

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

Board of Directors Regular Meeting
Wednesday, August 1, 2018

APPROVED MINUTES (REVISED 12/19/18)

*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 9:32 a.m.

Roll Call:

Present: Chairperson David Hudson; Vice Chair Katie Rice; Secretary Rod Sinks; and Directors Teresa Barrett, John J. Bauters, David Canepa, Carole Groom, Scott Haggerty, Tyrone Jue, Doug Kim, Nate Miley, Karen Mitchoff, Mark Ross, Brad Wagenknecht, and Shirlee Zane.

Absent: Directors Margaret Abe-Koga, Cindy Chavez, Pauline Russo Cutter, John Gioia, Liz Kniss, Hillary Ronen, Pete Sanchez, and Jim Spering.

PUBLIC COMMENT ON NON-AGENDA MATTERS

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

No requests received.

CONSENT CALENDAR (ITEMS 3 – 6)

3. Minutes of the Regular Board of Directors Meeting of June 6, 2018
4. Board Communications Received from June 6, 2018 through July 31, 2018
5. Air District (District) Personnel on Out-of-State Business Travel
6. Notices of Violations Issued and Settlements in Excess of \$10,000 during the month of May and June 2018

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

Director Mitchoff made a motion, seconded by Director Wagenknecht, to **approve** the Consent Calendar Items 3 through 6 inclusive; and the motion **carried** by the following vote of the Board:

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

COMMITTEE REPORTS

7. Report of the Technology Implementation Office Steering Committee Meeting of June 21, 2018

Chair Hudson read the following Committee report:

The Committee met on Thursday, June 21, 2018, and approved the minutes of March 2, 2018.

The Committee reviewed and discussed the staff presentation, Clean Cars for All: New Incentives Program for Low-Income Consumers.

The Committee then reviewed and discussed the staff presentation Mission and Customer Discovery.

The Committee then reviewed and discussed the staff presentation Proposed Loan Relationship.

Finally, the Committee reviewed and discussed the staff presentation Update on Technology Assessment Results.

The next meeting of the Technology Implementation Office Steering Committee will be held on Monday, October 22, 2018, at 9:30 a.m., at the Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105. This concludes the Chair Report of the Technology Implementation Office Steering Committee.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

8. **Report of the Personnel Committee Meeting of July 12, 2018**

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

The Committee met on Thursday, July 12, 2018, and approved the minutes of May 7, 2018.

The Committee then reviewed and discussed the reappointment of Valerie J. Armento, the Principal Member Incumbent in the Attorney Category of the Air District's Hearing Board. Ms. Armento is currently the Chair of the Hearing Board and her current three-year term will expire on July 28, 2018. The Committee recommends the Board approve:

- 1. The reappointment of Valerie J. Armento as Attorney Category Principal Member of the Hearing Board.*

Finally, the Committee reviewed and discussed two candidates for the vacant Alternate seat on the Air District's Hearing Board in the Professional Engineering category. The Committee and staff discussed the recruitment process and then interviewed the single candidate that was in attendance. The Committee recommends the Board approve:

- 1. The appointment of Catherine Fortney as Professional Engineer Category Alternate Member of the Hearing Board.*

The next meeting of the Personnel Committee will be held at the call of the Chair. I move that the Board approve the Personnel Committee recommendations. This concludes the Chair Report of the Personnel Committee.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

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

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

9. **Report of the Advisory Council Meeting of July 19, 2018**

Advisory Council Ex Officio member, Board Secretary Rod Sinks, read the following Committee report:

The Council met on Thursday, July 19, 2018 and approved the minutes of October 30, 2017, and March 26, 2018.

The Council then received the staff presentation Introduction of New Members to the Air District's Advisory Council, during which, Drs. Linda Rudolph and Gina Solomon, were introduced as new Council members.

Next, the Council received the staff presentation Update on Assembly Bill (AB) 617.

The Council then received the staff presentation Health Impacts and Assessments of Diesel Particulate Matter (DPM) in the Bay Area.

Next, the Council received the staff presentation Update on the Air District's DPM Reduction Strategy. The Council authorized Chair Hayes to draft language for a statement to be presented to the Board of Directors, reflecting the Council's position on the reduction of diesel emissions.

