of emissions reduced in Community Air Risk Evaluation (CARE) areas or Priority Development Areas (PDAs) (\$200,000 /ton of emissions reduced outside of CARE areas and PDAs). This change has allowed a greater number of shuttle service projects to remain eligible for funding. Additionally, in May 2015, the Air District's Board of Directors approved funding for a new program category that will provide funding for innovative and cost-effective pilot projects that provide first- and last-mile connections. The resulting Pilot Trip Reduction Program has funded one project in FYE 2016 and is scheduled to reopen in early 2017.

SMART GROWTH PROGRAM

One Smart Growth Program project that closed in FYE 2016, had a cost-effectiveness that could not be determined. This project includes improvements such as pedestrian bulb-outs, crosswalks, pedestrian streetlights, landscaping, new sidewalks, and public art. Pre- and post- counts showed an increase in vehicle and pedestrian trips and a decrease in bicycle trips over five years; other trips were not considered. Environmental factors and other factors (e.g. population growth) appears to have affected the results. Furthermore, data was collected when a new bicycle lane on a parallel street was installed (bicycle counts collected may be a direct result from this project).

In response to these issues, staff is exploring the option of having a third-party vendor conduct surveys of funded smart growth projects. This would streamline and standardize the data collection process and the data collected would also help inform potential pilot-project sponsors' default assumptions during the pre-project application process.

ENHANCED MOBILE SOURCE INSPECTIONS PROGRAM

In FYE 2016, the Enhanced Mobile Source Inspections Program included the enforcement of the new Bay Area Commuter Benefits Program in addition to the typical activities: conducting inspection patrols for and notifying vehicle owners about their smoking vehicles; conducting enhanced mobile source inspections and investigations; and, developing compliance-assistance materials related to drayage truck and truck/mobile source regulations at the Port of Oakland.

This program achieved a final cost-effectiveness of \$349,347 per ton of emissions reduced. Because TFCA can fund only surplus emissions reductions, i.e., reductions that are beyond what is required by regulations, contracts, and other legally binding obligations, credit from the Commuter Benefits Program will be limited to employers with less than 50 employees who have voluntarily offered commuter benefits their employees. This

³ For the purpose of this report, the shuttle projects that closed in FYE 2016 had a cost-effectiveness cap of \$90,000 per ton of emissions reduced for existing projects began in FYE 2012 and a cap of \$175,000 per ton of emissions reduced for existing projects began in FYE 2014 and FYE 2015.

cost-effectiveness figure also includes the emissions reduced from the repair of 49 smoking vehicles. In comparison, in FYE 2015 this program completed the repair of 82 smoking vehicles and achieved a cost-effectiveness of \$307,739 per ton of emissions reduced.

Alternatively, if we assume 19.22%, which is the percent of vehicles repaired of the number of responses to Air District's survey, or 479 vehicles of the 2,495 smoking vehicle complaints that Air District received in FYE2016 had repaired their vehicles, then this would result in a cost-effectiveness of \$53,405 per ton of emissions reduced.

Staff is exploring options to refine the methodology that is used to evaluate this project type in order to ensure that all emission reductions are captured.

