

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

Board of Directors Regular Meeting
Wednesday, May 2, 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 of Directors (Board) Chairperson, David Hudson, called the meeting to order at 10:27. a.m. and announced that the Board meeting scheduled for May 16, 2018 was cancelled.

Roll Call:

Present: Chairperson David Hudson; Vice Chair Katie Rice; Secretary Rod Sinks; and Directors John J. Bauters, David Canepa, Cindy Chavez, Pauline Russo Cutter, John Gioia, Carole Groom, Scott Haggerty, Tyrone Jue, Doug Kim, Liz Kniss, Nate Miley, Karen Mitchoff, Hillary Ronen, Mark Ross, Pete Sanchez, Jim Spering, Brad Wagenknecht, and Shirlee Zane.

Absent: Directors Margaret Abe-Koga and Teresa Barrett.

CONSENT CALENDAR (ITEMS 2 – 3)

2. Minutes of the Regular Board of Directors Meeting of April 18, 2018
3. Board Communications Received from April 18, 2018 through May 1, 2018

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 2 through 3 inclusive; and the motion **carried** by the following vote of the Board:

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

COMMITTEE REPORTS

4. Report of the **Budget & Finance Committee** Meeting of April 25, 2018

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

The Committee met on Wednesday, April 25, 2018, and approved the minutes of March 28, 2018.

The Committee reviewed and discussed the presentation Continued Discussion of Fiscal Year Ending (FYE) 2019 Proposed Air District Budget and Consideration to Recommend Adoption. The Committee recommends the Board:

- 1. Adopt the FYE 2019 Proposed Budget; and*
- 2. Adopt a funding policy for California Pension Employees Retirement System (CalPERS) pensions to achieve 90% funding within 20 years.*

The Committee then reviewed and discussed the presentation Third Quarter Financial Report – FYE 2018.

Finally, the Committee reviewed and discussed the staff presentation Discussion of Budget Processes for FYE 2020.

The next meeting of the Budget and Finance Committee will be held on Wednesday, June 27, 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 Budget and Finance Committee's recommendations to

- 1. Adopt the FYE 2019 Proposed Budget; and*
- 2. Adopt a funding policy for CalPERS pensions to achieve 90% funding within 20 years*

at the final hearing to be held on June 6, 2018. 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.

5. Report of the **Mobile Source Committee** Meeting of April 26, 2018

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

The Committee met on Thursday, April 26, 2018, and approved the minutes of February 22, 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 (CMP) and Transportation Fund for Clean Air (TFCA) projects with proposed grant awards over \$100,000 as shown in Attachment 1;*
- 2. Adopt resolutions authorizing the Air District to accept, obligate, and expend new funding from the CMP State Reserve Program and the Funding Agricultural Reduction Measures for Emissions Reductions Program;*
- 3. Authorize the Air District to accept, obligate, and expend new funding from the Low-Carbon Fuel Standard Mitigation Funding program; and*
- 4. Authorize the Executive Officer/Air Pollution Control Officer (APCO) to enter into all necessary agreements with applicants for the recommended projects and new funding.*

The Committee then reviewed and discussed the staff presentation FYE 2019 Transportation Fund for Clean Air Funding Allocation. The Committee recommends the Board:

- 1. Allocate \$15.03 million in new TFCA monies to the programs and projects listed in Table 1;*
- 2. Authorize the proposed cost-effectiveness limits for the Air District sponsored programs and projects listed in Table 2; and*
- 3. Authorize the Executive Officer/APCO to enter into funding agreements and contracts up to \$100,000 for projects and programs listed in Table 1.*

Finally, the Committee reviewed and discussed the staff presentation FYE 2019 Transportation Fund for Clean Air County Program Manager (CPM) Expenditure Plans. The Committee recommends the Board:

- 1. Approve the allocation of new FYE 2019 TFCA CPM Expenditure Plans Funds listed in Table 1; and*
- 2. Authorize the Executive Officer/APCO to enter into funding agreements with the County Program Managers for the total funds to be programmed in FYE 2019, listed in Table 1.*

The next meeting of the Mobile Source Committee will be held on Thursday, May 24, 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 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 the suggestion of having the District partner with banks or credit unions as another way to offer financial assistance to low-income families wishing to purchase electric vehicles (EV); the speed of changes in technology relative to types of energy usage, and the anticipation that clean energy will create new economic opportunities; the suggestion that the District releases a Request for Information to gather ideas on how to best invest District funds; the importance of identifying existing programs that help consumers transition from gas-powered vehicles to EVs, such as the pilot program sponsored by the California Air Resources Board (CARB), which allowed the Community Housing Development Corporation in North Richmond to operate a pilot program that offered low-income families grants and loans to purchase clean-technology vehicles; and upcoming presentations to the Mobile Source Committee about the variety of EV programs that District will be offering, and the need for the full Board to learn about these programs.