Due to the shortage of time, the Council chose to table staff presentation Ongoing Discussion of DPM: How Low is "Low Enough"?

The next meeting of the Council will be at the call of the Chair. This concludes the Chair Report of the Advisory Council.

At this time, Advisory Council Chair Hayes presented an update on the Advisory Council's deliberations regarding DPM.

NOTED PRESENT: Director Zane was noted present at 9:39 a.m.

Public Comments:

No requests received.

Board Comments:

The Board and staff discussed how the Advisory Council's presentation has been, and may continue to be, an effective supplemental tool to the District's "Diesel-Free by '33" pledge.

Board Action:

None; receive and file.

10. Report of the Executive Committee Meeting of June 23, 2018

Chair Hudson read the following Committee report:

The Executive Committee met on Monday, July 23, 2018, and approved the minutes of April 16, 2018.

The Committee received the presentation Hearing Board Quarterly Report: April to June 2018.

The Committee then reviewed and discussed the staff presentation Recommended AB 617 Communities for Community Plans. The Committee recommends the Board:

- 1) Approve staff recommendations for Community Air Monitoring and Community Emission Reduction Plans under the State's Community Air Protection Plan, as amended.*

The Committee then reviewed and discussed the staff presentation Update of Governor's Global Climate Action Summit.

The Committee then reviewed and discussed the staff presentation Technology Implementation Office Update and Summary of Steering Committee Meeting. The Committee requested that staff make a brief presentation to the Board on the details of this program at the end of this report. The Committee recommends the Board:

- 1) Authorize the Executive Officer/Air Pollution Control Officer (APCO) to negotiate and execute an agreement with the California Infrastructure Economic Development Bank (IBank) not to exceed \$4,185,000 to fund a loan program for Bay Area industrial facilities.*

The Committee then reviewed and discussed the staff presentation Status Update on the Air District's Advisory Council.

The Committee then reviewed and discussed the staff presentation Amendments to Air District Administrative Code Addressing Resolutions. The Committee recommends the Board:

- 1) Approve language amending Section 1.6 of the Air District's Administrative Code to address introduction and amendment of resolutions, to be noticed in an upcoming Board of Directors meeting agenda and placed on the agenda for adoption at a subsequent meeting.*

Finally, the Committee reviewed and discussed the staff presentation Discussion of Procedures for Receiving Public Comment on Non-Agenda Topics. The Committee provided direction to staff on procedures to be used for Board of Directors and Board Committee agendas.

The next meeting of the Executive Committee will be at the call of the Chair.

At this time, Lisa Fasano, Communication Officer, announced that Steve Kerr, Head Coach of the Golden State Warriors, has confirmed his attendance as the keynote speaker at the Global Climate Action Summit affiliate event, hosted by the Air District on September 12, 2018.

Then, Ranyee Chiang, Technology Implementation Officer, and Teveia Barnes, IBank Executive Director, explained how the District is negotiating a Memorandum of Agreement to enhance two IBank programs: the California Lending for Energy and Environmental Needs Center for direct public

financing to Municipalities, Universities, Schools, and Hospitals; and the California Small Business Loan Guarantee Program for loan guarantees for small businesses. The staff presentation, *Stationary Incentive Program: Connecting Technologies and Customers*, included: key financing terms of proposed Revolving Loan Program; and Proposed Financing Process.

I move that the Board approve the Executive Committee's recommendations. This concludes the Chair report of the Executive Committee.

Public Comments:

Public comments were given by Janet Stormberg, 350 Bay Area.

Board Comments:

The Board and staff discussed the desire to not abbreviate acronyms in writing or verbally; the types of programs that would be eligible for District/IBank funding; and whether a District/IBank loan awardee would also be eligible to apply for other District incentives and grants.

Board Action:

Chair Hudson made a motion, seconded by Vice Chair Rice, to **approve** the recommendations of the Executive Committee; and the motion **carried** by the following vote of the Board:

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

11. Report of the Ad Hoc Refinery Oversight Committee Meeting of July 25, 2018

Chair Hudson read the following Committee report:

The Committee met on Wednesday, July 25, 2018, and approved the minutes of April 9, 2018.

The Committee reviewed and discussed the presentation Trends in Crude Oil Imports, Petroleum Refining, Crude Oil Transportation, and an Outlook for Future Petroleum Markets.

