

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, CA 4105
(415) 749-5073

Board of Directors Regular Meeting
Wednesday, February 1, 2017

APPROVED MINUTES

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

CALL TO ORDER:

1. **Opening Comments:** Chairperson Liz Kniss called the meeting to order at 9:53 a.m. Director Pauline Russo Cutter, Mayor of San Leandro, and Director Pete Sanchez, Mayor of Suisun City, were introduced.

Roll Call:

Present: Chairperson Liz Kniss; Vice Chair Dave Hudson; Secretary Katie Rice; and Directors Teresa Barrett, David J. Canepa, Cindy Chavez, Pauline Russo Cutter, John Gioia, Carole Groom, Scott Haggerty, Tyrone Jue, Rebecca Kaplan, Doug Kim, Nate Miley, Karen Mitchoff, Mark Ross, Pete Sanchez, Rod Sinks, Jim Spring, and Brad Wagenknecht,

Absent: Directors John Avalos, Eric Mar, Jan Pepper, and Shirlee Zane.

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

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

Public comments were made by Tom Lewis, East County National Association for the Advancement of Colored People (NAACP).

CONSENT CALENDAR (ITEMS 3-5)

3. **Minutes of the Special Board of Directors Meeting/Retreat of January 18, 2017**
4. **Board Communications Received from January 18, 2017 through January 31, 2017**
5. **Extension of Contracts for Website Development and Maintenance**

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

Director Canepa made a motion, seconded by Vice Chair Hudson, to **approve** the Consent Calendar Items 3 through 5, inclusive; and the motion **carried** by the following vote of the Board:

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

COMMITTEE REPORTS

6. Report of the Budget and Finance Committee Meeting of January 25, 2017

Budget and Finance Committee Chair Groom read the following Committee report:

The Committee met on Wednesday, January 25, 2017 and approved the minutes of December 16, 2016, with an amendment made by Director Mitchoff, regarding the incorrect date of the next Committee meeting.

The Committee reviewed and discussed the presentation Air District Financial Audit Report for Fiscal Year Ending 2016.

The Committee then reviewed and discussed the staff presentation Second Quarter Financial Report, Fiscal Year Ending 2017.

Finally, the Committee reviewed and discussed the staff presentation Overview of Current Fiscal Year Ending 2017.

The next meeting of the Budget and Finance Committee will be held on Wednesday, February 22, 2017, at 9:30 a.m., at the Bay Area Air Quality Management District office, 375 Beale Street, San Francisco, CA 94105. This concludes the Chair Report of the Budget and Finance Committee.

NOTED PRESENT: Director Ross was noted present at 10:00 a.m.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

7. **Report of the Mobile Source Committee Meeting of January 26, 2017**

Mobile Source Committee Chair Mitchoff read the following Committee report:

The Committee met on Thursday, January 26, 2017 and approved the minutes of December 15, 2016.

The Committee reviewed and discussed the staff presentation, Projects and Contracts with Proposed Grant Awards Over \$100,000. The Committee recommends the Board approve:

- 1. Carl Moyer Program projects with proposed grant awards over \$100,000 as shown in Attachment 1; and*
- 2. Authorization of the Executive Officer/Air Pollution Control Officer to enter into agreements with applicants for the recommended projects.*

The Committee then reviewed and discussed the staff presentation Overview of Transit and Shuttle Trends in the Bay Area.

Finally, the Committee reviewed and discussed the staff presentation Update Efforts to Further Reduce Emissions at the Port of Oakland.

The next meeting of the Mobile Source Committee will be held on Thursday, February 23, 2017, at 9:30 a.m., at the Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105.

I move that the Board approve the Mobile Source Committee's recommendations. This concludes the Chair Report of the Mobile Source Committee.

NOTED PRESENT: Director Miley was noted present at 10:02 a.m.

Public Comments:

No requests received.

Board Comments:

Committee Chair Mitchoff requested that Director Gioia, in his capacity as a CARB Board member, advocate that the District receive an increase from vehicle fees so that the District may enhance its TFCA Regional Fund, which helps implement eligible projects that achieve reductions in criteria pollutant emissions from on-road mobile sources within the boundaries of the Air District's jurisdiction.

Board Action:

Director Mitchoff made a motion, seconded by Director Kaplan, to **approve** the recommendations of the Mobile Source Committee; and the motion **carried** by the following vote of the Board:

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

8. Report of the Stationary Source Committee Meeting of January 30, 2017

As the Stationary Source Committee Chair, Director Gioia reported that staff made a presentation to the Committee on rule development updates on January 30, 2017. Jack Broadbent, Executive Officer/Air Pollution Control Officer, gave a brief background on the rules currently under development, for the benefit of the two new Board members. Greg Nudd, Rule Development Manager, gave the staff presentation *Rule Development Update*, including: overview; refinery rulemaking history- Board Resolution 2014-07, progress, work on Draft Rule 12-16; Draft Rule 12-16; Draft Rule 13-1 – first rule of combustion strategy; comparison of Draft Rules 12-16 and 13-1; Draft Rule 11-18; schedule; and next steps.