APPENDIX A: TFCA REGIONAL FUND PROJECTS AND AIR DISTRICT-SPONSORED PROGRAMS THAT CLOSED IN FYE 2016

Project #	Sponsor	Project Title	C/E - Weighted (\$/tons)	TFCA \$ Expended
05R33	Norman Y Mineta San Jose International Airport	20 Compressed Natural Gas (CNG) Shuttle Buses	\$57,277	\$769,072.91
07R66	City of Oakland	Smart Growth Project: 66th Avenue Streetscape Improvements	Cannot be determined ^a	\$378,760.75
09BFP18	Alameda County Public Works Agency	Class II Bicycle Lane on Foothill Boulevard	\$90,000	\$66,483.63
09R46	City of Berkeley	Berkeley Transit Action Plan	\$443,428	\$100,000.00
12R10	City of Alameda Public Works Department	Estuary Crossing Shuttle	\$312,360	\$179,113.26
12R11	City of Richmond	Circular and Marina Bay Shuttle Routes	Not cost effective ^b	\$284,996.20
12R13	Metropolitan Transportation Commission	511 Ridesharing Program	\$16,328	\$878,581.24
12R17	Livermore Amador Valley Transit Authority (LAVTA)	Bus Rapid Transit	Not cost effective ^b	\$86,698.53
13BR007	Tamalpais High School	Year 1 - Bicycle rack voucher program (BRVP)	\$90,000	\$11,880.00
13BR008	Town of Fairfax	Year 1 – BRVP	\$85,837	\$3,433.50
13BR010	City of Burlingame-Engineering Division	Year 1 – BRVP	\$90,000	\$3,840.00
13BR024	City of Alameda Public Works Department	Year 1 – BRVP	\$90,000	\$3,720.00
13BR032	Marin County Free Library System, Corte Madera Library	Year 1 – BRVP	\$90,000	\$480.00
14PEV001	County of Alameda, General Services Agency	Plug-in Electric Vehicle (PEV) Rebate for 22 Battery Electric Vehicles (BEVs)	\$420,000	\$55,000.00
14PEV004	City of Oakland	PEV Rebate for 3 BEVs	\$420,000	\$7,500.00
14PEV005	San Francisco Public Works	PEV Rebate for 1 BEV	\$420,000	\$2,500.00
14PEV007	Contra Costa County Public Works Fleet Services Division	PEV Rebate for 6 BEVs	\$420,000	\$15,000.00
14PEV008	San Francisco Public Works	PEV Rebate for 15 PHEVs	\$446,018	\$15,000.00
14PEV009	Walnut Creek Police Department	PEV Rebate for 2 Zero-emission Motorcycles (ZEM)	\$119,055	\$5,000.00
14PEV010	Town of Danville	PEV Rebate for 3 BEVs	\$420,000	\$7,500.00
14R08	Presidio Trust	PresidiGo Downtown Shuttle	\$88,901	\$100,000.00

Project #	Sponsor	Project Title	C/E - Weighted (\$/tons)	TFCA \$ Expended
14R11	The City of Richmond	Commuter Shuttle	Not cost effective ^b	\$129,168.00
14R17	Metropolitan Transportation Commission	511 Rideshare Program	\$18,477	\$903,434.98
14R23	City of San Leandro	Purchase and Install 7 eLocker Quads (28 total bicycle lockers)	\$90,000	\$70,000.00
14R25	Santa Clara County	Purchase and Install 4 eLocker Quads (16 total bicycle lockers)	\$89,832	\$39,928.50
15BR007	Dublin High School	Purchase and Install 8 Bike Racks	\$90,000	\$3,840.00
15BR012	City of Union City	Purchase and Install 125 Bike Racks	\$85,027	\$14,171.25
15BR016	Town of Tiburon	Purchase and Install Five Bike Racks	\$90,000	\$599.60
15BR017	Neil Cummins Elementary School	Purchase and Install 15 Bike Racks	\$90,000	\$6,720.00
15BR018	City of Pacifica	Purchase and Install 16 Bike Racks	\$84,615	\$1,805.12
15BR020	San Jose State University	Purchase and Install 120 Bike Racks	\$90,000	\$14,400.00
15BR023	Foothill High School	Purchase and Install 6 Bike Racks	\$90,000	\$1,800.00
15BR024	Castro Valley Unified School District	Purchase and Install 26 Bike Racks	\$90,000	\$11,880.00
15BR030	City of Cupertino	Purchase and Install 4 Bike Racks	\$90,000	\$480.00
15R06	Associated Students, San Jose State University	SJSU Ridesharing & Trip Reduction	\$33,208	\$140,000.00
15R11	City of Oakland	Broadway Shuttle	\$223,302	\$229,173.00
15R19	University of California, Berkeley	Purchase and Install two eLocker Quads and one eLocker Double (10 total bicycle lockers)	\$90,000	\$25,000.00
16PEV002	Town of Colma Police Department	PEV rebate for 1 ZEM	\$119,055	\$2,500.00
16PEV003	Pittsburg Police Department	PEV rebate for 1 ZEM	\$119,055	\$2,500.00
39	Projects		Subtotal Regional Fund Projects:	\$4,571,960.47
FYE 2016	BAAQMD	Enhanced Mobile Source Inspections	\$349,347	\$1,450,000.00
FYE 2016	BAAQMD	Spare the Air	\$19,963	\$1,587,663.02
FYE 2016	BAAQMD	Admail for Vehicle Buy-Back (VBB) Program (TFCA portion) ^c	-	\$128,589.82
3	Programs		Subtotal Air District-Sponsored Programs:	\$3,166,252.84
FYE 2016	BAAQMD	Administration on Regional Fund Projects	-	\$825,838.39 ^d
			Subtotal Administration:	\$825,838.39
			GRAND TOTAL:	\$8,564,051.70