The Committee then reviewed and discussed the staff presentation Issues and Concerns Regarding Future Refinery Crude Slates.

Finally, the Committee reviewed and discussed the staff presentation The Legal Framework for the Air District.

The next meeting of the Ad Hoc Refinery Oversight Committee will be at the call of the Chair. This concludes the Chair Report of the Ad Hoc Refinery Oversight Committee.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

12. Report of the Mobile Source Committee Meeting of July 26, 2018

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

The Committee met on Thursday, July 26, 2018, and approved the minutes of May 24, 2018.

The Committee reviewed and discussed the staff presentation, Projects and Contracts with Proposed Grant Awards Over \$100,000, and a Request for a Waiver for Fiscal Year Ending 2018 Transportation Fund for Clean Air Regional Fund Policies from the Town of Los Gatos. The Committee recommends the Board:

- 1. Approve Carl Moyer Program and Transportation Fund for Clean Air projects with proposed grant awards over \$100,000 as shown in Attachment 1;*
- 2. Approve a policy waiver to allow the Town of Los Gatos to be eligible for funding from the Fiscal Year Ending 2018 Transportation Fund for Clean Air Regional Fund for a bikeway improvement project that will upgrade an existing Class II bicycle lane to a separated Class Four bikeway; and*
- 3. Authorize the Executive Officer/Air Pollution Control Officer to enter into all necessary agreements with applicants for the recommended projects.*

The Committee then reviewed and discussed the staff presentation Approval of Contract for Clean Cars for All Program Case Managers. The Committee recommends the Board:

- 1. Authorize the Executive Officer/Air Pollution Control Officer to execute a contract with GRID Alternatives at a cost not to exceed \$250,000 for services performed in Fiscal Year Ending 2018 and Fiscal Year Ending 2019.*

Finally, the Committee reviewed and discussed the staff presentation New Grant Program Revenues and Request to Increase Staffing in the Strategic Incentives Division. The Committee recommends the Board:

- 1. Authorize the Bay Area Air Quality Management District to accept, obligate, and expend up to \$130 million in funding from the Volkswagen (VW) Environmental Mitigation Trust and \$1,160,311 in funding from the United States Environmental Protection Agency; and amend the Fiscal Year Ending 2019 budget to account for this new funding;*
- 2. Authorize the Executive Officer/Air Pollution Control Officer to enter into all agreements necessary to accept, obligate, and expend this funding; and*

3. *Authorize the creation of eight additional full-time equivalent positions in the Strategic Incentives and Compliance and Enforcement Divisions and Finance Section. The Committee also recommended that staff return to the Personnel Committee to discuss its overall staffing strategy considering this increase.*

At this time, Jack Broadbent, Executive Officer/Air Pollution Control Officer gave the staff presentation *New Grant Program Revenues and Request to Increase Staffing in the Strategic Incentives Division*, including: staffing evaluation process.

The next meeting of the Mobile Source Committee will be held on Thursday, September 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 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 funding from the VW Trust will be targeted and delivered to the three air districts that will be co-managing those funds over the next ten years; the forecast of additional staffing needs in the Strategic Incentives Division; the forecast of expenditures of the funds from the VW Trust, and the suggestion for an audit to prolong the longevity of those funds; the difference between the \$2 billion dollar Dieselgate VW settlement promoting electric vehicles in the US (Electrify America) and the VW trust funds being allocated to the air districts through the California Air Resources Board (CARB); and the percentage of administrative funding versus project funding from the VW Trust.

Board Action:

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

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

13. **Report of the Stationary Source Committee Meeting of July 30, 2018**

Chair Hudson read the following Committee report:

The Committee met on Monday, July 30, 2018, and approved the minutes of May 21, 2018.

The Committee reviewed and discussed the presentation Air Pollution Complaint Process Overview. The Committee then reviewed and discussed the staff presentation Amending Regulation 7: Odorous Substances.

Finally, the Committee reviewed and discussed the staff presentation Improving Neighborhood Air Quality.