Stationary Source Committee Chair Gioia read the following Committee report:

The Committee met on Monday, January 30, 2017, and approved the minutes of September 19, 2016.

The Committee reviewed and discussed the staff presentation Rule Development Updates.

The next meeting of the Committee is on Monday, March 20, 2017, at 10:30 a.m., at the Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105. This concludes the Chair report of the Stationary Source Committee.

Public Comments:

Public comments were made by Steven Yang, Chevron; Richard Quiroz, Chevron; Ron Espinoza, United Steelworkers Local 12; Mike Miller; Phillips 66; Bob Brown, Western States Petroleum Association; Paul Adler, Phillips 66; and Tom Lewis, East County NAACP.

Board Comments:

The Board and staff discussed the compatibility of Draft Rules 12-16 and 13-1 with the AB32 Cap and Trade Program, depending on the Program's extension past 2020; the need to align District and California Air Resources Board (CARB) goals; how often staff should report to the Stationary Source Committee on rule development and if a Stationary Source Committee meeting was needed prior to the May 15th Board meeting; the likelihood of when the adoption of Draft Rule 13-1 would occur, and why its adoption cannot be accelerated to May 2017; how Draft Rule 13-1 might impact the original rule adoption schedule for Draft Rules 12-16 and 11-18, and the public's expectation that staff will honor its commitment to the original adoption schedule; the need to publicize District workshops in advance so that the public can take proper notice of them; a letter from CARB Executive Director, Richard Corey, that the District anticipates receiving regarding the future of Cap and Trade and CARB's input on the District's current rule development, the fact that public District workshops need to be held in the evenings and in fence line communities, and the need for being cognizant of the

Board member's locations and schedules so that the public may see the Board members active at the workshops; the Board's concern that the District's anticipated Health Risk Assessment workload will take more than one year; the Board's request for a non-technical, visual, distilled version of the comparison between Draft Rules 12-16, 11-18, and 13-1, what CARB is doing, and how these draft rules interact with CARB's actions; the importance of monitoring stationary source impacts on fence line communities, versus monitoring their global impacts; why the District's goal is to reduce facility risk action level from 100 in a million to 10 in a million within Draft Rule 11-18; the prospect of requiring facilities with diesel generators that will be affected by the implementation of Draft Rule 11-18 to have biodiesel access plans; the Board's request for the list of Draft Rule 11-18-affected facilities, including type, degree of impact by the Rule, and language that the District sent to the facilities, informing them of Draft Rule 11-18; and the need for special outreach to publicly owned treatment works facilities regarding how the District's rule development might impact their operations.

Board Action:

None; receive and file.

9. **Report of the Ad Hoc Building Oversight Committee**

Ad Hoc Building Oversight Committee Chair Kniss read the following Committee report:

The Committee met on Wednesday, February 1, 2017, and approved the minutes of November 16, 2016.

The Committee reviewed and discussed the staff presentation 375 Beale Street Acquisition: Transfer of Funds. The Committee recommends the Board approve:

- 1. The authorization of the transfer of \$9 million dollars from General Fund reserves to complete the purchase of the Air District's portion of 375 Beale Street.*

The next meeting is at the call of the Chair. I move that the Board approve the Ad Hoc Building Oversight Committee's recommendation. This concludes the Chair Report of the Ad Hoc Building Oversight Committee.

Public Comments:

No requests receive.

Board Comments:

The Board and staff discussed the District's negotiations with the Bay Area Headquarters Authority regarding punch list items at 375 Beale Street and the District's purchase of the building.

Board Action:

Chair Kniss made a motion, seconded by Vice Chair Hudson, to **approve** the recommendations of the Ad Hoc Building Oversight Committee; and the motion **carried** by the following vote of the Board:

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

PUBLIC COMMENT ON NON-AGENDA MATTERS

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

No requests received.

BOARD MEMBER COMMENTS

11. Board Member Comments

Director Hudson raised the question of whether or not there would be enough new business for the Board to discuss by February 15, 2017, the date of the scheduled upcoming Board meeting. The consensus of the Board members present eliminated the need for the February 15, 2017 Board meeting, but staff was directed to notify the Board if any new business warranted a Board meeting on February 15, 2017.

OTHER BUSINESS

12. Report of the Executive Officer / APCO

Mr. Broadbent's summary of ozone seasons from 2013 to 2016 has been posted on the District's website.

13. Chairperson's Report

Chair Kniss has nothing to report.

14. Time and Place of Next Meeting

Wednesday, February 15, 2017, at 375 Beale Street, San Francisco, CA 94109 at 9:45 a.m.

17. Adjournment

The meeting adjourned at 11:47 p.m.

/s/ Marcy Hiratzka
Marcy Hiratzka
Clerk of the Boards