

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

Board of Directors Regular Meeting
Wednesday, March 7, 2018

APPROVED MINUTES

*Note: Audio recordings of the meeting are available on the website of the
Bay Area Air Quality Management District at
www.baaqmd.gov/BODagendas*

CALL TO ORDER

1. **Opening Comments:** Board Chairperson, David Hudson, called the meeting to order 9:47 a.m.

Roll Call:

Present: Chairperson David Hudson; Vice Chair Katie Rice; and Directors Teresa Barrett, David J. Canepa, Cindy Chavez, John Gioia, Scott Haggerty, Tyrone Jue, Rebecca Kaplan, Doug Kim, Liz Kniss, Nate Miley, Karen Mitchoff, Hilary Ronen, Mark Ross, Jim Spering, and Shirlee Zane.

Absent: Secretary Rod Sinks; and Directors Margaret Abe-Koga, Pauline Russo Cutter, Carole Groom, Pete Sanchez, Jeff Sheehy, and Brad Wagenknecht.

CONSENT CALENDAR (ITEMS 2-6)

2. Minutes of the Regular Board of Directors Meeting of February 21, 2018
3. Board Communications Received from February 21, 2018 through March 6, 2018
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.
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.
6. Referral of Proposed Budget for Fiscal Year Ending (FYE) 2019 to the Budget & Finance Committee.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

Director Spring made a motion, seconded by Director Mitchoff, to **approve** the Consent Calendar Items 2 through 6, inclusive; and the motion **carried** by the following vote of the Board:

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

COMMITTEE REPORTS

7. Report of the **Mobile Source Committee** Meeting of February 22, 2018

Mobile Source Committee Vice Chair, Director David Canepa, read the following Committee report:

The Committee met on Thursday, February 22, 2018, and approved the minutes of January 25, 2018.

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 (APCO) to enter into all necessary grant agreements for the recommended projects.*

The Committee then reviewed and discussed the staff presentation Update on the Air District's Light-Duty Electric Vehicle Program.

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

The next meeting of the Mobile Source Committee will be held at the call of the Chair. 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:

The Board and staff discussed how the District plans to assess the geographical needs for electric vehicle quick-charging infrastructure in the Bay Area.

Board Action:

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

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

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

Legislative Committee Vice Chair, Director Doug Kim, read the following Committee report:

The Legislative Committee met on Thursday, February 22, 2018, and approved the minutes of May 11, 2017.

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

The Committee then considered new bills and recommends that the Board of Directors take the following positions:

- *SUPPORT IF AMENDED for Assembly Bill 1975 (Chu), which establishes the South Bay Interagency Odor Taskforce;*
- *SUPPORT for Assembly Bill 2008 (Salas), which excludes Carl Moyer grants from taxable income; and*
- *Upon discussion, there was a consensus of the Committee to recommend the OPPOSITION of Assembly Bill 1756 (Brough), which repeals Senate Bill 1 (transportation funding measure of 2017.)*

Staff brought several other issues to the Committee for its consideration, and the Committee recommends that the Board of Directors take the following positions:

- *OPPOSITION to new and/or potential bills that use CalEnviroScreen as a funding allocation mechanism;*
- *OPPOSITION to any legislation regarding the composition of this Air District's Board of Directors that does not originate with the Board, but is instead proposed by others; and*

- *OPPOSITION to budgetary proposals, initiated by the Department of Finance, to transfer fees (\$34 million annually) assessed on purchasers of new tires in the State of California, from the Carl Moyer program, to the Department of Fish and Wildlife.*

The next meeting of the Legislative Committee will be held on Thursday, March 22, 2018, at 9:30 a.m., at the Bay Area Air Quality Management District office, 375 Beale Street, San Francisco, CA, 94105. I move that the Board approve the Committee's recommendations. This concludes the Chair's report of the Legislative Committee.

Public Comments:

No requests received.

Board Comments:

The Board and staff discussed the need for revisions to the CalEnviroScreen formula; and the need for a point District staff person that Board members can talk to regarding legislation on the composition of this Air District's Board of Directors that does not originate with the Board.