The next meeting of the Stationary Source Committee will be held on Monday, September 17, 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 Stationary Source Committee.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

14. Report of the Ad Hoc Building Oversight Committee Meeting of August 1, 2018

Ad Hoc Building Oversight Committee Chair, Director Mark Ross, read the following Committee report:

The Ad Hoc Building Oversight Committee met on Wednesday, August 1, 2018, and approved the minutes of June 6, 2018.

The Committee met in Closed Session to receive an update on the Richmond Property, but there is no reportable action.

The next meeting of the Ad Hoc Building Oversight Committee will be held on Wednesday, September 5, 2018, at 9 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 Ad Hoc Building Oversight Committee.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

None; receive and file.

PUBLIC HEARINGS

15. **Recommended Assembly Bill 617 Communities for Community Plans**

Mr. Broadbent introduced Elizabeth Yura, Community Health Protection Officer, who gave the staff presentation *Improving Neighborhood Air Quality*, including: AB 617 overview; spring workshops; community recommendations; West Oakland; Richmond; other large source communities; wood smoke communities; landfill/organics communities; what's next; and recommended action.

NOTED PRESENT: Director Miley was noted present at 10:31 a.m.

Chair Hudson opened the Public Hearing to Consider Staff Recommendations for Community Air Monitoring and Community Emission Reduction Plans Under the State's Community Air Protection Program.

Public Comments:

Public comments were given by Janet Stromberg, 350 Bay Area; Rodeo resident, Janet Pygeorge; and Bob Brown, Western States Petroleum Association.

Board Comments:

The Board and staff discussed the Board's appreciation of staff for procuring funds for the first year of the AB 617 program, and acknowledged that annual petitions will have to be made to the State for ongoing funding for AB 617 implementation and maintenance; the District's methodology for selecting communities for Years 2-5 of the AB 617 and how input from CARB and the environmental justice community also contributes to community selection; projected benefits in the next five years of the AB 617 program for both selected and non-selected communities; the Board's appreciation of the District's focus on public health and procurement of a Health Officer, and the request for a report on the tasks completed by the Health Officer; the request that the District publicly emphasizes the correlation between pollution and health impacts in disadvantaged communities and collects data from each Bay Area county Public Health Department and hospitals; how "low life expectancy" is defined, how elderly communities can affect life expectancy rates, and the request that a more detailed life expectancy map be provided to the Board in the future; the observation that some residential wood burning may result not from necessity, but preference, despite District regulations; the request that community capacity building needs come back to the Board for discussion; the request that the District studies the correlations between PM and cognitive diseases in women; and the need to include Board members in community-led events related to AB 617.

Chair Hudson closed the Public Hearing.

Board Action:

Director Groom made a motion, seconded by Director Canepa, to **approve** staff recommendations for community air monitoring and community emission reduction plans under the state's Community Air Protection Program; and the motion **carried** by the following vote of the Board:

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

16. **Public Hearing to Consider Adoption of Proposed Regulation 6, Particulate Matter (PM) - Common Definitions and Test Methods; Proposed Amendments to Regulation 6, PM Rule 1: General Requirements; Proposed Regulation 6, PM, Rule 6: Prohibition of Trackout; and Approval of a California Environmental Quality Act (CEQA), Negative Declaration**

Mr. Broadbent introduced Guy Gimlen, Principal Air Quality Engineer, who gave the staff presentation *Particulate Matter Rules – Public Hearing*, including: outline; PM basics; PM health impacts; PM health burden in the Bay Area; PM control measures in 2010 Clean Air Plan; air quality trends; high PM_{2.5} locations; sources of PM₁₀ and PM_{2.5}; targeted sources; control methods; structure for PM rules; Rule 6-1: General Requirements; bulk material handling; examples of bulk material dust and controls; prohibition of trackout; examples of road dust and trackout controls; rulemaking process; CEQA analysis; socioeconomics analysis; response to comments; and recommendation.

Chair Hudson opened the Public Hearing to Consider Adoption of Proposed Regulation 6, PM - Common Definitions and Test Methods; Proposed Amendments to Regulation 6, PM, Rule 1: General Requirements; Proposed Regulation 6, PM, Rule 6: Prohibition of Trackout; and Approval of a CEQA, Negative Declaration

Public Comments:

Public comments were given by Jed Holtzman, Richard Gray, and Janet Stromberg, 350 Bay Area.