(a) Data is not sufficient to determine cost-effectiveness of project.

(b) Projects increased criteria emissions due to low ridership and other factors and, therefore, are not cost-effective at any amounts.

(c) Total FYE 2016 program cost (which includes funds from the Carl Moyer Program (CMP), Mobile Source Incentive Fund (MSIF), and TFCA) is \$6,866,991.82.

(d) Amount represents sixty percent of the total TFCA administrative and audit costs expended in FYE 2016.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Liz Kniss and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: January 4, 2017

Re: Report of the Budget and Finance Committee Meeting of December 16, 2016

RECOMMENDED ACTION

The Budget and Finance Committee (Committee) received only informational items and have no recommendations of approval by the Board of Directors (Board).

BACKGROUND

The Committee met on Friday, December 16, 2016, and received the following reports:

- A) Fourth Quarter Preliminary Financial Report – Fiscal Year Ending (FYE) 2016;
- B) First Quarter Financial Report – Fiscal Year Ending (FYE) 2017; and
- C) 375 Beale Street Acquisition Update

Chairperson Dave Hudson will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None;
- B) None; and
- C) None. Any financial impacts are already approved (initial building purchase) or will be the subject of a future request for approval.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Aloha Galimba
Reviewed by: Maricela Martinez

Attachment 11A: 12/16/16 – Budget and Finance Committee Meeting Agenda #4
Attachment 11B: 12/16/16 – Budget and Finance Committee Meeting Agenda #5
Attachment 11C: 12/16/16 – Budget and Finance Committee Meeting Agenda #6

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
 of the Budget and Finance Committee

From: Jack P. Broadbent
 Executive Officer/APCO

Date: December 1, 2016

Re: Fourth Quarter Preliminary Financial Report – Fiscal Year Ending (FYE) 2016

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Staff will present an update of the Air District’s preliminary financial results for the fourth quarter of FYE 2016. The following information summarizes those results.

GENERAL FUND BUDGET: STATEMENT OF REVENUES

Comparison of Budget to Actual Revenues

County Receipts	\$ 28,218,286	(115%) of budgeted revenue
Permit Fees	\$ 31,935,188	(108%) of budgeted revenue
Title V Permit Fees	\$ 5,120,624	(118%) of budgeted revenue
Asbestos Fees	\$ 3,869,468	(161%) of budgeted revenue
Toxic Inventory Fees	\$ 261,483	(47%) of budgeted revenue
Penalties and Settlements	\$ 6,121,023	(306%) of budgeted revenue
Interest Revenues	\$ 437,670	(219%) of budgeted revenue
Miscellaneous Revenues	\$ 90,337	(45%) of budgeted revenue

GENERAL FUND BUDGET: STATEMENT OF EXPENDITURES

Comparison of Budget to Actual Expenditures

Personnel - Salaries*	\$ 36,112,180	(97%) of budgeted expenditure
Personnel - Fringe Benefits*	\$ 17,857,342	(104%) of budgeted expenditure
Operational Services and Supplies	\$ 18,016,251	(100%) of budgeted expenditure
Capital Outlay	\$ 8,979,477	(224%) of budgeted expenditure
Office Acquisition	\$ -	(0%) of budgeted expenditure
<i>*Consolidated (includes Special Funds)</i>		