Board Action:

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

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

PRESENTATION

6. Sonoma and Napa Wildfire Recovery Assistance Program

Jack Broadbent, Executive Officer/APCO, introduced Wayne Kino, Deputy APCO of Operations, who introduced Patrick Wenzinger, Air Quality Specialist, who gave the staff presentation *Sonoma and Napa Wildfire Recovery Assistance Program*, including: overview; background; Air District grant structure; program in Sonoma County; next steps; and recommendations.

Public Comments:

No requests received.

Board Comments:

Directors Wagenknecht and Zane expressed their gratitude to the District for its financial assistance to their constituents who are choosing to rebuild their homes and businesses after the wildfires in October

2017. Director Zane invited District staff to attend her Town Hall meeting on May 7, 2018 at the Glaser Center, located at 547 Mendocino Avenue in Santa Rosa, at 6:00 p.m.

Board Action:

Director Zane made a motion, seconded by Director Wagenknecht, to **amend** FYE 2018 budget to transfer \$3 million in general reserve funds into Wildfire Recovery Assistance Program; and **authorize** the Executive Officer/APCO to execute necessary grant agreements with partner agencies to implement Wildfire Recovery Assistance Program; and the motion **carried** by the following vote of the Board:

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

CLOSED SESSION (commenced at 10:54 a.m.)

- 7. A) **CONFERENCE WITH REAL PROPERTY NEGOTIATOR** – (*Government Code Section 54956.8*) *The Board will meet in closed session pursuant to Government Code Section 54956.8 to confer with real property negotiators to discuss acquisition of real property.*

Property: 3033, 3065, and 3095 Richmond Parkway, Richmond, CA 94806

Air District Negotiators: Jack P. Broadbent, Executive Officer/APCO
Rex Sanders, Chief Administrative Officer

Negotiating Parties: Wang Brothers Investment, LLC

Under Negotiation: Price and Terms

REPORT OUT: Chair Hudson reported that the Board gave direction to the District’s broker.

B) CONFERENCE WITH LEGAL COUNSEL

ANTICIPATED LITIGATION (Government Code Section 54956.9 (b)(1))

Significant exposure to litigation pursuant to paragraph (1) of subdivision (b) of Section 54956.9: one potential case.

REPORT OUT: Chair Hudson announced that there was no action to report.

Public Comments:

No requests received.

Board Comments:

None.

OPEN SESSION (commenced at 11:35 a.m.)

PUBLIC COMMENT ON NON-AGENDA MATTERS

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

No requests received.

BOARD MEMBERS' COMMENTS

9. Board Members' Comments

Director Gioia reported that on May 1, 2018, the State of California joined a bipartisan coalition of states that filed a lawsuit against the United States Environmental Protection Agency for attempting to eliminate federal fuel efficiency standards for 2022-2025 model year cars. This change would create a dual set of fuel efficiency standards that vehicle manufacturers would have to consider. Chair Hudson said that he would like to agendize CARB reports on Board agendas (as Committee report outs) regularly in the future.

Secretary Sinks reported that he, Director Kniss, and District staff met Chris Moylan of Congressman Khanna's office to discuss odor sources in the South Bay sub-region of the Bay Area. He said that the group discussed various strategies to diagnose the odor problems that affect Santa Clara and Alameda Counties, and are trying to best position the Air District to help mitigate impacts there.

OTHER BUSINESS

10. Report of the Executive Officer/APCO

Mr. Broadbent made the following announcements:

- The 2018 Spare the Air summer smog season launched on April 30. Bay Area residents are encouraged to reduce air pollution impacts in a variety of ways as summer approaches and the Bay Area experiences elevated, unhealthy levels of smog and increases in temperature.
- The District's 2017 Annual Report was distributed to the Board at the meeting and should be online by next week.
- The District's first Regulation 11 Rule 18 implementation working group meeting occurred last week. In attendance were members from both the environmental justice community and affected industry.
- To follow up on the discussion that the Board and staff had at the April 18, 2018 Board meeting, regarding protocol that staff wants to put in place to regulate how resolutions are introduced to the Board, staff plans to bring to the Executive Committee recommended changes to the Administrative Code. Staff anticipates that, should the Executive Committee recommend approval of these changes to the full Board, this item will be included in the Consent Calendars of two consecutive Board agendas.

11. **Chairperson's Report**

Chair Hudson announced the following:

- On April 23, 2018, he and Mr. Broadbent attended the Western States Petroleum Association's General Membership Luncheon.
- Board members who are attending the 2018 Air & Waste Management Association's Annual Conference must submit their flight itineraries to Vanessa Johnson by May 8, 2018.
- The May 16 Board meeting was cancelled.

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

Wednesday, June 6, 2018, at 375 Beale Street, San Francisco, CA 94105 at 9:30 am.

13. **Adjournment**

The meeting adjourned at 11:45 a.m.

/s/ Marcy Hiratzka
Marcy Hiratzka
Clerk of the Boards