Board Comments:

The Board and staff discussed the efficiency of monitoring trackout prevention; concerns from landfill facilities that solid waste operations would be severely impacted by the proposed changes to Regulation 6; the concern that the District-recommended incremental water use for certain control measures that are designed to prevent facilities from exceeding draft opacity limits is excessive and may affect residential water usage, and whether local water agencies have been/will be contacted by the District; whether agricultural operations are exempt from District Regulation 6; the request that the District further monitors and refines trackout prevention practices; whether additional staffing needs are anticipated regarding proposed amendments to District Regulation 6; staff's suggestion to report back to the Stationary Source Committee on water usage concerns that were raised; and the request that staff reports back to the Board after communicating with local water agencies about potential increases in water usage to reduce construction dust.

Chair Hudson closed the Public Hearing.

Board Action:

Director Wagenknecht made a motion, seconded by Director Haggerty, to **adopt** Proposed Regulation 6, PM - Common Definitions and Test Methods; Proposed Amendments to Regulation 6, PM, Rule 1:

General Requirements; Proposed Regulation 6, PM, Rule 6: Prohibition of Trackout; and Approval of a CEQA, Negative Declaration; and the motion **carried** by the following vote of the Board:

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

PUBLIC COMMENT ON NON-AGENDA MATTERS (OUT OF ORDER, ITEM 18)

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

Public comments were given by Jed Holtzman and Richard Gray, 350 Bay Area.

CLOSED SESSION (12:12 pm)

18. CONFERENCE WITH REAL PROPERTY NEGOTIATOR – (*Government Code Section 54956.8*) (ITEM 17)

Reportable Action: ~~Chair Hudson announced that no reportable action was taken during Closed Session.~~

REVISED Reportable Action: Chair Hudson reported that the Board of Directors gave the real property negotiator direction to purchase property at 4102, 4104, 4108, 4114, 4124 Lakeside Drive, Richmond, CA 94806, with price and terms to be reported when finally negotiated.

OPEN SESSION (12:24 pm)

BOARD MEMBER COMMENTS

19. The following comments were made by Board members:

- Director Groom thanked staff for arranging a tour of the Chevron refinery in Richmond on July 31, 2018.
- Secretary Sinks commended staff for their presentations given to the Ad Hoc Refinery Oversight Committee on July 25, 2018 and encouraged the rest of the Board members to view the webcast.
- Director Mitchoff announced that the Contra Costa County Board of Supervisors is going to consider the District’s “Diesel Free by 33” pledge for adoption on August 7, 2018.
- Director Kim expressed his disappointment that his 2017 request for a wildfire plan has not yet been drafted for the Board. He requested that one be created and presented to the Board as soon as possible.

OTHER BUSINESS

20. Report of the Executive Officer/Air Pollution Control Officer

Mr. Broadbent announced the following:

- There will be a Board meeting on September 5, 2018, at which, health and climate impacts from diesel particulate matter will be discussed in preparation for the Global Climate Action Summit on September 12-14.
- The District's Global Climate Action Summit affiliate event, "United Against GHGs - Diesel Free by '33," will be held on September 12, 2018 at the Bay Area Metro Center. This is an invitation-only event.
- Wildfire season is to be addressed at the first Board meeting in October. A slide showing a smoke winds forecast was displayed. Director Zane requested daily air quality reports for Sonoma County, especially in Santa Rosa. Vice Chair Rice asked for best practices and recommended behavior changes during fire season that County Public Health Officers can distribute.

21. Chairperson's Report

Chair Hudson announced the following:

- The following meetings have been cancelled:
 - August 15 Board of Directors
 - August 22 Budget and Finance Committee
 - August 23 Mobile Source Committee
- Several Board members will be attending a tour of the Athabasca tar sands from August 12-14 in Fort McMurray, Alberta, Canada.
- Chair Hudson gave his and Director Ross' report out on the 111th Annual Air and Waste Management Conference, which took place in Hartford, Connecticut from June 25-28.

22. Time and Place of Next Meeting

Wednesday, September 5, 2018, at 375 Beale Street, San Francisco, CA 94105 at 9:30 am.

23. Adjournment

The meeting adjourned at 12:34 a.m.

/s/ Marcy Hiratzka
Marcy Hiratzka
Clerk of the Boards