CASH AND INVESTMENTS IN COUNTY TREASURY

(Account Balance as of June 30, 2016)

General Fund	\$57,849,712
TFCA	\$79,534,148
MSIF	\$32,380,630
Carl Moyer	\$1,581,890
CA Goods Movement	\$8,127,526
BikeShare	\$1,739,476
Total	<u>\$181,213,382</u>

	6/30/2014	6/30/2015	6/30/2016
FUND BALANCES	Audited	Audited	Unaudited
Reserve for Building and Facilities	500,000	-	-
Reserve for Capital Equipment Contingency	1,000,000	1,000,000	1,360,000
Reserve for Economic Contingency	10,114,309	10,114,309	15,159,959
Reserve for IT-Desktop Equipment	500,000	500,000	-
Reserve for IT- Event Response	500,000	500,000	500,000
Reserve for JD Edwards Software Upgrade	1,000,000	-	-
Reserve for Pension & Post Employment Liability	1,800,000	1,800,000	1,600,000
Reserve for Tech- GHG Monitoring Equipment	360,900	-	-
Reserve for Tech- Meterological Network Equipment	417,100	417,100	417,100
Reserve for Tech- Mobile Monitoring Instruments	450,000	450,000	450,000
Reserve for GHG Abatement Technology Study	-	-	1,500,000
Reserve for Worker's Comp Self -Funding	1,000,000	1,000,000	1,000,000
Total Designated Reserves	\$ 17,642,309	\$ 15,781,409	\$ 21,987,059
Undesignated Fund Balance	7,404,751	15,122,475	-
TOTAL RESERVES	\$ 25,047,060	\$ 30,903,884	\$ 21,987,059
Building Proceeds	14,668,200	14,168,200	4,668,200
TOTAL FUND BALANCE	\$ 39,715,260	\$ 45,072,084	\$ 26,655,259
UNFUNDED LIABILITIES (Based on 2015 Actuarial Valuation Report)			
CalPERS Pension Retirement			59,242,771
Other Post-Employment Benefits			32,954,000
TOTAL UNFUNDED LIABILITIES			\$ 92,196,771

VENDOR PAYMENTS

In accordance with provisions of the Administrative Code, Division II Fiscal Policies and Procedures - Section 4 Purchasing Procedures: 4.3 Contract Limitations, staff is required to present recurring payments for routine business needs such as utilities, licenses, office supplies and the like, more than, or accumulating to more than \$70,000 for the fiscal year. In addition, this report includes all of the vendors receiving payments in excess of \$70,000 under contracts that have not been previously reviewed by the Board. In addition, staff will report on vendors that undertook work for the Air District on several projects that individually were less than \$70,000, but cumulatively exceed \$70,000.

Below is a list of vendors with cumulative payments made through the fourth quarter of 2015-2016 fiscal year that exceeded \$70,000 and meets the reporting criteria noted above. All expenditures have been appropriately budgeted as a part of the overall Air District budget for Fiscal Year 2015-2016.