Board Action:

Director Kim made a motion, seconded by Director Kniss, to **approve** the recommendations of the Legislative Committee; and the motion **carried** by the following vote of the Board:

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

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

Budget and Finance Committee Vice Chair, Director Karen Mitchoff, read the following Committee report:

The Committee met on Wednesday, February 28, 2018, and approved the minutes of January 24, 2018.

The Committee reviewed and discussed the presentation Overview of Cost Recovery and Cost Containment Study.

Finally, the Committee reviewed and discussed the staff presentation Air District Overview: Anticipated Challenges in the Fiscal Year Ending 2019 Budget.

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

NOTED PRESENT: Director Ronen was noted present at 9:56 a.m.; Director Ross was noted present at 10:00 a.m.

Dr. Jeff McKay, Chief Financial Officer, gave the staff presentation *Air District Financial Overview: Anticipated Challenges in the Fiscal Year Ending (FYE) 2019 Budget*, including: topics; new and enhanced programs - resulting General Fund expenses; fees - summary; California Public Employees' Retirement System (CalPERS) discretionary funding - current status and recommendation; other post-employment benefits (OPEB) discretionary funding - current status and recommendation; medical retirement; and summary.

Public Comments:

Public comments were given by Kevin Buchan, Western States Petroleum Association.

Board Comments:

The Board and staff discussed the request that PowerPoint presentations related to items on the agenda be hyperlinked and embedded in the electronic packet distribution so that the Board members (and public) can refer to them prior to the meetings; the anticipated FYE 2019 Budget adoption schedule; the request for a discussion on the District's Reserve Policy; whether there is an air district industry standard cost recovery threshold; the request for the comparison of District cost recovery and actual costs; District efforts to procure ongoing funding from the California Air Resources Board for AB 617 implementation; the request that staff keep the Board updated on the District's CalPERS discretionary funding policy and development of a target date, and the request for a comprehensive workshop or study on this issue; and the regulated community's desire to ensure that District staff is accurately calculating billable hours and fee rates.

Board Action:

None; receive and file.

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

TIO Steering Committee Chair, Director Cindy Chavez, reported: all but one of the TIO Steering Committee members were present at the first meeting on March 2, 2018; District staff did presented overviews of the Air District's history and the development of the TIO; incentives that are currently offered by the District; the Committee members gave feedback on how they felt best to prioritize investments; there is a need for refinement of the discussion questions from District staff to the Committee members, in order to keep meetings under two hours; and staff will organize informational session in which focus groups (including TIO Steering Committee members) can discuss investment strategies.

Public Comments:

No requests received.

Board Comments:

The Board and staff discussed the request that TIO staff be officially introduced to the Board, as new staff members have recently been hired in that office; and the suggestion that language pertaining to trust/estate law be added to the website for those who are trying to settle their deceased parents' affairs, specifically, relinquish/dispose of their vehicles properly.

NOTED PRESENT: Director Miley was noted present at 10:34 a.m.

Board Action:

None; receive and file.

PRESENTATION

11. 2017-2018 Winter Spare the Air (WSTA) Program Overview

Jack Broadbent, Executive Officer/APCO, introduced Wayne Kino, Deputy APCO of Operations, who gave the staff presentation *2017-2018 Winter Spare the Air Program Overview*, including: outline; winter particulate matter (PM)_{2.5} seasons; less rainfall means more PM pollution; highest air quality readings; wood smoke enforcement; enforcement information; advertising; media; outreach results; winter 2017/2018 Wood Smoke Reduction Incentive Program information; and summary and next steps.

Public Comments:

Public comments were given by Tony Fisher, Coalition for Clean Air.

Board Comments:

The Board and staff discussed the comparison of the frequency of PM excesses and violations between 2017 and prior years, and the opinion that additional funds should be allocated to enhance the efforts of District Compliance and Enforcement staff; wood smoke enforcement exemptions; how the wood smoke from Southern California fires in 2017 affected the Bay Area; whether the District's wood smoke incentives overlap with Federal incentives (certified devices); the suggestion that the District reaches out to the 64 addresses with multiple complaints from the 2017 WSTA season to let them know of the District's incentive programs and STA program; the current funding status of the District's Wood Smoke Reduction Incentive Program (WSRIP), the suggestion that this program be changed to offer year-round funding, the need to identify additional funding sources for this program, and the request for data from the previous WSRIP funding cycle, showing how funds were distributed, which applicants were not approved, and which were repeat applicants; whether the District has relationships with fire log/wood retailers; concerns that WSTA advertisements are not located in areas that are generating wood smoke complaints; the suggestion of wrapping busses and shuttles with WSTA advertisements, in addition to summer STA advertisements; the effectiveness of repetition of advertising; the reiteration that the District should consider pushing the transition from natural gas incentives to electric incentives; the District's position on prescribed burning, and whether legislation to curtail such activity is needed; and the suggestion that the prohibition of wood burning be extended from the WSTA Program past

February into a year-long program, and how staff will bring WTSA data to the next Stationary Source Committee, where the prospect of expanding the program will be discussed.

PUBLIC COMMENT ON NON - AGENDA ITEMS

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

No requests received.

BOARD MEMBERS' COMMENTS

13. Board Members' Comments

Regarding the District's violation settlement with Tesla at the beginning of March 2018, Director Gioia stated that he wished to agendize at the next Stationary Source Committee meeting the topic of creating a community fund that would serve and benefit areas affected by facility violations. Director Haggerty expressed his concern that the settlement (9-kilowatt photovoltaic rooftop solar power system) benefitted the City of San Jose, outside of Alameda County, in which the violation occurred.

Chair Hudson announced that the Easy Mile autonomous shuttle technology currently testing at Bishop Ranch in San Ramon will advance to the next stage of research and commence testing on public roads, as the first shared autonomous vehicle to begin testing on public roads in California.

Director Kniss stated that she enjoyed not having to discuss refinery regulatory authority at this meeting, as she feels that refinery discussions exclude Board members who do not have refineries in their communities.

Director Kaplan expressed her desire to see Board members share ideas (ordinances and programs that reduce the carbon footprint and air pollution) such as the City of Oakland's Plug-In Electric Vehicle Infrastructure Ordinance and the City's potential ballot measure that would tax transportation network company vehicles per trip. Director Kaplan also requested:

- information on any driving directions apps that may exist, geared toward carpools.
- that the Board and staff considers reactivating the District's Ad Hoc Committee on Port Emissions.
- a heavy-duty truck buyback program at the District.

OTHER BUSINESS

14. Report of the Executive Officer/APCO

Mr. Broadbent announced the District's open recruitment for two Advisory Council positions, and asked for the Board's consensus to reappoint the five Advisory Council members that are currently serving, which the Board gave. He also announced that the Executive Committee and Advisory Council will be having a joint meeting on March 26 at 9:30 a.m.

Mr. Broadbent introduced Greg Nudd, Deputy APCO of Policy, who gave the staff presentation *AB 617 Protecting Community Health*, including: AB 617 status; upcoming California Air Resources Board deadlines; potential AB 617 communities; goals of 2018 community outreach; and initial outreach plan. The Board and staff discussed the schedule of initial outreach plan meetings.

Finally, Mr. Broadbent announced the promotion of former Air Quality Program Manager, Jeff Gove, who is now the Director of Compliance and Enforcement.

15. **Chairperson's Report**

Chair Hudson announced the following:

- He spoke at the District/Metropolitan Transportation Commission's joint "Youth for the Environment and Sustainability Conference" on February 24 in Oakland.
- The Air and Waste Management Association will host its 111th Annual Conference from June 25-28 in Hartford, Connecticut; Board members who are interested need to contact Vanessa Johnson by March 30, 2018.
- The 4th Annual "Redefining Mobility Summit" will take place on March 29 in San Ramon; Board members who are interested should contact Vanessa Johnson for tickets.
- The Board's adoption of Amendments to the Air District's Administrative Code means that there will now be 11 voting members on Committees instead of 9, and Board meetings will now begin at 9:30 a.m.

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

The next Board of Directors meeting will take place not on March 21, as originally scheduled, but on Wednesday, April 4, 2018, at 375 Beale Street, San Francisco, CA 94109 at 9:30 a.m.

17. **Adjournment**

The meeting adjourned at 11:55 a.m.

/s/ Marcy Hiratzka
Marcy Hiratzka
Clerk of the Boards