



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS REGULAR MEETING

March 7, 2018

A meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:45 a.m. in the 1st Floor Board Room at the Air District Headquarters, 375 Beale Street, San Francisco, California 94105.

Questions About an Agenda Item

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

Meeting Procedures

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

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

This meeting will be webcast. To see the webcast, please visit <http://www.baaqmd.gov/about-the-air-district/board-of-directors/resolutionsagendasminutes> at the time of the meeting. Closed captioning may contain errors and omissions, and are not certified for their content or form.

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 Speakers wishing to address the Board on non-agenda matters will be heard at the end of the agenda, and each will be allowed up to 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 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.

Speakers may speak for up to three minutes on each item on the Agenda. However, 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. The Chairperson or other Board Member presiding at the meeting may, with the consent of persons representing both sides of an issue, allocate a block of time (not to exceed six minutes) to each side to present their issue.

BOARD OF DIRECTORS REGULAR MEETING AGENDA

WEDNESDAY
MARCH 7, 2018
9:45 A.M.

BOARD ROOM
1ST FLOOR

CALL TO ORDER

Chairperson, David Hudson

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.

CONSENT CALENDAR (ITEMS 2-6)

Staff/Phone (415) 749-

2. Minutes of the Regular Board of Directors Meeting of February 21, 2018

Clerk of the Boards/5073

The Board of Directors will consider approving the draft minutes of the Board of Directors Meeting February 21, 2018.

3. Board Communications Received from February 21, 2018 through March 6, 2018

J. Broadbent/5052

jbroadbent@baaqmd.gov

A copy of communications directed to the Board of Directors received by the Air District from February 21, 2018 through March 6, 2018, if any, will be at each Board Member's place.

4. Consider Adopting Amendments to the Air District's Administrative Code Division I: Operating Policies and Procedures, Section 1: Board of Directors, Meetings, Section 1.1: Meeting Dates, Section 1: Board of Directors, Meetings, Section 1.2A: Compensation – Meeting Attendance, and Section 6: Board of Directors, Committees, Section 6.2: Standing Committees

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Board of Directors will consider adopting amendments to the Air District's Administrative Code, Division I: Operating Policies and Procedures, Section 1: Board of Directors, Meetings, Section 1.1: Meeting Dates, Section 1: Board of Directors, Meetings, Section 1.2A: Compensation – Meeting Attendance, and Section 6: Board of Directors, Committees, Section 6.2: Standing Committees.

5. Consider Recognizing an EPA Grant Award for \$321,000 and Consider Authorizing the Executive Officer/APCO to Award a Contract and Issue a Purchase Order for Fiscal Year Ending (FYE) 2018, not to Exceed \$250,000 to Ramboll Environ, Inc., Pursuant to Administrative Code Division II Fiscal Policies and Procedures, Section 4.3 Contract Limitations, to Perform Community Scale Air Toxics Ambient Monitoring Project in the City of Richmond
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will consider recognizing an EPA Grant Award for \$321,000 and consider authorizing the Executive Officer/APCO to award a contract and issue a Purchase Order for FYE 2018 not to exceed \$250,000 to Ramboll Environ, Inc. to perform Community Scale Air Toxics Ambient Monitoring in the City of Richmond, as outlined in the grant proposal submitted to EPA.

6. Referral of Proposed Budget for Fiscal Year Ending (FYE) 2019 to the Budget & Finance Committee
J. Broadbent/5052
jbroadbent@baaqmd.gov

Pursuant to Administrative Code Division II, Section 3.2 Fiscal Policies and Procedures, and in compliance with Health and Safety Code Section 40276, the Executive Officer/APCO requests that the Board of Directors refer the proposed budget for FYE 2019, to the Budget and Finance Committee for review and consideration.

COMMITTEE REPORTS

7. Report of the **Mobile Source Committee** Meeting of February 22, 2018
CHAIR: S. Haggerty
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee received the following reports:

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

1) None; receive and file.

B) Update on the Air District's Light-Duty Electric Vehicle Program

1) None; receive and file.

C) Air District Grant Programs Overview

1) None; receive and file.

8. Report of the **Legislative Committee Meeting** of February 22, 2018

CHAIR: D. Hudson

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Discussion of Potential 2018 Legislative Agenda

- 1) *Consider a legislative agenda for 2018, focused on securing state budget funding to cover the costs of the work that the Air District has been assigned under Assembly Bill (AB) 617.*

B) Consideration of New Bills

- 1) *Consider new bills and positions, including: AB 1975 (Chu) – Establishes South Bay Interagency Oder Taskforce; Support if Amended;*
- 2) *AB 2008 (Salas) – Excludes Carl Moyer Grants from Taxable Income; Support if Amended; and*
- 3) *AB 1756 (Brough) – Repeals Senate Bill (SB) 1 (Transportation Funding Measure of 2017); There was a consensus of the Committee to recommend an “Oppose” position.*

9. Report of the **Budget and Finance Committee Meeting** of February 28, 2018

CHAIR: C. Groom

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Overview of Cost Recovery and Cost Containment Study

- 1) *None; receive and file.*

B) Air District Financial Overview: Anticipated Challenges in the Fiscal Year Ending (FYE) 2019 Budget

- 1) *None; receive and file.*

10. Report of the **Technology Implementation Office (TIO) Steering Committee Meeting** of March 2, 2018

CHAIR: C. Chavez

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Overview of Air District and Technology Implementation Office (TIO)

- 1) *None; receive and file.*

B) Technology Opportunities and Assessment

- 1) *None; receive and file.*

C) Overview of Air District Incentive Programs

1) None; receive and file.

PRESENTATION

11. 2017-2018 Winter Spare the Air Program Overview

J. Broadbent/5052
jbroadbent@baaqmd.gov

Staff will present an overview of the 2017/2018 Winter Spare the Air Program.

PUBLIC COMMENT ON NON-AGENDA MATTERS

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

Speakers will be allowed up to three minutes each to address the Board on non-agenda matters.

BOARD MEMBERS' COMMENTS

13. *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

14. Report of the Executive Officer/APCO

15. Chairperson's Report

16. Time and Place of Next Meeting:

Wednesday, March 21, 2018, at Beale Street, San Francisco, CA 94105 at 9:30 a.m.

17. Adjournment

The Board meeting shall be adjourned by the Board Chair.

CONTACT:

ACTING MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
vjohnson@baaqmd.gov

(415) 749-4941
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) 749-4941**

**EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS**

MARCH 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Technology Implementation Office Steering Committee Meeting <i>(At the Call of the Steering Committee)</i>	Friday	2	10:00 a.m.	1 st Floor Ohlone Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	7	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	15	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i> - CANCELLED	Monday	19	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of every other Month)</i>	Monday	19	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Mtg. <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	21	9:30 a.m.	1 st Floor Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	22	9:30 a.m.	1 st Floor Board Room
Board of Directors Legislative Committee <i>(At the Call of the Chair)</i>	Thursday	22	10:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee & Advisory Council Joint Mtg. <i>(EC Meets on the 3rd Monday of each Month) and (AC Meets At the Call of the Chair)</i>	Monday	26	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	28	9:30 a.m.	1st Floor, Yerba Buena Room #109

APRIL 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	4	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Mtg. <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	18	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

MAY 2018

<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	2	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Mtg. <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	16	9:30 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	17	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	21	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of every other Month)</i>	Monday	21	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	23	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	24	9:30 a.m.	1 st Floor Board Room

HL – 2/23/18 – 12:15 p.m.

G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 26, 2018

Re: Minutes of the Board of Directors Regular Meeting of February 21, 2018

RECOMMENDED ACTION

Approve the attached draft minutes of the Board of Directors Regular Meeting of February 21, 2018.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Regular Meeting of February 21, 2018.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 2A: Draft Minutes of the Board of Directors Regular Meeting of February 21, 2018

AGENDA 2A – ATTACHMENT

Draft Minutes - Board of Directors Regular Meeting of February 21, 2018

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 21, 2018

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:** Board Chairperson, David Hudson, called the meeting to order 9:48 a.m.

Chair Hudson announced that his priorities during his stint as Chairman are the reduction of Particulate Matter (PM) and methane emissions, and to help the District's new Technology Implementation Office reach its full potential.

Roll Call:

Present: Chairperson David Hudson; Vice Chair Katie Rice; Secretary Rod Sinks; and Directors Margaret Abe-Koga, David J. Canepa, Cindy Chavez, John Gioia, Carole Groom, Scott Haggerty, Tyrone Jue, Rebecca Kaplan, Nate Miley, Hilary Ronen, Mark Ross, Pete Sanchez, Jim Spring, Brad Wagenknecht, and Shirlee Zane.

Absent: Directors Teresa Barrett, Pauline Russo Cutter, Doug Kim, Liz Kniss, Karen Mitchoff, and Jeff Sheehy.

COMMENDATIONS / PROCLAMATIONS / AWARDS

2. The Board of Directors recognized nine Air District employees who participated in the 2017 Government Alliance on Race and Equity Program (GARE):
 1. Alona Davis – Air Quality Specialist II, Compliance and Enforcement Division
 2. Sanjeev Kamboj – Manager, Engineering Division
 3. Kristen Law – Staff Specialist I, Public Engagement Office
 4. Justin LeVeque – Environ. Planner II, Planning & Climate Protection Division
 5. Mary Ann Okpalaugo – Manager, Office of Diversity, Equity & Inclusion
 6. Juan Ortellado – Program Manager, Compliance and Enforcement Division
 7. David Ralston – Program Manager, Public Engagement Office
 8. Raquel Trinidad – Public Information Officer I, Public Engagement Office
 9. Tim Williams – Staff Specialist II, Office of Diversity, Equity & Inclusion

Chair Hudson announced that these individuals participated in a one-year program through a national network of government professionals working to advance racial equity and advance opportunities via supporting jurisdictions that are at the forefront of work on racial equity, building pathways for new jurisdictions to begin doing racial equity work, and expanding and strengthening local and regional collaborations that are broadly inclusive. Chair Hudson also acknowledged Mary Ann Okpalaugo for her outstanding leadership as the District's first Manager of the Office of Diversity, Equity & Inclusion, since July 2017.

Public Comments:

No requests received.

Board Comments:

None.

NOTED PRESENT: Director Ross was noted present at 9:52 a.m.

CLOSED SESSION (commenced at 9:54 a.m.)

NOTED PRESENT: Director Miley was noted present at 10:28 a.m.

3. **CONFERENCE WITH LEGAL COUNSEL**

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. **Western States Petroleum Association, Valero Refining Company – California, Tesoro Refining and Marketing Company, and Phillips 66 Company vs. Bay Area AQMD, et al.**, Contra Costa County Superior Court, Case No. N17-2300

REPORTABLE ACTION: Brian Bunger, District Counsel, reported that the Board agreed to resolve the matter, and that the settlement agreement will be available once it has been executed by the parties.

4. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION – (Government Code Section 54957 and 54957.6)**

Pursuant to Government Code Section 54957 and 54957.6, the Board of Directors will meet in closed session to conduct a performance evaluation of the Executive Officer.

Board Comments: Personnel Committee Chair, Jim Spering, acknowledged that, during the period of evaluation, Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), addressed the Board's goals and met the Board's expectations, amid contentious and challenging issues. Director Spering commended Mr. Broadbent on an excellent performance. As a result of the performance evaluation, Board recommended

contract amendments reflected in “Fifth Amendment to Employment Agreement Between Bay Area Air Quality Management District and Jack P. Broadbent” (Item 13 on Consent Calendar below.)

5. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION – (Government Code Section 54957 and 54957.6)**

Pursuant to Government Code Section 54957 and 54957.6, the Board of Directors will meet in closed session to conduct a performance evaluation of the District Counsel.

Board Comments: As Personnel Committee Chair, Director Spering acknowledged that, during the period of evaluation, Brian Bunger, District Counsel, accomplished the objectives that the Board outlined in 2017 and provided the Board with well-thought-out legal advice and guidance on complex issues. Director Spering commended Mr. Bunger on an excellent performance. As a result of the performance evaluation, Board recommended contract amendments reflected in “Sixth Amendment to Employment Agreement Between Bay Area Air Quality Management District and Brian C. Bunger” (Item 13 on Consent Calendar below.)

OPEN SESSION (commenced at 10:49 a.m.)

CONSENT CALENDAR (ITEMS 6 – 15)

6. Minutes of the Board of Directors Special Meeting / Retreat of January 17, 2018
7. Board Communications Received from January 17, 2018 through February 20, 2018
8. Air District Personnel on Out-of-State Business Travel
9. Notices of Violations Issued and Settlements in Excess of \$10,000 in the month of January 2018
10. Quarterly Reports of California Air Resources Board (CARB) Representative – Honorable John Gioia
11. Quarterly Report of the Executive Office and Division Activities for the Months of October 2017 - December 2017
12. Consider Authorization to Execute Contract Amendments for the Production System Office
13. Consider Approval of Employee Contract Amendments for the Executive Officer/APCO and District Counsel
14. Notice of Proposed Amendments to the Air District’s Administrative Code Division I: Operating Policies and Procedures, Section 1: Board of Directors, Meetings, Section 1.1: Meeting Dates, Section 1: Board of Directors, Meetings, Section 1.2A: Compensation – Meeting Attendance, and Section 6: Board of Directors, Committees, Section 6.2: Standing Committees
15. Request to Increase Credit Card Limits and Issue Additional Cards

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

Director Wagenknecht made a motion, seconded by Director Sanchez, to **approve** the Consent Calendar Items 6 through 15, inclusive; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Canepa, Chavez, Gioia, Groom, Haggerty, Hudson, Jue, Kaplan, Miley, Rice, Ronen, Ross, Sanchez, Sinks, Spering, Wagenknecht, and Zane.
NOES: None.
ABSTAIN: None.
ABSENT: Barrett, Cutter, Kim, Kniss, Mitchoff, Sheehy.

COMMITTEE REPORTS

16. Report of the **Budget and Finance Committee** Meeting of January 24, 2018

Budget and Finance Committee Chair, Director Carole Groom, read the following Committee report:

The Committee met on Wednesday, January 24, 2018, and approved the minutes of December 7, 2017.

The Committee reviewed and discussed the staff presentation Air District Financial Audit Report for the Fiscal Year Ended 2017.

The Committee then reviewed and discussed the staff presentation Second Quarter Financial Report - Fiscal Year Ending 2018.

Finally, the Committee reviewed and discussed the staff presentation Air District Financial Overview.

The next meeting of the Budget and Finance Committee will be held on Wednesday, February 28, 2018, 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.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

17. Report of the **Mobile Source Committee** Meeting of January 25, 2018

Mobile Source Committee Chair, Director Scott Haggerty, read the following Committee report:

The Committee met on Thursday, January 25, 2018, and approved the minutes of December 7, 2017.

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

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

The Committee then reviewed and discussed the staff presentation Participation in Year 20 of the Carl Moyer Program and Approval of the 2018 Caltrain Funding Plan. The Committee recommends the Board:

- 1. Adopt a resolution authorizing the Executive Officer/Air Pollution Control Officer to execute all necessary agreements with CARB relating to the Air District's receipt of Carl Moyer Program funds for fiscal year 2017-2018 (Program Year 20);*
- 2. Allocate \$3 million in Mobile Source Incentive Funding to provide the required match funding and additional monies for projects eligible for funding under the Carl Moyer Program guidelines;*
- 3. Authorize the Executive Officer/Air Pollution Control Officer to execute Grant Agreements and amendments for projects funded with Carl Moyer Program and Mobile Source Incentive Funds, with individual grant award amounts up to \$500,000; and*
- 4. Approve the proposed 2018 funding plan for the Caltrain Electrification project.*

Finally, the Committee reviewed and discussed the staff presentation Overview of Air District Trip Reduction Programs.

The next meeting of the Mobile Source Committee will be held on Thursday, February 22, 2018, at 9:30 a.m., at the Bay Area Air Quality Management District Office, 375 Beale Street, Board Room, 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.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

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

AYES: Abe-Koga, Canepa, Chavez, Gioia, Groom, Haggerty, Hudson, Jue, Kaplan, Miley, Rice, Ronen, Ross, Sanchez, Sinks, Spering, Wagenknecht, and Zane.
NOES: None.
ABSTAIN: None.

ABSENT: Barrett, Cutter, Kim, Kniss, Mitchoff, Sheehy.

18. Report of the **Personnel Committee** Meeting of February 7, 2018

Personnel Committee Chair, Director Jim Spring, read the following Committee report:

The Committee met on Wednesday, February 7, 2018, and approved the minutes of December 18, 2017. The Committee reviewed and discussed the staff presentation, Update of the Air District's Diversity, Equity, and Inclusion Program.

The Committee then went into Closed Session to conduct the performance evaluations of the Executive Officer/Air Pollution Control Officer and District Counsel, with no reportable action.

The next meeting of the Committee is at the Call of the Chair. This concludes the Chair Report of the Personnel Committee.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

19. Report of the **Executive Committee** Meeting of February 7, 2018

Executive Committee Chair, Chair David Hudson, read the following Committee report:

The Committee met on Wednesday, February 7, 2018, and approved the minutes of December 14, 2017.

The Committee received the Hearing Board Quarterly Report of October through December 2017.

The Committee then reviewed and discussed the staff presentation Administrative Code Update. The Committee recommends that the Board:

1. *Notice at the next full Board of Directors meeting, and at a subsequent meeting of the Board of Directors, adopt amendments to the Air District's Administrative Code, Division I: Operating Policies and Procedures, Section 1: Board of Directors, Meetings; Section 1.1: Meeting Dates; Section 1: Board of Directors, Meetings; Section 1.2A: Compensation – Meeting Attendance; and Section 6: Board of Directors, Committees, Section 6.2: Standing Committees.*

Finally, the Committee reviewed and discussed the staff presentation Update on Assembly Bill (AB) 617 and Related Incentives Funding Program.

The next meeting of the Executive Committee will be held on Monday, March 26, 2018, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m. This concludes the Chair report of the Executive Committee.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

PRESENTATION

20. Update of the Air District's Diversity, Equity, and Inclusion Program

Mr. Broadbent explained that staff presented this item to the Personnel Committee on February 7, but felt that the full Board would benefit from receiving the presentation as well. He introduced Rex Sanders, Chief Administrative Officer, who gave the presentation *Update on Diversity, Equity, and Inclusion (DE&I) Program*, including: overview; current snapshot of the air district – gender and race by job level (Bay Area versus the District); new hires and promotions by gender and race from 2013-17 (Bay Area versus the District); diversity hiring and employment efforts and practices; and ongoing efforts. Mr. Sanders introduced Mary Ann Okpalaugo, Manager of the Diversity, Equity, and Inclusion Office, who continued with the presentation, including: Office of DE&I - strategic planning and highlight of 2017 implementation; what is the GARE; and next steps.

Public Comments:

No requests received.

Board Comments:

The Board and staff discussed the need for expanded outreach to underrepresented groups regarding job recruitment; the ethnic publications in which the District advertises job recruitments, and the suggestion that the District enhances its outreach to the underrepresented demographics it has identified; the suggestion that the DE&I Office presents an “annual report card” to the Board, and shares lessons learned with other government agencies who are also cognizant of need for diversity and inclusion; the suggestion that an external committee be formed to provide feedback to the DE&I Office regarding its activities and the District's hiring practices; the suggestion that the District remembers the importance of an external perspective of the District (from those not employed by the District); the suggestion of encouraging internal mentoring and youth internships at the District as ways to combat job retention in younger employees; the suggestion that the District partner with workforce organizations that specialize in entry level job training, so that people can be groomed for District job opportunities; the suggestion that the District assesses the comfort-level of current District employees in order to gauge the likelihood

of retention, taking into account cultural and generational differences; the Board's appreciation of the District's contributions to furthering equity and diversity; and whether the District inquires about a candidate's prior involvement with harassment during the hiring process.

PUBLIC COMMENT ON NON - AGENDA ITEMS

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

No requests received.

BOARD MEMBERS' COMMENTS

22. Board Member Comments

Director Kaplan thanked Chair Hudson for stating at the beginning of the meeting that a priority of his is the reduction of PM emissions. She also suggested that the District engages in public outreach about impacts on air quality from household products, of which the public may not be aware. She also mentioned her efforts to create a ballot measure that would tax transportation network company vehicles per trip, and encouraged other Board members to implement such regulation in their jurisdictions as well. Finally, Director Kaplan reiterated her desire for a truck buyback program at the District.

Regarding the possible repeal of the Clean Power Plan, Director Jue announced that the US Environmental Protection Agency will be holding a listening session at the San Francisco Main Library on Feb. 28. He announced that registration to give public comment ends today, but that comments may be submitted online until the end of April.

Director Zane requested that the District partners with her office so that her constituents can learn about the impacts of wood smoke, via town hall meetings. She suggested that the District reaches out to Tennis Wick, Sonoma County Permit & Resource Management Department, and David Gouin, Director of Housing and Community Services for the City of Santa Rosa.

OTHER BUSINESS

23. Report of the Executive Officer / APCO

Mr. Broadbent announced the following:

- Former Manager of Executive Operations, Maricela Martinez, was promoted to Director of Executive and Administrative Resources Division, and former Acting Health Officer, Judy Cutino, was promoted to Health Officer.
- The District issued two Notices of Violation for the fire at Sims Metal Management in Richmond that occurred on January 30.
- Staff would like to discuss the details of recruitment for two Advisory Council vacancies at the next Board meeting.
- The dates and locations of public meetings to discuss refinery monitoring efforts of Rule 12-15.
- 19 Winter Spare the Air alerts were called in 2017, but there were only 8 days on which the Bay Area exceeded Federal Ambient Air Quality Standards.
- Director Zane was invited to speak at the *Metro Talks* speaker series on the topic of "Learning From the North Bay Wildfires", held at the Bay Area Metro Center on February 1. Secretary

Sinks commended Director Zane and District staff for their comments, and acknowledged the District's opportunity to educate the public on proactive public health measures when rebuilding the 5200 homes that were destroyed in Sonoma County.

24. Chairperson's Report

Chair Hudson announced the following:

- On January 31, he attended the District's first Community Health Protection Program (AB 617) Workshop. He noted that it will be the job of staff and the Board to educate the public about the content of this legislation, and added that, in his opinion, CARB's allocation of funds to the Bay Area will depend on community support of the District's efforts. He encouraged staff to monitor and correct any misinformation about AB 617 that disadvantaged communities receive, and continue to promote data that the District has been collecting.
- On February 1-3, he attended the Local Government Commission's Annual New Partners for Smart Growth Conference, which the District sponsored. He reported that he attended the Race Forward panel by the Center for Social Inclusion, and that he believes that the State should require such trainings of elected officials.
- On February 6, he attended the Rethink Methane Conference in Sacramento.
- On February 13, he attended the Special District Selection Committee meeting of the San Mateo County Local Agency Formation Commission, to help appoint members to the Commission's County Oversight Board.
- On February 16, he attended a Bay Area Regional Collaborative meeting, at which Greg Nudd, Deputy Air Pollution Control Officer on Policy, spoke about AB 617 implementation. He also said that he wished to monitor the progress of the Berkeley Energy Assurance Transformation Microgrid Project that was presented, a clean energy microgrid, powered by solar, in downtown Berkeley to provide power to key City facilities for daily use as well as when power is disrupted.
- He congratulated Directors Chavez and Kniss for being reappointed for another term to the District's Board of Directors.

25. Time and Place of Next Meeting

Wednesday, March 7, 2018, at 375 Beale Street, San Francisco, CA 94109 at 9:45 a.m.

26. Adjournment

The meeting adjourned at 11:50 a.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 26, 2018

Re: Board Communications Received from February 21, 2018 through March 6, 2018

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from February 21, 2018, through March 6, 2018, if any, will be at each Board Member's place at the March 7, 2018, Board meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marjorie Villanueva

Reviewed by: Vanessa Johnson

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 26, 2018

Re: Consider Adopting Amendments to the Air District's Administrative Code, Division I: Operating Policies and Procedures, Section 1: Board of Directors, Meetings, Section 1.1: Meeting Dates, Section 1: Board of Directors, Meetings, Section 1.2A: Compensation – Meeting Attendance, and Section 6: Board of Directors, Committees, Section 6.2: Standing Committees

RECOMMENDED ACTION

The Board of Directors will consider adopting amendments to the Air District's Administrative Code, Division I: Operating Policies and Procedures, Section 1: Board of Directors, Meetings, Section 1.1: Meeting Dates, Section 1: Board of Directors, Meetings, Section 1.2A: Compensation – Meeting Attendance, and Section 6: Board of Directors, Committees, Section 6.2: Standing Committees

BACKGROUND

These amendments will change/or add the following language:

- Regular Board of Directors meeting start time from 9:45 a.m. to 9:30 a.m.;
- Board members shall not receive compensation for attending meetings of any type unless compensation for attendance at such meeting(s) is approved by the Chairperson in an open session prior to attendance at the meeting; and
- Standing committees size from (9) to (11) committee members.

DISCUSSION

Administrative Code Section 14.1, Amendments Mechanism, requires the noticing of proposed amendments at a preceding meeting of the Board of Directors before adoption can take place. These proposed amendments were noticed at the Board of Directors' meeting of February 21, 2018. Adoption of these proposed amendments can now be considered.

The proposed amendments to the Administrative Code are attached for your review and consideration.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Maricela Martinez
Reviewed by: Rex Sanders

Attachment 4A: Air District's Administrative Code, Division I: Operating Policies and Procedures, Section 1: Board of Directors, Meetings, Section 1.1: Meeting Dates, Section 1: Board of Directors, Meetings, Section 1.2A: Compensation – Meeting Attendance

Attachment 4B: Air District's Administrative Code, Division I: Operating Policies and Procedures, Section 6: Board of Directors, Committees, Section 6.2: Standing Committees

AGENDA 4A - ATTACHMENT

Formatted: Right

SECTION 1 BOARD OF DIRECTORS, MEETINGS

1.1 MEETING DATES. (Revised 11/06/2002)

Regular meetings of the Bay Area Air Quality Management District Board of Directors shall be held on the first and third Wednesday of each month, beginning at the hour of ~~9:45 a.m.~~, 9:30 a.m., with either meeting being subject to cancellation by the APCO with the concurrence of the Chairperson if there is insufficient District business to warrant such meeting. When the day, or the day preceding the day, fixed for a regular meeting of the District Board falls upon a legal holiday, that meeting shall be held at the same hour seven (7) days later not on a holiday.

1.2 A. COMPENSATION - MEETING ATTENDANCE. (Revised 4/5/2006)

Board members shall receive compensation of one hundred dollars (\$100) for each day attending meetings of the District Board and of Board Committees, or upon authorization of the Board while on official business of the District, but such compensation shall not exceed six thousand dollars (\$6,000) in any one fiscal year. Board members may receive compensation for attendance at the following types of meetings other than Board and Committee meetings:

- (a) educational seminars designed to improve officials' skill and information levels;
- (b) meetings of regional, state and national organizations whose activities affect the Air District's interest with a District staff member in attendance;
- (c) Air District events; and
- (d) meetings to discuss community and/or business concerns with regard to air quality in the region.

Board members shall not receive compensation for attending meetings of any type unless compensation for attendance at such meeting(s) is approved by the Chairperson in an open session prior to attendance at the meeting.

Report(s) on any meetings that members have attended at the Air District's expense will be given at the next regular board meeting.

To the extent a meeting for which compensation is available includes a meal, a Board member may be reimbursed for the meal expenditures as long as the Board member complies with the limits and reporting requirements of local, state and federal law and the meal expenditure is reasonable and necessary.

1.2 B. LIMITS ON COMPENSATION FOR MEETING ATTENDANCE. (Revised 4/5/2006)

Board members shall not receive compensation for attendance at meetings of any type held outside the State of California unless compensation for attendance at such meeting(s) is approved by the Board in an open session prior to attendance at the meeting.

Unless excused by the Chairperson, a Board member shall receive such compensation for attending meetings of the Board only if:

- (a) the Board member arrives for the meeting within 30 minutes of the scheduled beginning of the meeting; and
- (b) the Board member misses no more than 30 minutes of the meeting plus, in the event a meeting continues beyond noon, the time between noon and adjournment.

1.3 BOARD MEETING LOCATION.

All regular meetings of the Board of Directors and all regular meetings of Board Committees shall be held at the offices of the District located at 375 Beale Street, Suite 600, San Francisco, California, unless at a previous regular Board meeting or committee meeting some other place was designated.

1.4 SPECIAL MEETINGS.

Whenever the business of the District may require special meetings, in the opinion of the Chairperson of the Board of Directors or at the express written request of any three (3) members of the Board, such meetings shall be called. Whenever a special meeting shall be called, notice shall be given to each member of the Board of Directors at least twenty-four (24) hours in advance, and to others as required by law, stating the date and hour of the meeting and the purpose for which such meeting is called. No business shall be transacted thereat except such as is stated in the notice.

1.5 AGENDA.

All reports, communications, resolutions, contract documents or other matters to be submitted to the Directors shall be delivered to the APCO one (1) week prior to the Board meeting. The APCO shall thereupon arrange a list of such matters according to the order of business. The Clerk of the Boards shall furnish each Board Director with a copy of the same no later than the Friday prior to the meeting and as far in advance of the meeting as is feasible.

SECTION 6 BOARD OF DIRECTORS, COMMITTEES**6.1 SPECIAL COMMITTEES.**

All special committees shall be appointed by the Chairperson, unless otherwise directed by the Board.

6.2 STANDING COMMITTEES. (Revised 3/6/2015)

Standing Committees of the Board of Directors shall be the following:

- (a) Executive Committee, consisting of the Chairperson of the Board, who shall be Chairperson of the Committee, the Vice-Chairperson of the Board, the Board Secretary, the last past Chairperson and ~~five seven (57)~~ other Directors appointed by the Chairperson.
- (b) Budget and Finance Committee, consisting of ~~nine eleven (911)~~ Directors appointed by the Chairperson.
- (c) Personnel Committee, consisting of ~~nine eleven (911)~~ Directors appointed by the Chairperson.
- (d) Legislative Committee, consisting of ~~nine eleven (911)~~ Directors appointed by the Chairperson.
- (e) Mobile Source Committee, consisting of ~~nine eleven (911)~~ Directors appointed by the Chairperson.
- (f) Public Engagement Committee, consisting of ~~eleven (911)~~ Directors appointed by the Chairperson.
- (g) Stationary Source Committee, consisting of ~~nine eleven (911)~~ Directors appointed by the Chairperson.
- (h) Climate Protection Committee, consisting of ~~nine eleven (911)~~ Directors appointed by the Chairperson.
- (i) The Chairperson shall be an ex-officio member of all Standing Committees of the Board of Directors.
- (j) Each Standing Committee shall have authority to make recommendations to the Board of Directors for action regarding matters within the scope of the Committee's jurisdiction. A standing committee may discuss but may not make recommendations to the Board of Directors regarding issues outside of its jurisdiction and shall refer such matters to the appropriate committee. Except as specified in this Division or as otherwise specified by the Board of Directors, Standing Committees are not delegated decision-making authority.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 26, 2018

Re: Consider Recognizing an Environmental Protection Agency (EPA) Grant Award for \$321,000 and Consider Authorizing the Executive Officer/APCO to Award a Contract and Issue a Purchase Order for Fiscal Year Ending (FYE) 2018 Not to Exceed \$250,000 to Ramboll Environ, Inc., Pursuant to Administrative Code Division II Fiscal Policies and Procedures, Section 4.3 Contract Limitations, to Perform Community Scale Air Toxics Ambient Monitoring Project in the City of Richmond

RECOMMENDED ACTION

The Board of Directors will consider recognizing an EPA Grant Award for \$321,000 and consider authorizing the Executive Officer/APCO to award a contract and issue a Purchase Order for FYE 2018 not to exceed \$250,000 to Ramboll Environ, Inc. to perform Community Scale Air Toxics Ambient Monitoring in the City of Richmond as outlined in the grant proposal submitted to EPA.

DISCUSSION

The EPA conducts periodic Community-Scale Air Toxics Ambient Monitoring grant competitions to support projects of one and a half to three years to identify and profile air toxics sources, characterize the degree and extent of local air toxics problems, and track progress of air toxics reduction activities. Expected outcomes of these projects are to characterize the sources and local-scale distribution of hazardous air pollutants (HAPs) and assess human exposure and risk at a local scale.

The Air District, along with partners from Ramboll Environ, the City of Richmond, and Argos Scientific submitted a proposal for this grant competition in order to leverage information being collected by the dense ambient air and fence line monitoring systems in and near Richmond. There are three main objectives for this project:

- 1) Use data analytics techniques on the existing large ambient air monitoring data set to determine if a HAP emissions signal from a refinery that is adjacent to an EJ community can be determined;
- 2) Evaluate whether there is covariation within the nearly 20 concentrations measured to allow a reduction in the parameters measured and a resulting reduction in costs without compromising the integrity of the program; and

- 3) Combine data analytics and dispersion modelling to evaluate whether the distinct sources of ambient air concentrations can be determined, potentially, on a real-time basis.

On January 16, 2018, the Air District received official notification that the grant had been awarded based on the proposal submitted by the partnership. The proposal includes \$71,000 to the Air District for project coordination and management and \$250,000 to the primary contractor, Ramboll Environ, that includes \$50,000 to both the City of Richmond and Argos Scientific as subcontractors.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Staff recommends that the FYE 2018 Meteorology and Measurement Division Budget be increased by \$321,000 with the acceptance of the EPA grant and a contract be issued to Ramboll Environ with a Purchase Order not to exceed \$250,000. The project will not require any funding from the General Fund.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Eric Stevenson
Reviewed by: Wayne Kino

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 26, 2018

Re: Referral of Proposed Budget for Fiscal Year Ending (FYE) 2019 to the Budget and
Finance Committee

RECOMMENED ACTION

The Board of Directors will consider referring the proposed budget for FYE 2019 to the Budget and Finance Committee for review and consideration.

BACKGROUND

Pursuant to Administrative Code Division II, Section 3.2 Fiscal Policies and Procedures and in compliance with Health and Safety Code Section 40276, the Executive Officer/APCO requests that the Board of Directors refer the proposed budget for FYE 2019 to the Budget and Finance Committee for review and consideration.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Stephanie Osaze
Reviewed by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 26, 2018

Re: Report of the Mobile Source Committee Meeting of February 22, 2018

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 projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
 - 2) Authorize the Executive Officer/Air Pollution Control Officer to enter into all necessary grant agreements for the recommended projects.
- B) Update on the Air District's Light-Duty Electric Vehicle Program
 - 1) None; receive and file.
- C) Air District Grant Programs Overview
 - 1) None; receive and file.

BACKGROUND

The Committee met on Thursday, February 22, 2018, and received the following reports:

- A) Projects and Contracts with Proposed Grant Awards over \$100,000;
- B) Update on the Air District's Light-Duty Electric Vehicle Program; and
- C) Air District Grant Programs Overview

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

BUDGET CONSIDERATION/FINANCIAL IMPACT

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

B) None; and

C) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 7A: 02/22/2018 – Mobile Source Committee Meeting Agenda #4
Attachment 7B: 02/22/2018 – Mobile Source Committee Meeting Agenda #5
Attachment 7C: 02/22/2018 – 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: February 9, 2018

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

RECOMMENDED ACTION

Recommend Board of Directors:

1. Approve Carl Moyer Program projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into all necessary 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 1, 2017, the Board of Directors (Board) authorized Air District participation in Year 19 of the CMP, and authorized the Executive Officer/APCO to execute Grant Agreements and amendments for projects funded with CMP funds or MSIF revenues, with individual grant award amounts up to \$100,000.

In 1991, the California State Legislature authorized Air District to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority for the Transportation Fund for Clean Air (TFCA) and requirements of the program are set forth in

California Health and Safety Code (HSC) Sections 44241 and 44242. Sixty percent of TFCA funds are awarded by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and to a program referred to as the TFCA Regional Fund. Each year, the Air District's Board allocates funding and adopts policies and evaluation criteria that govern the expenditure of TFCA funding.

On April 19, 2017, the Board allocated \$29.24 million in TFCA funding for eligible projects in Fiscal Year Ending (FYE) 2018, authorized cost-effectiveness limits for Air District-sponsored FYE 2018 programs, and authorized the Executive Officer/APCO to execute Grant Agreements and amendments for TFCA-revenue funded projects with individual grant award amounts up to \$100,000. On August 2, 2017, the Board adopted policies and evaluation criteria for the FYE 2018 TFCA Regional Fund program.

CMP and TFCA projects with grant award amounts over \$100,000, are brought to the Mobile Source Committee for consideration at least on a quarterly basis. Staff reviews and evaluates grant applications based upon the respective governing policies and guidelines established by the ARB and the Board. During this review period, there were no eligible TFCA projects over \$100,000 recommended for approval.

DISCUSSION

Carl Moyer Program:

The Air District started accepting project applications for the CMP Year 19 funding cycle on October 12, 2017. The Air District had more than \$16 million available for CMP school bus projects from a combination of MSIF and CMP funds for the Year 19 cycle. Project applications are accepted and evaluated on a first-come, first-served basis.

As of February 1, 2018, the Air District had received 111 project applications for the CMP Year 19 cycle. Of the applications that have been evaluated between January 4, 2018 and February 1, 2018, two eligible projects have proposed individual grant awards over \$100,000. These projects will replace three school buses, and reduce over 0.3 tons of NOx, ROG and PM per year. Staff recommends the allocation of \$495,000 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 19 projects that have been received by the Air District as of February 1, 2018, and summarizes the allocation of funding by equipment category, and county. Approximately 84% 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 and MSIF funding since 2009 (more than \$147 million awarded to 830 projects).

Transportation Fund for Clean Air Program:

The Air District started accepting project applications for the TFCA on July 1, 2017. As of February 1, 2018, the Air District has received 65 project applications for TFCA funding. Of the

applications that were evaluated between November 17, 2017 and February 1, 2018, there were no eligible projects that proposed an individual grant award over \$100,000.

Attachment 4, lists the 46 eligible TFCA projects that were evaluated between July 1, 2017 and February 1, 2018. In total, these projects represent approximately \$7.67 million in funds awarded, and will annually reduce approximately 31.49 tons of NOx, ROG, and PM and 19,454 tons of tailpipe greenhouse gas emissions. Approximately 26% of the TFCA funding awarded to date will directly reduce emissions in highly impacted Bay Area communities.

Attachment 5, summarizes the allocation of TFCA funding for the 46 eligible projects that have been evaluated since July 1, 2017, by project category (Figure 1), and county (Figure 2).

BUDGET CONSIDERATION / FINANCIAL IMPACT

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

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Anthony Fournier and Chengfeng Wang
Reviewed by: Karen Schkolnick

- Attachment 1: Summary of Carl Moyer Program/Mobile Source Incentive Fund projects with grant awards greater than \$100k (Evaluated between 1/14/18 and 2/1/18)
- Attachment 2: Summary of all Year 19 CMP and MSIF approved and eligible projects (between 10/12/17 and 2/1/18)
- Attachment 3: Summary of program distribution by county and equipment category for CMP and MSIF funding since 2009.
- Attachment 4: Summary of all TFCA approved and eligible projects (evaluated between 7/1/17-2/1/18)
- Attachment 5: Summary of TFCA funds distributed by county and project category (between 7/1/17-2/1/18)

AGENDA 4 - ATTACHMENT 1

Table 1 - Summary of Carl Moyer Program/ Mobile Source Incentive Fund projects with grant awards greater than \$100k (Evaluated between 1/4/18 and 2/1/18)

Project #	Applicant name	Equipment category	Project description	Proposed contract award	Total project cost	Emission Reductions (Tons per year)			County
						NOx	ROG	PM	
19SBP8	San Mateo Union High School District	School bus	Replacement of two diesel school buses	\$ 330,000.00	\$ 339,226.00	0.195	0.017	0.000	San Mateo
19SBP86	San Lorenzo Unified School District	School bus	Replacement of one diesel school bus	\$ 165,000.00	\$ 168,483.28	0.082	0.007	0.000	Alameda
2 Projects				\$ 495,000.00		0.277	0.024	0.000	

AGENDA 4 - ATTACHMENT 2

Summary of all Yr 19 CMP and MSIF approved/ eligible projects (between 10/12/17 and 2/1/18)

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
19MOY13	Ag/ off-road	Equipment replacement	1	\$ 51,224.00	Michael Viratos (Viratos Vineyards)	0.102	0.016	0.011	APCO	Solano
19MOY21	On-road	Equipment replacement	1	\$ 40,000.00	Allied Materials, Inc	0.751	0.109	0.008	APCO	Solano
19MOY16	Ag/ off-road	Equipment replacement	1	\$ 144,055.00	Achadinha Cheese, Inc.	1.189	0.114	0.062	12/20/2017	Sonoma
19MOY38	Locomotive	Equipment replacement	1	\$ 1,080,500.00	Oakland Global Rail Enterprise	1.801	0.108	0.042	12/20/2017	Alameda
19MOY20	Ag/ off-road	Equipment replacement	1	\$ 43,800.00	Bains Farms LLC	0.353	0.054	0.031	APCO	Solano
19MOY25	Ag/ off-road	Equipment replacement	1	\$ 45,200.00	Donald Buhman (Farmer)	0.091	0.015	0.010	APCO	Napa
19MOY24	Off-road	Equipment replacement	1	\$ 66,775.00	Dolan's Lumber of Concord	0.403	0.058	0.033	APCO	Contra Costa
19MOY14	On-road	Equipment replacement	1	\$ 60,000.00	Simon Chuong dba Simon Trucking	1.126	0.170	0.008	APCO	Santa Clara
19MOY2	Marine	Engine replacement	1	\$ 94,000.00	Lovely Martha Sportfishing	0.291	-0.009	0.018	APCO	San Francisco
19MOY10	Marine	Engine replacement	2	\$ 134,800.00	El Dorado Deep Sea Adventure	1.513	-0.022	0.060	12/20/2017	Contra Costa
19MOY15	Marine	Engine replacement	1	\$ 114,000.00	F/V Rose Marie Inc. (Commercial fishing)	0.254	-0.003	0.014	12/20/2017	San Francisco
19MOY1	Marine	Engine replacement	2	\$ 2,590,000.00	Amnav Maritime Corporation (Vessel: Sandra Hugh)	42.718	1.947	1.456	12/20/2017	Alameda
19SBP49	School bus	School bus replacement	4	\$ 496,459.22	San Jose Unified School District	0.480	0.047	0.000	12/20/2017	Santa Clara
19MOY4	Marine	Engine replacement	2	\$ 2,590,000.00	Amnav Maritime Corporation (Vessel: Revolution)	42.718	1.947	1.456	12/20/2017	Alameda
19MOY11	Ag/ off-road	Equipment replacement	1	\$ 41,110.00	Bob Balestra (Vineyard)	0.138	0.021	0.012	APCO	Solano
19MOY6	On-road	Equipment replacement	1	\$ 50,000.00	J&G Transportaion	1.058	0.159	0.055	APCO	Alameda
19MOY35	On-road	Equipment replacement	1	\$ 40,000.00	Manuel Portela Trucking	0.635	0.073	0.028	APCO	Santa Clara

AGENDA 4 - ATTACHMENT 2

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
19MOY28	Ag/ off-road	Equipment replacement	1	\$ 27,885.00	Scott T Murphy (Ranch/ farmer)	0.037	0.034	0.009	APCO	Sonoma
19MOY44	Ag/ off-road	Equipment replacement	2	\$ 62,800.00	Willowbrook Stables LLC	0.039	0.034	0.011	APCO	Sonoma
19MOY43	On-road	Equipment replacement	1	\$ 60,000.00	Khaira Trucking, LLC	1.297	0.196	0.000	APCO	Alameda
19MOY22	Marine	Engine replacement	1	\$ 59,000.00	Flash Sport Fishing, DBA, Flash Sport Fishing	0.176	0.001	0.009	APCO	San Francisco
19MOY19	On-road	Equipment replacement	1	\$ 60,000.00	G & C Trucking	1.032	0.138	0.045	APCO	Solano
19MOY39	Ag/ off-road	Equipment replacement	1	\$ 20,270.00	Cabrillo Farms Agriculture, Inc	0.096	0.015	0.008	APCO	San Mateo
19MOY67	On-road	Equipment replacement	1	\$ 60,000.00	Pawar Brothers Trucking	1.455	0.220	0.011	APCO	Santa Clara
19MOY36	On-road	Equipment replacement	1	\$ 20,000.00	Guru Nanak Trucking	1.028	0.155	0.008	APCO	Alameda
19MOY70	On-road	Equipment replacement	1	\$ 60,000.00	E.P.A Trucking LLC	0.894	0.119	0.039	APCO	San Mateo
19MOY48	Ag/ off-road	Equipment replacement	1	\$ 56,100.00	Corona Vineyard Management LLC	0.056	0.010	0.007	APCO	Napa
19MOY42	Ag/ off-road	Equipment replacement	1	\$ 51,700.00	Bains Farms LLC	0.335	0.044	0.025	APCO	Solano
19MOY47	Ag/ off-road	Equipment replacement	1	\$ 247,240.00	William Y. Gil dba Grass Farm	1.535	0.074	0.042	TBD	Santa Clara
19MOY7	Marine	Engine replacement	2	\$ 140,000.00	Warrior Poet Sportfishing	0.679	0.011	0.026	TBD	San Francisco
19MOY72	Off-road	Engine replacement	26	\$ 2,084,200.00	Independent Construction, Co.	9.410	0.499	0.269	TBD	Contra Costa
19SBP53	School bus	School bus replacement	4	\$ 558,120.00	Fairfield-Suisun Unified School District	0.259	0.019	0.000	TBD	Solano
19MOY59	Ag/ off-road	Equipment replacement	1	\$ 179,200.00	Kabeela, Inc.	0.625	0.060	0.033	TBD	Santa Clara
19SBP8	School bus	School bus replacement	2	\$ 330,000.00	San Mateo Union High School District	0.195	0.017	0.000	TBD	San Mateo

AGENDA 4 - ATTACHMENT 2

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
19SBP86	School bus	School bus replacement	1	\$ 165,000.00	San Lorenzo Unified School District	0.082	0.007	0.000	TBD	Alameda
19MOY83	On-road	Equipment replacement	1	\$ 40,000.00	Katakis Trucking	0.769	0.101	0.005	APCO	San Mateo
36 Projects			73	\$ 11,963,438.22		115.618	6.559	3.852		

Figure 1: CMP and MSIF Funding Distribution by Equipment Category as of 2/1/18

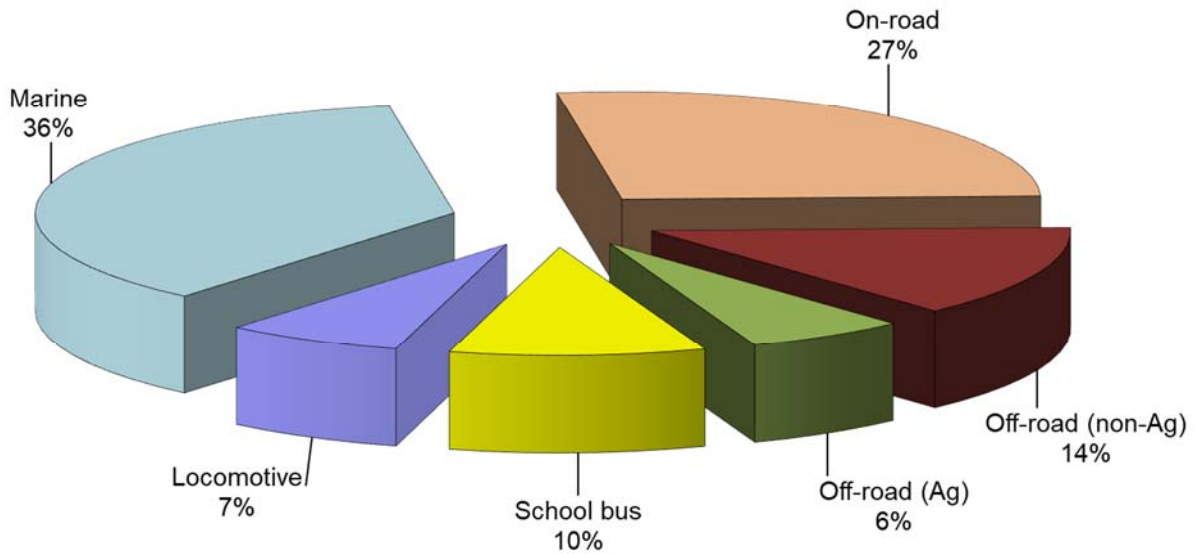
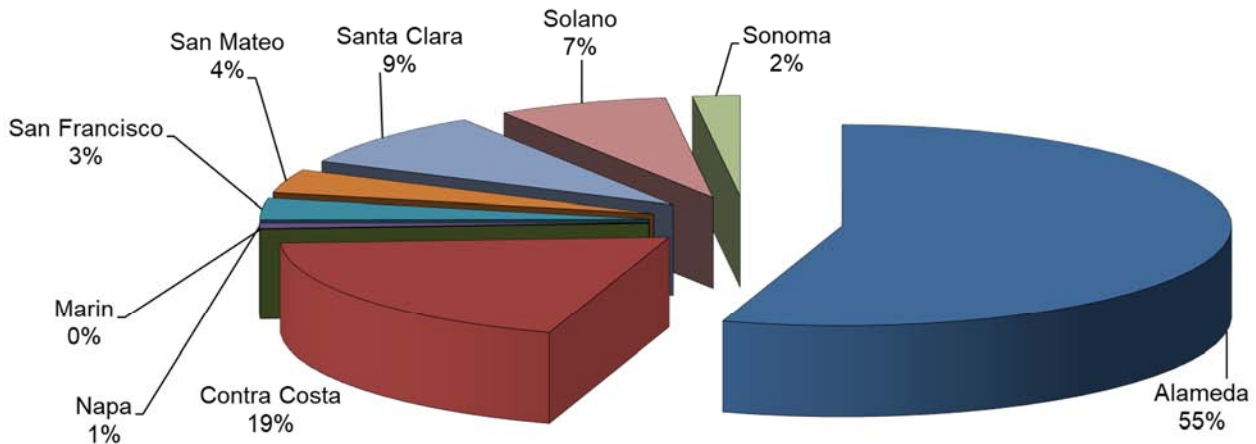


Figure 2: CMP and MSIF Funding Distribution by County as of 2/1/18



AGENDA 4 - ATTACHMENT 3

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

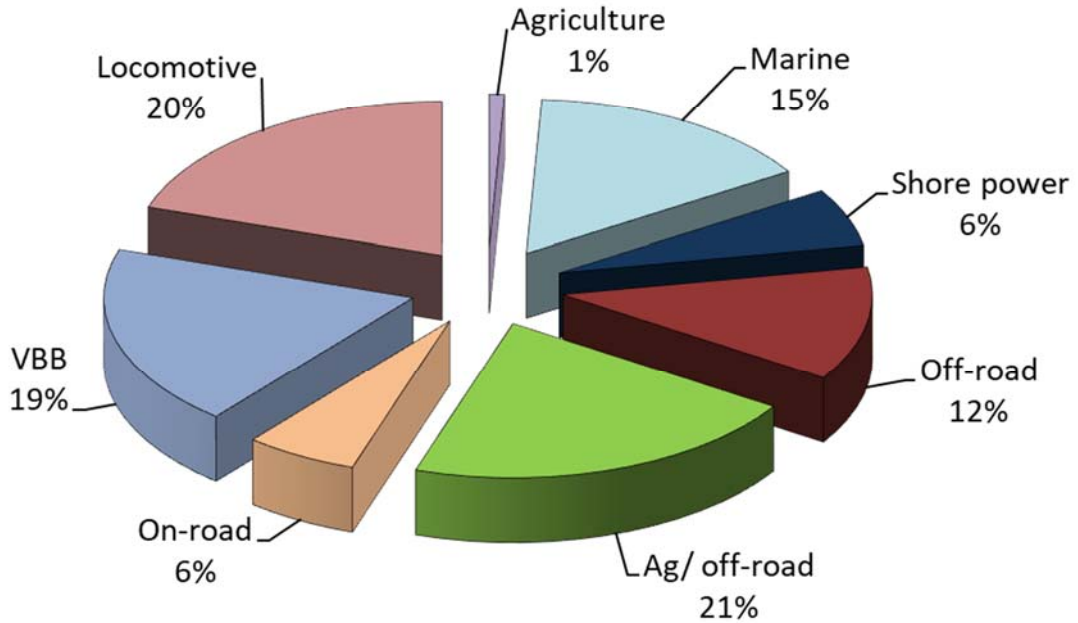
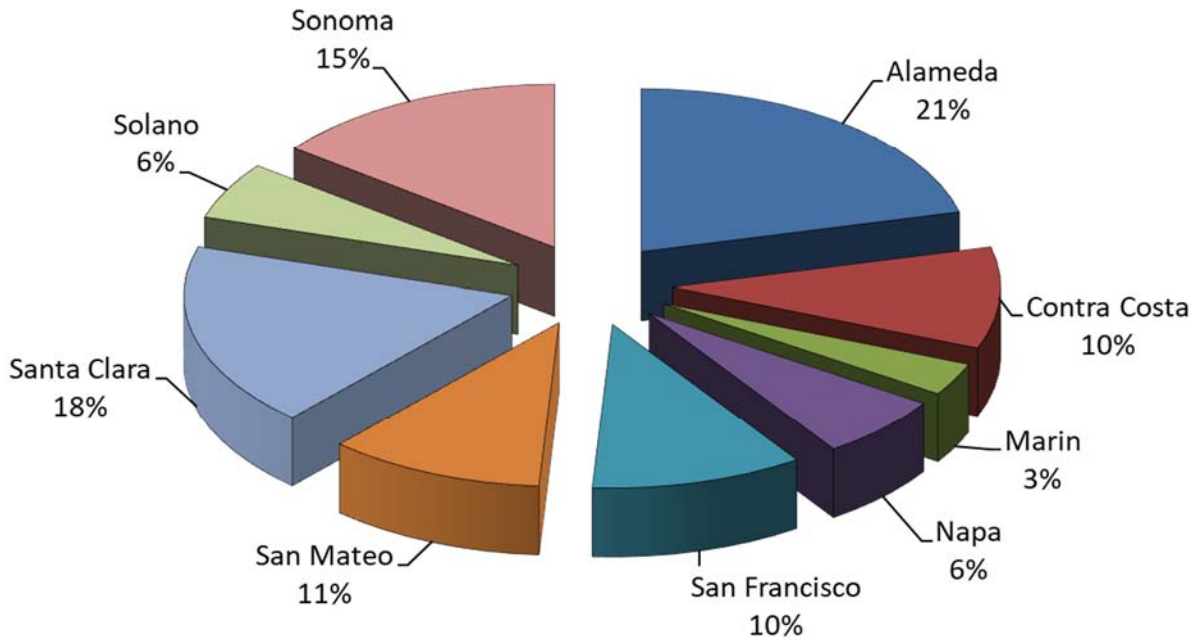


Figure 4: CMP and MSIF funding since 2009 by county



AGENDA 4 - ATTACHMENT 4

Summary of all TFCA approved and eligible projects (evaluated between 7/1/17 and 2/1/18)

Project #	Project Category	Project Description	Award Amount	Applicant Name	Emission Reductions (Tons per year)			Board Approval Date	CARE Area	County
					NO _x	ROG	PM			
Projects Pending Board Approval										
None										
Projects Approved										
17EV005	Electric Vehicle (EV) Charging Stations	Install and operate 5 single-port Level 2 (high) charging stations in Daly City, San Carlos, Menlo Park and Mountain View	\$15,000	Concept Hotels	0.008	0.011	0.000	7/11/17	No	Regional
17EV009	EV Charging Stations	Install and operate 4 dual-port Level 2 (low) charging stations in Menlo Park and Cupertino	\$10,000	J Cyril Johnson Investment Corp	0.005	0.007	0.000	7/27/17	No	Regional
17EV010	EV Charging Stations	Install and operate 4 dual-port Level 2 (low) charging stations in Burlingame	\$10,000	City of Burlingame	0.005	0.007	0.000	9/21/17	No	San Mateo
17EV011	EV Charging Stations	Install and operate 3 dual-port Level 2 (high) charging stations in San Francisco	\$10,936	San Francisco Zoological Society	0.006	0.008	0.000	8/3/17	No	San Francisco
17EV013	EV Charging Stations	Install and operate 4 dual-port Level 2 (high) charging stations in San Jose	\$16,000	San Jose Healthcare System, LP	0.009	0.011	0.000	7/20/17	Yes	Santa Clara
17EV015	EV Charging Stations	Install and operate 14 dual-port Level 2 (high) charging stations in Santa Rosa and Petaluma	\$56,000	Sonoma County Junior College District	0.030	0.040	0.001	7/6/17	No	Sonoma
17EV016	EV Charging Stations	Install and operate 6 dual-port Level 2 (low) charging stations in Hayward	\$15,000	California State University, East Bay Foundation Inc.	0.008	0.011	0.000	7/18/17	No	Alameda
17EV018*	EV Charging Stations	Install and operate 182 single-port Level 2 (high) and 8 DC Fast charging stations with solar in Los Altos, Mountain View, and Los Altos Hills	\$1,400,763	Los Altos School District	0.390	0.508	0.008	10/4/17	No	Santa Clara
17EV019	EV Charging Stations	Install and operate 3 dual-port Level 2 (high) chargers in San Jose	\$12,000	Asian Americans for Community Involvement of Santa Clara County, Inc.	0.007	0.009	0.000	8/28/17	Yes	Santa Clara
17EV020	EV Charging Stations	Install and operate 6 single-port Level 2 (high) charging stations in Los Altos Hills	\$29,078	Fremont Hills Country Club	0.018	0.024	0.000	7/20/17	No	Santa Clara
17EV021	EV Charging Stations	Install and operate 52 single-port Level 2 (high) charging stations in San Jose	\$156,000	North First SJ, LP	0.084	0.110	0.002	10/4/17	No	Santa Clara
17EV022	EV Charging Stations	Install and operate 26 single-port Level 2 (high) and 1 DC Fast charging stations in Los Altos	\$96,000	Mountain View Los Altos High School District	0.056	0.073	0.001	10/4/17	No	Santa Clara
17EV023	EV Charging Stations	Install and operate 3 single-port Level 2 (high) charging stations with solar in Richmond	\$18,000	San Francisco Estuary Institute	0.005	0.006	0.000	8/15/17	Yes	Contra Costa
17EV024	EV Charging Stations	Install and operate 20 single-port Level 2 (high) charging stations with solar in Cotati	\$120,000	Old Redwood Commons Association	0.033	0.042	0.001	10/4/17	No	Sonoma
17EV025	EV Charging Stations	Install and operate 3 dual-port Level 2 (high) charging stations in San Mateo	\$12,000	BCSP Crossroads Property LLC	0.007	0.009	0.000	8/17/17	No	San Mateo
17EV027	EV Charging Stations	Install and operate 8 dual-port Level 2 (high) charging station in San Jose	\$32,000	Santa Clara Valley Transportation Authority	0.017	0.023	0.000	10/11/17	Yes	Santa Clara
17EV029	EV Charging Stations	Install and operate 4 single-port Level 2 (high) charging stations in Albany	\$12,000	City of Albany	0.007	0.009	0.000	11/13/17	Yes	Alameda
17EV031	EV Charging Stations	Install and operate 32 Level 2 (high) single port charging stations in Sunnyvale and Cupertino	\$96,000	Fremont Union High School District	0.052	0.068	0.001	11/14/17	No	Santa Clara
17R18	Bicycle Facilities	Install 0.31 miles of Class II and 10.48 miles Class III bikeways in Daly City	\$133,117	City of Daly City	0.071	0.093	0.138	10/4/17	No	San Mateo
17R19	Bicycle Facilities	Install 0.36 miles of Class IV bikeways in Half Moon Bay	\$25,099	City of Half Moon Bay	0.003	0.004	0.006	9/13/17	No	San Mateo
17R20	Bicycle Facilities	Install 1.87 miles of Class II bikeways in Santa Rosa	\$201,907	City of Santa Rosa	0.027	0.039	0.050	10/4/17	No	Sonoma
17R21	Bicycle Facilities	Install 1.7 miles of Class II and 7.95 miles of Class III bikeways in San Leandro	\$139,128	City of San Leandro	0.030	0.040	0.059	10/4/17	Yes	Alameda
17R22	Bicycle Facilities	Install 3.05 miles of Class III bikeways in Redwood City	\$29,206	City of Redwood City	0.004	0.005	0.007	9/13/17	No	San Mateo
17R23	Bicycle Facilities	Install 0.8 miles of Class I bikeway in Albany	\$246,552	East Bay Regional Park District	0.030	0.040	0.059	10/4/17	Yes	Alameda
17R24	Bicycle Facilities	Install 7.76 miles of Class III and .7 miles of Class IV bikeways in Cupertino	\$138,359	City of Cupertino	0.017	0.024	0.031	10/4/17	No	Santa Clara
17R26	Bicycle Facilities	Install 0.28 miles of Class I bikeway in San Carlos	\$120,721	City of San Carlos	0.011	0.014	0.021	10/4/17	No	San Mateo
17R27	Bicycle Facilities	Install 20 electronic bicycle lockers in Richmond	\$40,000	City of Richmond	0.005	0.007	0.009	9/13/17	Yes	Contra Costa
17R28	Bicycle Facilities	Install 104 electronic bicycle lockers in San Jose	\$208,000	City of San Jose	0.026	0.037	0.048	10/4/17	Yes	Santa Clara
17R29	Bicycle Facilities	Install 40 electronic bicycle lockers in San Francisco	\$100,000	San Francisco Municipal Transportation Agency	0.014	0.019	0.028	9/13/17	Yes	San Francisco

AGENDA 4 - ATTACHMENT 4

Summary of all TFCA approved and eligible projects (evaluated between 7/1/17 and 2/1/18)

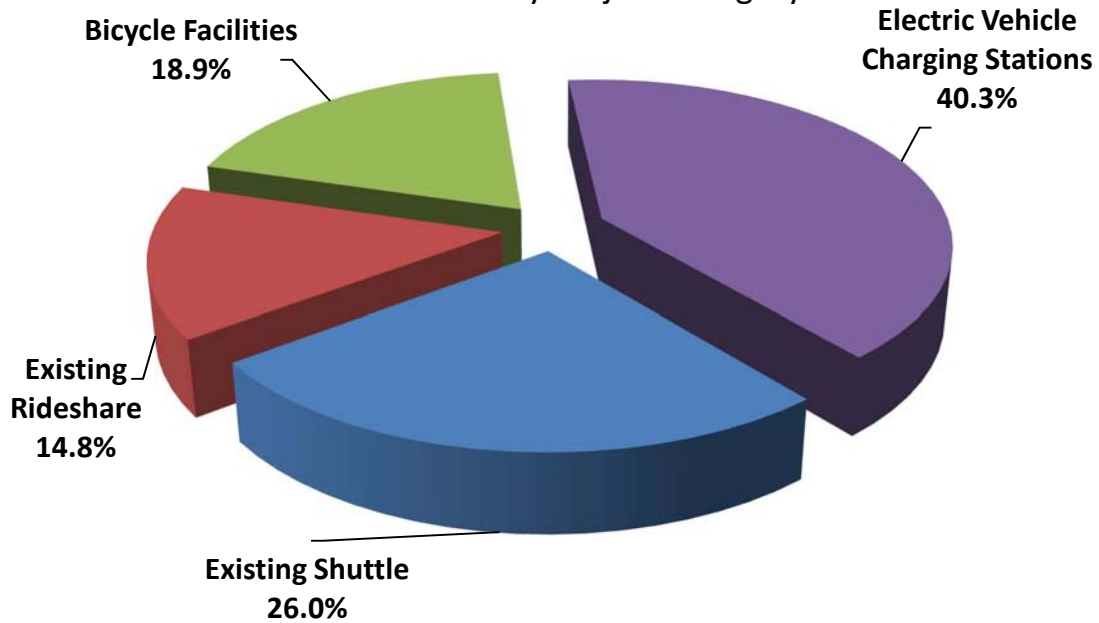
Project #	Project Category	Project Description	Award Amount	Applicant Name	Emission Reductions (Tons per year)			Board Approval Date	CARE Area	County
					NO _x	ROG	PM			
17R30	Bicycle Facilities	Install 16 electronic bicycle lockers in Oakland	\$36,000	City of Oakland	0.005	0.007	0.009	9/13/17	Yes	Alameda
17R31	Bicycle Facilities	Install 74 bicycle racks and 8 electronic bicycle lockers in Fremont	\$21,550	City of Fremont	0.007	0.010	0.011	9/13/17	No	Alameda
17R32	Bicycle Facilities	Install 171 bicycle racks in Palo Alto	\$12,825	Palo Alto Unified School District	0.012	0.016	0.016	9/13/17	No	Santa Clara
18EV001	EV Charging Stations	Install and operate 244 Level 2 (high) single-port charging stations in San Jose, Campbell, and Saratoga	\$732,000	Campbell Union High School District	0.396	0.516	0.008	12/20/17	No	Santa Clara
18EV005	EV Charging Stations	Install and operate 2 dual-port Level 2 (high) and 1 single-port Level 2 (high) charging stations in Napa	\$11,000	Napa County Superintendent of Schools	0.006	0.008	0.000	1/3/18	No	Napa
18EV006	EV Charging Stations	Install and operate 1 dual-port level 2 (high) and 1 DC Fast charging stations in Emeryville	\$29,000	City of Emeryville	0.016	0.020	0.000	1/10/18	Yes	Alameda
18EV010	EV Charging Stations	Install and operate 5 dual-port level 2 (high) charging stations in Milpitas	\$20,000	Sonicwall Inc	0.011	0.014	0.000	1/17/18	No	Santa Clara
18EV011	EV Charging Stations	Install and operate 24 single-port level 2 (high) charging stations in San Jose	\$72,000	Vocera Communications, Inc.	0.039	0.051	0.001	11/22/17	Yes	Santa Clara
18EV012	EV Charging Stations	Install and operate 4 dual-port Level 2 (high) charging stations in San Jose	\$16,000	Pan Cal Corporation	0.009	0.011	0.000	1/3/18	No	Santa Clara
18EV014	EV Charging Stations	Install and operate 32 single-port level 2 (high) charging stations in San Jose	\$96,000	The Harker School	0.052	0.068	0.001	1/17/18	No	Santa Clara
18R05	Rideshare Services	SJSU Ridesharing & Trip Reduction	\$140,000	Associated Students, San Jose State University	0.808	0.920	1.282	11/1/17	Yes	Regional
18R06	Shuttle Services	ACE Shuttle 53 and 54	\$80,000	San Joaquin Regional Rail Commission	0.331	0.390	0.629	10/3/17	Yes	Alameda
18R07	Shuttle Services	ACE Shuttle Bus Program	\$960,000	Santa Clara Valley Transportation Authority	2.455	2.508	4.222	11/1/17	Yes	Santa Clara
18R09	Shuttle Services	PresidiGo Downtown Shuttle	\$100,000	Presidio Trust	0.213	0.267	0.364	10/3/17	Yes	San Francisco
18R10	Shuttle Services	Caltrain Shuttle Program	\$612,100	Peninsula Corridor Joint Powers Board	1.539	1.832	2.641	11/1/17	No	San Mateo / Santa Clara
18R11	Rideshare Services	511 Regional Vanpool & Carpool Program	\$991,000	Metropolitan Transportation Commission	0.802	1.783	3.507	11/1/17	Yes	Regional
18R12	Shuttle Services	Emery Go-Round Shuttle	\$238,819	City of Emeryville	0.233	0.270	0.415	11/1/17	Yes	Alameda
46 Projects			\$7,667,160		7.917	9.984	13.577			

*The proposed award for Project #17EV018 includes \$99,900 of funds from the California Energy Commission (CEC), pending CEC's approval. The TFCA award for this project is \$1,300,863.

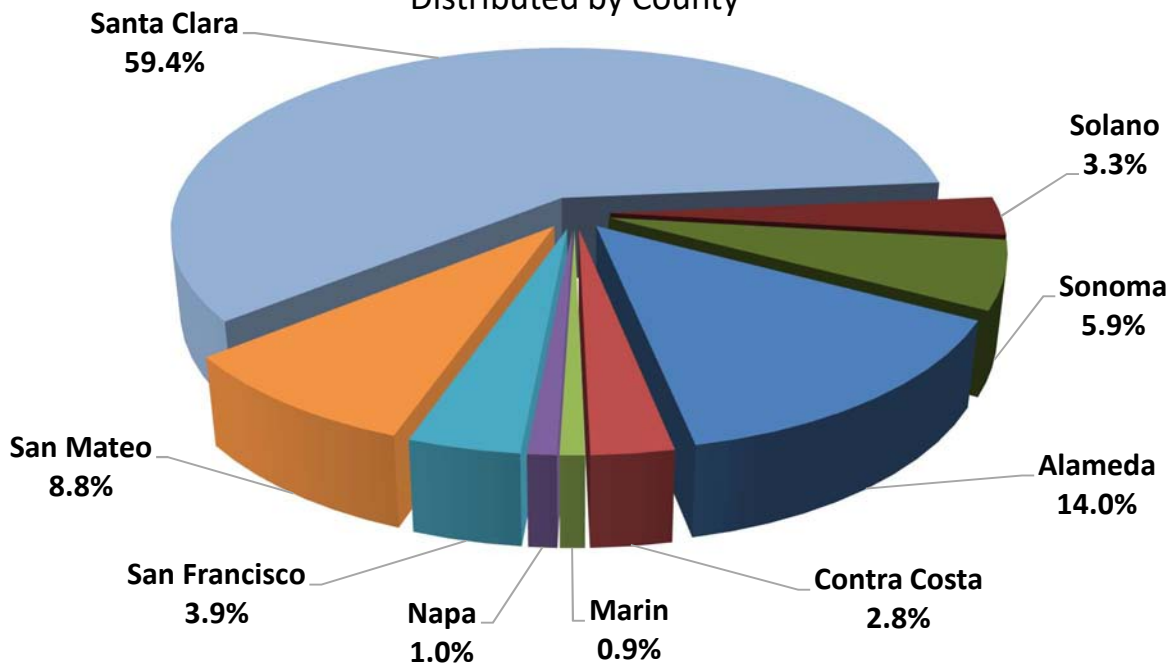
AGENDA 4 - ATTACHMENT 5

Summary of TFCA funds distributed by county and project category
(between 7/1/17 and 2/1/18)

**Figure 1: TFCA Projects Awarded
Distributed by Project Category**



**Figure 2: TFCA Projects Awarded
Distributed by County**



BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

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

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 9, 2018

Re: Update on the Air District's Light-Duty Electric Vehicle Program

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In the Bay Area, mobile sources account for 53% of certain criteria air pollutants and 41% of the Green-House Gases (GHG) generated¹. Since on-road vehicles and other mobile source emissions contribute significantly to criteria pollutants and GHGs, emissions reductions from this sector is essential to helping the Bay Area attain State and Federal ambient air quality standards and meet its GHG reduction goals. For this reason, the Bay Area Air Quality Management District (Air District) has invested significant resources to reduce emissions from the light-duty fleet through incentivizes for vehicles, infrastructure, and services that enable mode-switch to alternatives to single-occupancy vehicle use.

With the first introduction of commercially available light-duty plug-in electric vehicles (EV), in 2010, the Air District began focusing on strategies and programs to accelerate the rate of adoption of the cleanest technology available: EVs. The Air District views wide-scale adoption of EVs and electrification of all sectors of transportation as essential to achieving local, State, and Federal emission reduction targets. Additionally, studies have shown that further emissions benefits will be realized over time as the regions' power grid shifts to higher reliance on renewable energy sources².

¹ BAAQMD 2017 Clean Air Plan, Emissions Inventory for year 2015. Mobile sources include: Passenger Cars, Light-, Medium-, Light-Heavy-, Medium-Heavy-, Heavy-Heavy-Duty Trucks, School/Urban Buses, Motor-Homes, Motorcycles, Lawn & Garden Equipment, Transportation Refrigeration Units, Agricultural Equipment, Construction and Mining Equipment, Industrial Equipment, Light Duty Commercial Equipment, Trains, Off-Road Recreational Vehicles, Ships, Commercial Harborcraft, Recreational Boats, and Airport Ground Support Equipment.

² Electric Power Research Institute/National Resources Defense Council, Environmental Assessment of a Full Electric Transportation Portfolio, <http://www.epri.com/abstracts/Pages/ProductAbstract.aspx?ProductId=3002006881>, September 2015

DISCUSSION

The Air District's EV efforts have included development and implementation of region-wide plans, outreach and awareness campaigns, and direct monetary incentives. These efforts, in combination with other initiatives, have contributed to the region's high per-capita adoption rate (13 registered light duty EVs per 1,000 people—the highest rate in the United States) with more than 100,000 light duty EVs (nearly 40% of the EVs registered in California) being registered to Bay Area residents and businesses³. The Air District's efforts in the planning, incentives and outreach area are described in greater detail below:

Current and Past Efforts

Planning and Financial Incentives

Beginning in 2010, to prepare the region for the influx of EVs, the Air District partnered with the Metropolitan Transportation Commission (MTC) and other electric vehicle stakeholders to develop the Bay Area Plug-In Electric Vehicle Readiness Plan (PEV Plan). Based on research, analysis, and public input, the final 2013 PEV Plan included:

- Projections for EV ownership and deployment; barriers to EV ownership, deployment, and steps to eliminate barriers in private and public fleets, including recommendations for future incentive programs;
- Key strategic zones/areas for deployment and types of charging stations for regional EV charging infrastructure;
- Best practice recommendations for local government regarding their EV readiness and friendliness with respect to permitting and inspection practices; zoning and parking rules, local ordinances; and building codes;
- Identification of strategies to attract EV manufacturing, production, infrastructure and services to the Bay Area and California; and
- Integration of the Regional PEV Plan into the Bay Area's Sustainable Communities Strategy (SCS) plan (Plan Bay Area 2040).

With the adoption of the PEV Plan, the Air District has focused its incentives to target the key barriers identified in the Plan. Since 2010, the Air District's Board of Directors has allocated over \$11 million for incentive programs and to leverage additional investments. This investment has directly resulted in the deployment of more than 1,500 passenger electric vehicles, 1,050 publicly available Level 2 and DC Fast chargers, and over 1,400 residential chargers. Early incentive programs, such as the Air District's participation in the Department of Energy's EV Project, were designed to demonstrate the viability of EV technology and to "jump-start" the market. More recently, the Air District has targeted its incentives to expand the region's charging network through the *Charge!* Program. *Charge!* has supported approximately 18% of the publicly available

³ Estimated using a 76% rebate use rate and data from CARB PEV Rebates Statistics: Center for Sustainable Energy (2015). California Air Resources Board Clean Vehicle Rebate Project, Rebate Statistics. Data last updated January 9, 2018. Accessed January 10, 2018 from <http://energycenter.org/clean-vehicle-rebate-project/rebate-statistics>

charging stations in the Bay Area (Figure 1), making the Bay Area home to one of the most robust charging networks in the nation. Over the past seven years, over 4,400+ publicly available charging stations, including 150+ DC Fast Chargers, have been installed in the Bay Area to support the region's EVs.

Outreach and Partnerships

Since 2011, the Air District, in partnership with MTC, has also sponsored the EV Coordinating Council, a forum for EV stakeholders including local governments, businesses, research institutions and non-profits to collaborate. The EV Coordinating Council is convened quarterly and serves as a clearing house to cover topics such as: new plug-in vehicles and charging technologies on the market, EV-friendly ordinances adopted by local agencies, and grant opportunities. The Council is an ongoing platform to discuss emerging trends, share best practices, and facilitate innovation to address barriers to EV adoption.

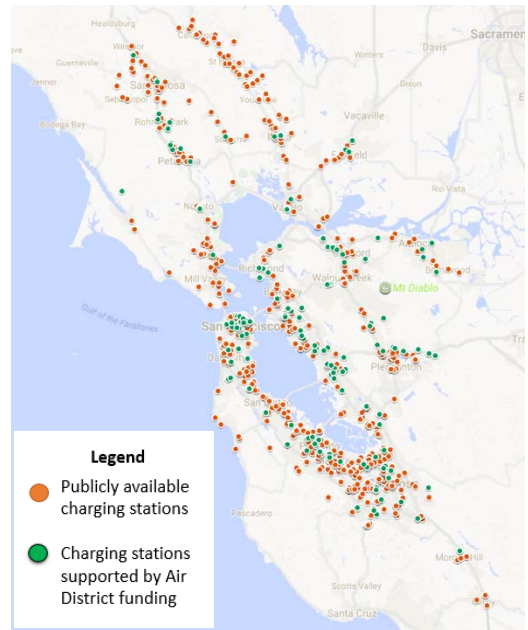


Figure 1. Publicly available charging stations; stations supported by Air District funding in green

The Air District also sponsors local events and attends and shares information at regional conferences and meetings with local associations and government agencies (e.g. transportation, environment, public works, school districts, chambers of commerce).

Future Efforts

Over the next decade, the rate of EV adoption will need to increase exponentially to meet the transportation electrification goal of 90%+ by 2050 established in the 2017 Clean Air Plan. The charging network will also need to continue to expand, both in density and geographical reach to accommodate the higher rates of EV adoption and access for drivers in more communities. In addition, the network will need to evolve, to accommodate the new faster-charging longer range EVs that will be available beginning in 2018.

Moving forward, the Air District will be focused on addressing barriers to adoption in communities that have been slower to adopt EV, providing incentives to help build out a fast charging network and fill in gaps in the existing network, and updating the region's EV plans to reflect current technologies and trends. These efforts are described in detail below:

Accelerating adoption in low-income communities

The California Air Resources Board (ARB) approved an expansion of its light duty EV rebate program for disadvantaged communities to the Bay Area. The Air District is currently working with ARB to accept funding that would provide qualifying low-income residents up to \$9,500 for a new light duty EV. The program, which will provide funding in a range based on the participants income level, will also include options to purchase used EVs and new and used hybrid vehicles, and an option to receive vouchers for transit and car-sharing. This program is scheduled to launch

later in 2018 and will include stakeholder engagement and outreach to disadvantaged communities, case managers to support participants through the application process, and partnerships with dealers, vehicle scrappers, and alternative transportation options (e.g. Clipper card).

Building out fast charging, and filling in gaps

Recognizing that the use-case for EVs are shifting due to the availability of new longer range (200+ miles) EV models, the Air District will be expanding its focus to install fast chargers along major highway corridors. These Ultra-fast (150+ kW) Direct Current Fast Chargers will be installed in “plazas” and will operate like gasoline refueling stations. These plazas will also address the needs of potential EV adopters who are looking for EVs to cover daily commuting and long-distance trips, more similar to what consumers are used to with gasoline vehicles.

EV uptake among residents of multi-dwelling units has lagged due to the lack of dedicated parking and the challenge of installing charging infrastructure in shared parking structures. In addition to incentivizing charging installations in multi-dwelling units, the Air District will also continue to target workplace charging. The combination of ultra-fast charging plazas and workplace charging is a viable solution for potential EV consumers who do not have access to home charging.

Expanding partnerships, outreach, and evaluation activities

In November 2017, the Air District’s Board and MTC approved a funding partnership whereby MTC will provide \$5 million over the next 5 years to support the Air District’s outreach, and evaluation activities, and to expand the Air District’s light duty EV incentive programs. The Air District will be using these funds to provide additional technical support to local governments to help improve their EV readiness and to expand general outreach and education.

Leveraging other efforts in the region

The Air District’s investments and efforts have, and will continue to, play a significant role in catalyzing the Bay Area’s shift towards zero emission transportation. In recent years, other organizations have increased support and incentives for charging infrastructure and vehicles, such as Pacific Gas & Electric’s EV Charge Program, Electrify America (Volkswagen subsidiary), ARB and the California Energy Commission. The California Building Standards Commission recently updated the CalGreen building codes to require new buildings to have a certain percentage of parking spaces be “EV Ready.” To meet the region’s aggressive EV adoption goals, these regulatory and incentive programs are all needed, and the efforts need to be coordinated to have maximum impact on driving adoption.

At the Mobile Source Committee, staff will provide an overview of light duty EV market, a summary of the results of the Air District’s past light duty EV initiatives, and the Air District’s next steps to further support the accelerated adoption of light duty EVs.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ken Mak and Ranyee Chiang
Reviewed by: Karen Schkolnick and Ranyee Chiang

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

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

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 9, 2018

Re: Air District Grant Programs Overview

RECOMMENDATION

None; receive and file.

BACKGROUND

In the Bay Area, mobile sources account for 53% of certain criteria air pollutants and 41% of the Green-House Gases (GHG) generated¹. Since on-road vehicles and other mobile source emissions contribute significantly to criteria pollutants and GHGs, emissions reductions from this sector is essential to helping the Bay Area attain State and Federal ambient air quality standards and meet its GHG reduction goals. As part of its efforts to reduce emissions from mobile sources, the Bay Area Air Quality Management District (Air District) administers grant and incentive programs that offer funding to public agencies, private companies, and Bay Area residents to help offset a portion of the cost to implement eligible emissions reduction projects.

In calendar year 2017, the Air District awarded nearly \$57 million in funding to eligible projects. Approximately \$47.5 million of that funding was directly allocated by the Air District. The remaining \$9.4 million was distributed to the nine congestion management agencies in the Bay Area via the Transportation Fund for Clean Air (TFCA) County Program Manager program. The Air District allocated \$45.6 million from four primary funding sources, including the California Goods Movement Bond, TFCA Regional Fund, Mobile Source Incentive Fund, and the Carl Moyer Program. These programs accumulate annually via fees and bond sales that are distributed to the Air District, and constitute the Air District's primary grant programs.

In addition to these four primary funding sources, staff also seeks out additional funding opportunities (e.g., state and federal sources) to further reduce emissions from both mobile and stationary sources in the Bay Area. The remaining \$1.9 million of the \$47.5 million came from

¹ BAAQMD 2017 Clean Air Plan, Emissions Inventory for year 2015. Mobile Sources include: Passenger Cars, Light-, Medium-, Light-Heavy-, Medium-Heavy-, Heavy-Heavy-Duty Trucks, School/Urban Buses, Motor-Homes, Motorcycles, Lawn & Garden Equipment, Transportation Refrigeration Units, Agricultural Equipment, Construction and Mining Equipment, Industrial Equipment, Light Duty Commercial Equipment, Trains, Off-Road Recreational Vehicles, Ships, Commercial Harborcraft, Recreational Boats, and Airport Ground Support Equipment.

the U.S. Environmental Protection Agency's National Clean Diesel Program for a locomotive project at the Port of Oakland, the Greenhouse Gas Reduction Grant Program (GGRGP) funded by the ConocoPhillips Carbon Offset Funds and the National Fish and Wildlife Foundation (NF&WF) for the Commercial Lawn and Garden Equipment Replacement Program, and the Air District's general fund for the Wood Smoke Emissions Reduction Incentive Program.

DISCUSSION

Each year the Committee receives an update summarizing prior year grant expenditures. The presentation to the Committee will include a discussion of the total incentive funds allocated in calendar year 2017 by funding source, project/equipment category, and county, and emissions reductions. Staff will also discuss with the Committee the projected funding for each of the Air District's primary grant programs in calendar year 2018 and present historical information showing how Air District funds have been allocated over the past five years.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Chengfeng Wang and Anthony Fournier
Reviewed by: Damian Breen and Karen Schkolnick

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
 Memorandum

To: Chairperson David Hudson and Members
 of the Board of Directors

From: Jack P. Broadbent
 Executive Officer/APCO

Date: February 26, 2018

Re: Report of the Legislative Committee Meeting of February 22, 2018

RECOMMENDED ACTION

A) Discussion of Potential 2018 Legislative Agenda

- 1) The Legislative Committee (Committee) recommends that the Board of Directors (Board) considers a legislative agenda for 2018, focused on securing state budget funding to cover the costs of the work that the Air District has been assigned under Assembly Bill (AB) 617.

B) The Committee considered new bills and positions, including:

Bill/Author	Subject	Staff recommendation
AB 1975 (Chu)	Establishes South Bay Interagency Odor Taskforce	<i>Support if Amended</i>
AB 2008 (Salas)	Excludes Carl Moyer Grants from Taxable Income	<i>Support</i>
AB 1756 (Brough)	Repeals Senate Bill (SB) 1 (Transportation Funding Measure of 2017)	There was a consensus of the Committee to recommend an “Oppose” position

- 1) The Committee recommends that the Board approve the District’s positions listed above.

BACKGROUND

The Committee met on Wednesday, February 22, 2018, and received the following reports and recommendations:

- A) Discussion of Potential 2018 Legislative Agenda; and
- B) Consideration of New Bills

Legislative Committee Chairperson, David Hudson, will give an oral report of the meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 8A: 02/22/18 – Legislative Committee Meeting Agenda #4
Attachment 8B: 02/22/18 – Legislative Committee Meeting Agenda #5

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Dave Hudson and Members
of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 9, 2018

Re: Discussion of Potential 2018 Legislative Agenda

RECOMMENDED ACTION

The Committee will consider recommending a 2018 Legislative Agenda to the Board of Directors.

BACKGROUND

Staff are recommending the Committee consider a legislative agenda for 2018, focused on securing state budget funding to cover the costs of the work the Air District has been assigned under AB 617.

DISCUSSION

In 2017, California extended its cap-and-trade program, a signature piece of the State's efforts to reduce greenhouse gas emissions. Integral to the deal extending the program was the passage of AB 617, authored by Assemblymember Christina Garcia. This imposes a wide variety of new requirements and obligations on local air districts. A partial list of this new workload includes development and installation of new community air monitoring programs, implementation of comprehensive community emission reduction plans, and significant new work regarding Best Available Retrofit Control Technology (BARCT), for certain cap-and-trade sources. While the specifics of the work to be done by air districts is still the topic of discussion with the Air Resources Board (ARB), local communities, and other interests, we expect that initial one-time costs may be in the range of \$15 to \$25 million dollars, and ongoing annual costs will start over \$10 million and potentially escalate over time.

The Air District adopted an 'oppose unless amended' position on AB 617 last year prior to its passage, in large part because the legislation did not include any funding for the required substantial workload increase. However, after passage, the Legislature included \$11 million for ARB to oversee AB 617 implementation, and \$27 million for all air districts statewide to implement the new requirements. These allocations have the cap-and-trade auction revenues as their source. The Air District's share of the \$27 million is \$4.8 million. As of the date of this memorandum, the Air District has yet to receive any of the allocated funds, although we expect to receive at least an initial payment relatively soon.

However, of far greater concern, the administration has allocated no funding for districts to implement AB 617 in its January proposed budget for the upcoming fiscal year. However, ARB is slated to receive \$14.6 million to oversee implementation. Staff believe our highest legislative priority for 2018, is to work to secure adequate funding to implement AB 617.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None at this time.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Thomas Addison

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Hudson and Members
of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 9, 2018

Re: Consideration of New Bills

RECOMMENDED ACTION

The Committee will discuss and review new bills and consider recommending positions on them to the Board of Directors.

BACKGROUND

2018 is the second year of the 2017-2018 Legislative Session. Relatively few new bills have been introduced as of the date of this memorandum, but staff expect that many bills relevant to the Air District will be in print as of the February 16, 2018, deadline. Staff may present some of these bills orally to the Committee at its February 22, 2018 meeting, in addition to the bills below. The Committee will consider more bills at its March meeting. All bills must be in print for 30 days before being heard in Policy Committee. In practice, the bulk of bills will have their first policy committee hearing in April. Bills with fiscal implications have an April 27, 2018, deadline to clear their policy committee or committees.

DISCUSSION

AB 1975 is authored by Assemblymember Kansen Chu (D-San Jose), and tackles ongoing odors in Milpitas and adjacent parts of the South Bay. The Assemblymember's district has long had odor impacts from such sources as the Newby Island landfill and composting operation, the San Jose/Santa Clara regional sewage treatment plant, Zero Waste Energy Development (an anaerobic digestion facility), adjacent bay lands, the Milpitas sewage pump station, and more. Generally, odor complaints to the District have been declining, as our efforts to improve practices at these facilities have been paying off. Total Milpitas odor complaints have declined from approximately 3,500 in 2015, to 2,800 in 2016, to 1,500 in 2017. Another positive development since 2015 is the ongoing collaboration of the South Bay Odor Stakeholders Group, a public/private partnership of regulators, local governments, and odor sources.

AB 1975 would codify the stakeholders group in statute, make some changes to it, and assign it some tasks. It is similar to AB 385 of 2015 by the same author, which died in the second house. This year's bill would have CalRecycle establish the South Bay Interagency Taskforce, which would have as members all local governments in the area, the District, the local enforcement

agency (LEA), and all facilities it deems as odor sources in the region. The taskforce would have until July of 2020 to complete five assignments:

1. “Identify and quantify” sources of odor emissions;
2. “Develop and implement a protocol for joint inspections” by the Air District and the LEA;
3. “Identify best management practices that may be implemented to reduce odor emissions”;
4. Make the taskforce’s work available online; and
5. Allow public participation

Staff are recommending a “**Support if amended**” position on AB 1975. One limitation of the existing South Bay Odor Stakeholders Group is that a number of key entities are not participating, or participating only infrequently. Mandating a similar group in statute should help address this ongoing concern of the Air District, and we hope to get the more complete participation that the odor problems warrant. Staff support the third, fourth, and fifth of the taskforce’s assignments. The first and second assignments are problematic as drafted, and staff are recommending some changes to address our concerns. Quantifying odor emissions is a well-intentioned but infeasible goal, so we suggest eliminating the quantification part of the first assignment while keeping the identification of odor emissions. The second goal we believe should be struck. District inspectors and LEA inspectors inspect the relevant facilities for compliance with completely different requirements. Thus we believe joint inspections are not appropriate. These are the amendments staff recommend the District seek.

AB 2008 is authored by Assemblymember Rudy Salas (D-Bakersfield). It would stipulate that taxpayers not count Moyer grants as gross income for state tax purposes. Today, these grants are taxable. If they become not taxable, staff believe that would encourage additional owners of older, dirtier diesel engines to seek grant funding to clean up their equipment. Less affluent taxpayers in particular might apply for non-taxable grants, and in general staff believe the bill is likely to increase the cost-effectiveness and emissions benefits from the Moyer program. Thus, staff recommend a “**Support**” position on the bill.

AB 2008 would decrease state income taxes, and thus will likely be opposed by the Department of Finance. A similar but more expansive measure was attempted by Senator Cannella in 2011. SB 358 of that year would have exempted all clean air grants from gross income. The bill failed to advance past its first policy committee.

Copies of AB 1975 and AB 2008 are attached. Staff may bring additional bills to the committee for its consideration on February 22, 2018, as well as a list of introduced bills with air quality implications.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None at this time.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Thomas Addison

Attachment 5A: Assembly Bill No. 1975

Attachment 5B: Assembly Bill No. 2008

ASSEMBLY BILL

No. 1975

Introduced by Assembly Member Chu

January 31, 2018

An act to add Section 43209.5 to the Public Resources Code, relating to solid waste.

LEGISLATIVE COUNSEL'S DIGEST

AB 1975, as introduced, Chu. Nuisance: odors.

(1) Existing law prohibits, with specified exceptions, the discharge of any air contaminant or other material that causes injury, detriment, nuisance, or annoyance to, or that endangers, the public. Existing law exempts from that prohibition, among other things, all odors emanating from agricultural operations necessary for the growing of crops or the raising of fowl or animals; odors emanating directly from a facility or operation that produces, manufactures, or handles compost, as defined; and odors emanating from operations that compost green material or animal waste products derived from agricultural operations, as specified.

Existing law also requires an air pollution control or air quality management district that receives a complaint regarding an odor emanating from an exempt composting operation to refer the complaint to an enforcement agency with jurisdiction pursuant to the California Integrated Waste Management Act of 1989, and requires that agency to take appropriate enforcement action.

This bill would require the Department of Resources Recycling and Recovery, no later than July 1, 2019, to establish the South Bay Interagency Odor Taskforce, with a specified membership, to identify sources of odor emissions and nuisance complaints based on odor emissions received by the Bay Area Air Quality Management District

and the City of Milpitas, the City of Fremont, the City of Santa Clara, and the City of San Jose. The bill would require the taskforce, no later than January 1, 2020, to take specified actions, including, among others, developing and implementing a protocol for joint inspections by the air district and the enforcement agency represented on the taskforce. By adding to the duties of local agencies, this bill would impose a state-mandated local program.

(2) This bill would make legislative findings and declarations as to the necessity of a special statute for certain cities in the County of Santa Clara.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 43209.5 is added to the Public Resources
- 2 Code, to read:
- 3 43209.5. (a) (1) No later than July 1, 2019, the department
- 4 shall establish the South Bay Interagency Odor Taskforce to
- 5 identify sources of odor emissions and nuisance complaints based
- 6 on odor emissions received by the Bay Area Air Quality
- 7 Management District and the City of Milpitas, City of Fremont,
- 8 City of Santa Clara, and City of San Jose.
- 9 (2) The taskforce established pursuant to this subdivision shall
- 10 be comprised of the following:
- 11 (A) One representative from the Bay Area Air Quality
- 12 Management District.
- 13 (B) One representative from the City of Milpitas.
- 14 (C) One representative from the City of Fremont.
- 15 (D) One representative from the City of Santa Clara.
- 16 (E) One representative from the City of San Jose.
- 17 (F) One representative from each facility identified by the
- 18 department as a potential source of odor emissions.

- 1 (G) One representative from the local enforcement agency.
2 (b) No later than July 1, 2020, and notwithstanding Section
3 41705 of the Health and Safety Code, the South Bay Interagency
4 Taskforce shall do all of the following:
5 (1) Identify and quantify sources of odor emissions in the region
6 represented by the taskforce representatives.
7 (2) Develop and implement a protocol for joint inspections by
8 the Bay Area Air Quality Management District and the enforcement
9 agency represented on the taskforce.
10 (3) Identify best management practices that may be implemented
11 to reduce odor emissions.
12 (4) Make publicly available on the department's Internet Web
13 site taskforce meeting agendas, minutes, recommendations, and
14 findings.
15 (5) Provide opportunities for public participation.
16 SEC. 2. The Legislature finds and declares that a special statute
17 is necessary and that a general statute cannot be made applicable
18 within the meaning of Section 16 of Article IV of the California
19 Constitution because of the because of the unique odors that
20 emanate from various locations in the County of Santa Clara.
21 SEC. 3. If the Commission on State Mandates determines that
22 this act contains costs mandated by the state, reimbursement to
23 local agencies and school districts for those costs shall be made
24 pursuant to Part 7 (commencing with Section 17500) of Division
25 4 of Title 2 of the Government Code.

ASSEMBLY BILL

No. 2008

Introduced by Assembly Member Salas

February 1, 2018

An act to add Sections 17131.8 and 24318 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 2008, as introduced, Salas. Income taxes: exclusion: Carl Moyer Memorial Air Quality Standards Attainment Programs grants.

The Personal Income Tax Law and the Corporation Tax Law define gross income as all income from whatever source derived, unless specifically excluded.

This bill would, under both laws, exclude from gross income any amount provided to a taxpayer pursuant to the Carl Moyer Memorial Air Quality Standards Attainment Program for the purchase of new zero or low-emission engines.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17131.8 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17131.8. Gross income shall not include any amount provided
- 4 to a taxpayer pursuant to the Carl Moyer Memorial Air Quality
- 5 Standards Attainment Program (Chapter 9 (commencing with
- 6 Section 44275) of Part 5 of Division 26 of the Health and Safety

1 Code), relating to the purchase of new zero or low-emission
2 engines.

3 SEC. 2. Section 24318 is added to the Revenue and Taxation
4 Code, to read:

5 24318. Gross income shall not include any amount provided
6 to a taxpayer pursuant to the Carl Moyer Memorial Air Quality
7 Standards Attainment Program (Chapter 9 (commencing with
8 Section 44275) of Part 5 of Division 26 of the Health and Safety
9 Code), relating to the purchase of new zero or low-emission
10 engines.

11 SEC. 3. This act provides for a tax levy within the meaning of
12 Article IV of the California Constitution and shall go into
13 immediate effect.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 26, 2018

Re: Report of the Budget and Finance Committee Meeting of February 28, 2018

RECOMMENDED ACTION

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

BACKGROUND

The Committee met on Wednesday, February 28, 2018, and received the following reports:

- A) Overview of Cost Recovery and Cost Containment Study; and
- B) Air District Financial Overview: Anticipated Challenges in the Fiscal Year Ending (FYE) 2019 Budget

Chairperson Carole Groom will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None; and
- B) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 9A: 02/28/18 – Budget and Finance Committee Meeting Agenda #4
Attachment 9B: 02/28/18 – Budget and Finance Committee Meeting Agenda #5

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Budget and Finance Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 17, 2018

Re: Overview of Cost Recovery and Cost Containment Study

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Staff will provide an overview of the recent cost recovery and cost containment study. The cost recovery study is a part of the budget process. It is used to establish the proposed fee schedule for consideration as a part of the Fiscal Year Ending (FYE) 2019 budget process.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeffrey McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Budget and Finance Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 17, 2018

Re: Air District Financial Overview: Anticipated Challenges in the Fiscal Year Ending
(FYE) 2019 Budget

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Staff will provide a financial overview that will include continued discussion of the upcoming FYE 2019 budget process. There will be a particular focus on retirement obligations, and on the role of Cost Recovery. This is second of a two-part presentation, with the first presentation discussion occurring on January 24, 2018 Budget and Finance Committee Meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeffrey McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 26, 2018

Re: Report of the Technology Implementation Office (TIO) Steering Committee Meeting
of March 2, 2018

RECOMMENDED ACTION

The TIO Steering Committee (Committee) will receive only informational items and will have no recommendations of approval by the Board of Directors (Board).

BACKGROUND

The Committee will meet on Friday, March 2, 2018, and will receive the following reports:

- A) Overview of Air District and TIO;
- B) Technology Opportunities and Assessment; and
- C) Overview of Air District Incentive Programs

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

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None;
- B) None; and
- C) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 10A: 03/02/2018 – TIO Steering Committee Meeting Agenda #5
Attachment 10B: 03/02/2018 – TIO Steering Committee Meeting Agenda #6
Attachment 10C: 03/02/2018 – TIO Steering Committee Meeting Agenda #7

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Cindy Chavez and Members
of the Technology Implementation Office Steering Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 20, 2018

Re: Overview of Air District and Technology Implementation Office (TIO)

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

The Air District established the Technology Implementation Office (TIO), to advance disruptive, cost-effective solutions to reduce greenhouse gas emissions in the Bay Area, that are also replicable in other regions. The TIO will cultivate partnerships and incentives for low carbon intensity practices including deployment of zero emissions vehicles and infrastructure and of technologies that reduce greenhouse gas emissions at stationary sources.

During the first meeting of the Technology Implementation Office Steering Committee, Air District staff will introduce the Air District, TIO mission and staff. Staff will also introduce the Steering Committee Members (Attachment 3A) and Charter (Attachment 3B).

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Deanna Yee, Ranyee Chiang
Reviewed by: Damian Breen

Attachment 5A: Steering Committee Member Biographies
Attachment 5B: Steering Committee Charter



Technology Implementation Office (TIO)

Steering Committee Biographies

Bud Beebe

Professional Mechanical Engineer, Senior Advisor, California Hydrogen Business Council

Mr. Beebe has nearly fifty years' experience in distributed and central power plant design and regulation. Mr. Beebe is recently retired from the Sacramento Municipal Utility District where he worked in emerging technologies including fuel cells, photo-voltaic and solar thermal power. Mr. Beebe was also active in development of national and state renewable energy and greenhouse gas reporting protocols as well as the development of California's suite of AB-32 regulations. Mr. Beebe is a past National Hydrogen Association Board Member, and currently serves as Chair, Green-e Governance Board.

Cindy Chavez (Steering Committee Chairperson)

Air District Board of Directors, Santa Clara County Supervisor

Supervisor Chavez represents close to 400,000 residents in Central, East and South San Jose and helps develop and oversee the safety-net services for our most vulnerable residents including senior citizens and children. Ms. Chavez chairs the Board's Children, Families and Seniors Committee and serves on the Finance and Government Operations Committee. She also serves as Vice-Chair of the [Valley Transportation Authority](#) (VTA) and is a member of the [CalTrain](#) Board of Directors and will play a leadership role in the electrification of Cal Train and Bart coming to downtown San Jose. As an Air District Board Member, Supervisor Chavez serves as the Chair of the Ad Hoc Refinery Oversight Committee and Chair of the Bay Area Regional Collaborative (BARC).

Mark Cupta

Principal, Prelude Ventures

Mr. Cupta partners with and invests in entrepreneurs focused on technology innovations to reduce global climate emissions. Mr. Cupta has also worked in corporate venture capital, with Chevron Technical Ventures, and with the sustainable chemistry start-up, Novomer. At Celanese Corporation, an advanced materials and chemicals company, Mr. Cupta held technical roles in product development and process design, as well as commercial roles in technical marketing and business development. Mark has authored patents and publications in technologies, including microelectronics, engineered polymers, advanced cements, barrier coatings, pharmaceutical delivery systems, and pulp & paper additives.

Ahmad Ganji

Director of San Francisco State University (SFSU) Industrial Assessment Center

Dr. Ganji has directed the Industrial Assessment Center (IAC) since 1992. IAC is a US Department of Energy funded project dedicated to helping manufacturing facilities improve energy efficiency, reduce waste and improve their productivity. In this capacity he has helped more than 400 manufacturers in California, Nevada and Hawaii. Professor Ganji regularly consults with Pacific Gas & Electric Co. on energy efficiency projects. Dr. Ganji is a professor of mechanical engineering at SFSU. He has over 40 publications in the fields of thermal-fluids and energy. He is the co-author of the textbook "Engineering Experimentation," published by Prentice Hall, 2010 (3rd Ed.)

David Hudson

Air District Board of Directors Chairperson, San Ramon City Council Member

Council Member Hudson is currently a 5-term San Ramon City Council Member, and served as Mayor in 2001. He is the current Chair of the Bay Area Air Quality Management District Board of Directors. He has served as both Chair and Vice-Chair on San Ramon's Redevelopment Agency for four terms and the City's Planning Commission for two terms. Mr. Hudson is also on the board of the Contra Costa Transportation Authority and the League of California Cities Policy Committee.

Janea Scott

Commissioner, California Energy Commission

Commissioner Scott is the lead Commissioner on transportation and western regional planning. Ms. Scott serves as the Chair of the Western Interconnection Regional Advisory Body and is on the public policy board of Veloz, a nonprofit founded to advance the electric car movement. She is also a member of the California Fuel Cell Partnership and the U.S. Department of Energy's Hydrogen and Fuel Cell Technical Advisory Committee. Prior to joining the Energy Commission, Ms. Scott worked at the U.S. Department of the Interior Deputy Counselor for Renewable Energy and at Environmental Defense Fund in both the New York and Los Angeles offices as a senior attorney in the climate and air program.



Technology Implementation Office (TIO)

Steering Committee Charter

I. TIO Mission

The Technology Implementation Office (TIO) at the Bay Area Air Quality Management District (Air District) was established to advance the Clean Air Plan vision for a post-carbon Bay Area by 2050. The mission is to catalyze innovation by advancing disruptive, cost-effective solutions to achieve greenhouse gas emissions reductions. TIO will cultivate partnerships and provide financing to incentivize low carbon intensity practices across industries including deployment of zero emissions vehicles and infrastructure, zero emissions energy generation, efficient production and smart/connected technologies.

II. Role of committee

- Facilitate vision and strategy setting for the TIO
- Support execution of the strategy and resolving challenges
- Provide recommendations on technology readiness, business readiness, market and emission reduction impact
- Recommend strategies to maximize effectiveness of TIO budget and financing programs
- Raise profile and visibility of office and identify new partnership opportunities

The TIO is seeking recommendations from individual committee members and recommendations that may arise from the whole committee. Committee recommendations will be vetted and approved by the Air District Board, the body with authority over program expenditures.

III. Membership and operation

7 members representing leaders across multiple areas of expertise, including technology, investment, banking, business, researchers, and local government representatives.

Steering committee members are asked to commit to at least a 2 year term.

Meetings will be held quarterly in San Francisco in the first year of the TIO, and semiannually after the initial strategy phase and launch.

IV. Responsibilities for Committee Members

- Attend all meetings, which will be chaired by the Steering Committee Chairperson. Teleconference options will be made available if needed.
- Provide feedback on strategic priorities for TIO, launch, and implementation of programs.
- Review TIO updates and help prioritize technology and funding opportunities.
- Share relevant updates from partners, which can help the TIO develop a distinct niche and leverage other partners' activities
- Share information through your network and at conferences to increase awareness of the TIO, develop partnership opportunities, and to advocate for more support for TIO programs.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Cindy Chavez and Members
of the Technology Implementation Office Steering Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 20, 2018

Re: Technology Opportunities and Assessment

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

The greenhouse gas emissions (GHG) from the Bay Area's non-transportation sources are about 50 million metric tons per year, representing 59% of total emissions. This category includes industrial facilities, energy production, waste management, buildings, and agriculture. Air District staff will provide an overview of the Bay Area's GHG emissions sources across the major industrial sectors. Air District staff will also introduce the technology options that will be evaluated in an upcoming technology assessment study, including technology readiness, costs, technical and market barriers, and emissions reductions. The results of this study will be used to prioritize the technologies supported through the financing and partnerships program of the Technology Implementation Office of the Air District.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Deanna Yee, Ranyee Chiang
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Cindy Chavez and Members
of the Technology Implementation Office Steering Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 20, 2018

Re: Overview of Air District Incentive Programs

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

The goal of the Air District's incentive programs is to fit within the existing landscape of grant and loan programs and provide incentives for increased implementation of greenhouse gas-related technologies. Air District staff will provide an overview of current programs and stakeholder feedback on where the Air District programs can provide the most value. Air District staff will also provide an update on the financing program that is being discussed as a partnership with California state's green bank, the IBank.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Deanna Yee, Ranyee Chiang
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 28, 2018

Re: 2017-2018 Winter Spare the Air Program Overview

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In July 2008, the Board of Directors adopted Regulation 6; Rule 3: Wood Burning Devices. The rule applies to wood-burning devices including fireplaces, fire pits, wood stoves, pellet stoves, and any other wood-fired heating device. The rule was amended by the Board of Directors on October 21, 2015, to further protect Bay Area residents from the public health impacts of fine particulates generated from burning wood or solid fuels as a source of primary or supplemental heat, or for ambiance. The year's wood smoke regulatory season ran from November 1, 2017 through February 28, 2018.

There are an estimated 1.4 million fireplaces and wood-burning devices in the Bay Area; and in the winter, more than 30% of PM_{2.5} air pollution is attributed to wood-burning. Although Rule 6-3, has successfully reduced wintertime PM_{2.5} emissions regionally by about 2,660 tons per year (tpy), wood smoke continues to cause unhealthy air, to exceed the PM_{2.5} federal health standard, and negatively impact local air quality.

The 2017-2018 Winter Spare the Air campaign featured the same strong message from last season and links the serious health impacts from wood smoke to those of cigarette smoke. Advertising that clearly illustrates this link has resonated so well with the public it will be refreshed for the 2018-19 winter season.

DISCUSSION

Staff will present an update on the 2017-2018 Winter Spare the Air Program including information about:

- Regulation 6, Rule 3 implementation.

- The Wood Smoke Reduction Incentive Program that was developed to help Bay Area homeowners and landlords replace their wood-burning heating devices with cleaner options.
- The Winter Spare the Air campaign which highlights changes to the wood burning rule, publicizes the benefits of replacing old fireplaces and continue to focus on the localized health impacts from wood smoke.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Wayne Kino