	VENDOR NAME	AMOUNT PAID (July 2015 - June 2016)	Explanation
1	ALLIANT INSURANCE SERVICES	426,852	Various Business Insurance Policies
2	BENEFITS COORDINATORS CORP.	765,126	Life Insurance Plan & LTD Insurance
3	CA PUBLIC EMPLOYEE RETIREMENT SYST	6,309,141	Health Insurance Plan
4	CA PUBLIC EMPLOYEE RETIREMENT SYST	10,033,100	Retirement Benefits & 457 Supplemental Plan
5	CALIFORNIA VISION SERVICE PLAN	71,763	Vision Insurance Plan
6	CAPCOA	747,610	Pass through EPA grants
7	CANON SOLUTIONS	80,727	Copier lease and maintenance services
8	CEREDIAN CORP	102,287	Payroll Processing Services
9	COGENT COMMUNICATIONS, INC	70,454	Telephone & internet service provider services
10	COMCAST	145,231	Internet Connections
11	COMPUCOM SYSTEM	191,601	Microsoft License Agreement
12	CUBIC TRANSPORTATIONS SYSTEMS	396,312	Clipper Transit Subsidy
13	EMPLOYEE BENEFIT SPECIALISTS	226,377	Medical & Dependent Care Flexible Spending Plan
14	ENTERPRISE FLEET SERVICES	582,010	Fleet Leasing and Maintenance services
15	DIRECT MAIL CENTER	101,593	Public Notice Mailing Services
16	HARTFORD LIFE INS. CO.	586,494	457 Supplemental Insurance
17	M. BROOK ASSOCIATES, INC	76,187	Computer network support services
18	MAGENIC TECHNOLOGIES, INC.	75,535	Record retention services
19	PACIFIC GAS & ELECTRIC COMPANY	604,608	Utilities
20	PREFERRED BENEFIT INSURANCE AD	768,501	Dental Insurance Plan
21	RENNE SLOAN HOLTZMAN SAKAI	168,214	Human Resources Consulting Services
22	SHEPPARD, MULLIN, RICHTER & HA	74,115	Legal services
23	THERMO ENVIRONMENTAL INSTRUMENTS	273,759	Air monitoring and source rest instrumentation
24	TRI-STAR OFFICE MOVING	74,202	Office move and storage services
25	VERIZON WIRELESS	209,980	Cell phone services

BUDGET CONSIDERATION/FINANCIAL IMPACT

None; receive and file.

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 David Hudson and Members
 of the Budget and Finance Committee

From: Jack P. Broadbent
 Executive Officer/APCO

Date: December 1, 2016

Re: First Quarter Financial Report – Fiscal Year Ending (FYE) 2017

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Finance staff will present an update on the Air District’s preliminary financial results for the first quarter of FYE 2017. The following information summarizes those results.

GENERAL FUND BUDGET: STATEMENT OF REVENUES

Comparison of Budget to Actual Revenues

County Receipts	\$ 40,429	(0.2%) of budgeted revenue
Permit Fees	\$ 16,048,384	(48%) of budgeted revenue
Title V Permit Fees	\$ 3,562,740	(76%) of budgeted revenue
Asbestos Fees	\$ 1,140,903	(44%) of budgeted revenue
Toxic Inventory Fees	\$ 182,852	(47%) of budgeted revenue
Penalties and Settlements	\$ 1,869,035	(85%) of budgeted revenue
Interest Revenues	\$ -	(0%) of budgeted revenue
Miscellaneous Revenues	\$ 52,589	(35%) of budgeted revenue

GENERAL FUND BUDGET: STATEMENT OF EXPENDITURES

Comparison of Budget to Actual Expenditures

Personnel - Salaries*	\$ 8,020,184	(21%) of budgeted expenditure
Personnel - Fringe Benefits*	\$ 6,776,223	(21%) of budgeted expenditure
Operational Services and Supplies	\$ 3,057,109	(14%) of budgeted expenditure
Capital Outlay	\$ 740,854	(19%) of budgeted expenditure
Office Acquisition	\$ -	(0%) of budgeted expenditure
<i>*Consolidated (includes Special Funds)</i>		

CASH AND INVESTMENTS IN COUNTY TREASURY

(Account Balance as of September 30, 2016)

General Fund	\$57,594,911
TFCA	\$82,663,613
MSIF	\$32,507,601
Carl Moyer	\$7,399,821
CA Goods Movement	\$8,137,264
BikeShare	\$1,058,554
Total	<u>\$189,361,765</u>

FUND BALANCES	6/30/2015 Audited	6/30/2016 Unaudited	6/30/2017 Projected
Reserve for Capital Equipment Contingency	1,000,000	1,360,000	860,000
Reserve for Economic Contingency	10,114,309	15,159,959	15,754,025
Reserve for IT-Desktop Equipment	500,000	-	-
Reserve for IT- Event Response	500,000	500,000	500,000
Reserve for Parking Infrastructure	-	-	-
Reserve for Pension & Post Employment Liability	1,800,000	1,600,000	800,000
Reserve for Tech- GHG Monitoring Equipment	-	-	-
Reserve for Tech- Meterological Network Equipment	417,100	417,100	417,100
Reserve for Tech- Mobile Monitoring Instruments	450,000	450,000	450,000
Reserve for GHG Abatement Technology Study	-	1,500,000	1,500,000
Reserve for Worker's Comp Self -Funding	1,000,000	1,000,000	1,000,000
Total Designated Reserves	\$ 15,781,409	\$ 21,987,059	\$ 21,281,125
Undesignated Fund Balance	15,122,475	11,474,620	11,474,620
TOTAL RESERVES	\$ 30,903,884	\$ 33,461,679	\$ 32,755,745
Building Proceeds	14,168,200	4,668,200	4,668,200
TOTAL BUILDING PROCEEDS	\$ 14,168,200	\$ 4,668,200	\$ 4,668,200
TOTAL FUND BALANCE	\$ 45,072,084	\$ 38,129,879	\$ 37,423,945
UNFUNDED LIABILITIES (Based on 2015 Actuarial Valuation Report)			
CalPERS Pension Retirement			59,242,771
Other Post Employment Benefits			32,954,000
TOTAL UNFUNDED LIABILITIES			\$ 92,196,771

VENDOR PAYMENTS

In accordance with updated provisions of the Administrative Code, Division II Fiscal Policies and Procedures - Section 4 Purchasing Procedures: 4.3 Contract Limitations, staff is required to present recurring payments for routine business needs such as utilities, licenses, office supplies and the like, more than, or accumulating to more than \$100,000 for the fiscal year. In addition, this report includes all of the vendors receiving payments in excess of \$100,000 under contracts that have not been previously reviewed by the Board. In addition, staff will report on vendors that undertook work for the Air District on several projects that individually were less than \$100,000, but cumulatively exceed \$100,000.

Below is a list of vendors with cumulative payments made through the first quarter of 2016-2017 fiscal year that exceeded \$100,000 and meets the reporting criteria noted above. All expenditures have been appropriately budgeted as a part of the overall Air District budget for Fiscal Year 2016-2017.

	VENDOR NAME	AMOUNT PAID (July 2016 - September 2016)	Explanation
1	ALLIANT INSURANCE SERVICES	182,107	Various Business Insurance Policies
2	BENEFITS COORDINATORS CORP.	215,833	Life Insurance Plan & LTD Insurance
3	CA PUBLIC EMPLOYEE RETIREMENT SYSTEM	1,387,260	Health Insurance Plan
4	CA PUBLIC EMPLOYEE RETIREMENT SYSTEM	2,276,202	Retirement Benefits & 457 Supplemental Plan
5	ENTERPRISE FLEET SERVICES	157,170	Fleet Leasing and Maintenance services
6	HARTFORD LIFE INS. CO.	146,793	457 Supplemental Insurance
7	PACIFIC GAS & ELECTRIC COMPANY	127,516	Utilities
8	PREFERRED BENEFIT INSURANCE AD	130,577	Dental Insurance Plan

BUDGET CONSIDERATION/FINANCIAL IMPACT

None; receive and file.

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 David Hudson and Members
of the Budget and Finance Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 1, 2016

Re: 375 Beale Street Acquisition Update

RECOMMENDED ACTION

None, receive and file.

BACKGROUND

The Bay Area Air Quality Management District (Air District) currently inhabits 375 Beale Street under the terms of a Lease with an Option to Purchase.

DISCUSSION

The Air District and BAHA structured the terms of the Air District's acquisition to provide flexible timing for the purchase. Therefore, the Air District is currently able to occupy the building as a lease while waiting to complete the purchase.

Financing is already in place, however to complete the purchase, both the condominium map and the Declaration of Covenants, Conditions, and Restrictions (CC&Rs) must be recorded by BAHA. Staff will discuss the status of the condominium map and of the CC&Rs.

In addition, the Air District may have an opportunity to purchase a larger portion of the Facility than was originally contemplated. If this purchase is approved, it would occur as a second transaction, subsequent to the initial purchase. This second transaction is expected to be a cash transaction as opposed to a financed transaction.

BUDGET CONSIDERATIONS/FINANCIAL IMPACTS

None. Any financial impacts are already approved (initial building purchase) or will be the subject of a future request for approval.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay