

Bay Area Air Quality Management District
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APPROVED MINUTES

Summary of Board of Directors
Administration Committee Meeting
Wednesday, May 19, 2021

This meeting was conducted under procedures authorized by executive order N-29-20 issued by Governor Gavin Newsom. Members of the Committee participated by teleconference.

1. CALL TO ORDER – ROLL CALL

Administration Committee (Committee) Co-Chairperson, Cindy Chavez, called the meeting to order at 9:31 a.m.

Present: Co-Chairpersons Cindy Chavez and Carole Groom; Vice Chairperson Karen Mitchoff; and Directors Margaret Abe-Koga, John Bauters, Rich Constantine, Tyrone Jue, Katie Rice, Mark Ross, and Brad Wagenknecht.

Absent: Director Erin Hannigan.

Also Present: None.

2. APPROVAL OF THE MINUTES OF APRIL 21, 2021

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Wagenknecht made a motion, seconded by Director Constantine **approve** the Minutes of April 21, 2021; and the motion carried by the following vote of the Committee:

AYES: Abe-Koga, Bauters, Chavez, Constantine, Groom, Jue, Mitchoff, Rice, Ross, Wagenknecht.
NOES: None.
ABSTAIN: None.
ABSENT: Hannigan.

3. BAY AREA REGIONAL COLLABORATIVE (BARC) UPDATE

Allison Brooks, Executive Director of BARC, gave the presentation *BARC Work Plan Update*, including: BARC work plan updates; climate resiliency - state legislative engagement update; and May 21 BARC Governing Board - focus on diversity, equity, and inclusion.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed BARC's pursuit of opportunities for climate adaptation planning funds from State Budget surplus.

Committee Action

None; receive and file.

4. COMMUNITY MONITORING FUNDING AND EXPENDITURES UPDATE

Greg Nudd, Deputy Air Pollution Control Officer of Policy, gave the staff presentation *Community Monitoring Funding and Expenditures*, including: outcome; requested action; outline; community monitoring request; funding sources and limitations; expenditures by county; county demographics; transparent & equitable funding scope; improving location specific data; transparent & equitable funding roadmap and timeline; and feedback requested.

Public Comments

Public comments were given by Y'Anad Burrell, Richmond resident; and Jed Holtzman, 350 Bay Area.

Committee Comments

The Committee and staff discussed the public's long-standing request for greater transparency and accountability regarding the Air District monitoring expenditures and how those expenditures are dispersed across the region; varying types of monitoring, microclimates, and other factors in different Bay Area subregions; expenditures for Aclima projects (to date); contributing factors as to why more community air monitoring activities are being carried out in some Bay Area counties than in others; whether the Air District will pursue additional state funding sources for community monitoring funding allocation; the request for additional context in future presentations on this topic to avoid potential misconceptions and misinterpretations regarding equality among the Bay Area counties; and whether labor costs are considered negligible.

Committee Action

None; receive and file.

5. DIRECTION ON COMMUNITY TOUR PROTOCOL

Veronica Eady, Senior Deputy Executive Officer of Policy & Equity, gave the staff presentation *Direction on Community Tour Protocol*, including: outcome; outline; requested action; background; protocol for community tours; and feedback requested.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the need for funding for community tours to be built into the Air District's annual budget, and the request for next steps on how to achieve better budget transparency; the importance of having Board members who live outside Bay Area communities most directly impacted by multiple sources of toxics and pollution to attend these tours; whether a minimum number of tours per year and/or tour schedule will be established; the suggestion of inviting stakeholders and representatives from non-profit organizations to the tours; the suggestion of asking Board members to identify such parties; and the importance of learning about the history of the communities that are to be toured.

Committee Action

None; receive and file.

6. FOLLOW UP ON FISCAL YEAR ENDING (FYE) 2022 BUDGET DIRECTION

Air District staff gave four presentations on four topics within this item:

- A. Community Benefit Fund** - The Committee considered a modification to the Proposed Fiscal Year Ending (FYE) 2022 budget Reserves Designations to increase the Community Benefit designation.

Dr. Jeff McKay, Chief Financial Officer, gave the staff presentation *Consideration of Increase to Community Benefit Reserves Designation in proposed Fiscal Year Ending 2022 Budget*, including: outcome; outline; requested action: reserves designations; revised reserves designations; next steps; feedback requested/prompt.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the request for the prioritization of the seating of the Community Advisory Council.

B. Cost Recovery - The Committee considered next steps to reach full Cost Recovery.

Dr. McKay gave the staff presentation *Cost Recovery*, including: outcome; outline; requested action; financial history; possible path to 100% cost recovery; draft fee amendments; proposed changes to fee schedules; impact on businesses assuming cost recovery in one year (petroleum refineries, power plants); impact on small business assuming cost recovery in one year; impact on other businesses assuming cost recovery in one year; next steps; and feedback requested/prompt.

Public Comments

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

Committee Comments

The Committee and staff discussed the history of the Air District's current cost recovery policy, how that policy has affected fee increases for small businesses over the past ten years, and how they would be affected if the Air District adopted a 100% cost recovery policy; the request for a comparison of fee revenue projections with an 80% cost recovery goal versus the projected 100% goal; concerns about increasing the fees for publicly-owned treatment works plants, resulting in fee increases for rate payers; consideration of differentiation for facility type within the upcoming cost recovery study; whether the Air District could maximize fee increases for facilities that are particularly carbon-intensive; the feasibility of imposing an increased carbon fee; and the request that the Air District gives as much advanced notice as possible to permitted facilities about fee increases.

C. Review Workplan to Initiate Management Audit – The Committee considered a workplan and timeline to procure services and initiate a management audit.

John Chiladakis, Acting Chief Administrative Officer, gave the staff presentation *Management Audit Workplan*, including; outcome; outline; requested action; scope of work; workplan; and selection panel.

Public Comments

Public comments were given by Bob Brown, Western States Petroleum Association.

Committee Comments

The Committee and staff discussed which Board members will serve on the panel that will select the auditor.

D. Employee Recruitment Rate – The Committee received a report on the expected Fiscal Year Ending (FYE) 2022 employee recruitment rate.

Mr. Chiladakis gave the staff presentation *Expected Employee Recruitment Rate in Proposed Fiscal Year Ending 2022*, including: outcome; outline; requested action; 6 year average recruitment rate; recruitment rates from 2016 to 2020; Full Time Equivalent (FTE) 2021 job open rate; accelerating recruitment; and anticipated recruitment rate.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed concerns regarding the requested staffing increase, including whether the Air District has had time to implement its intended efforts to recruit more young people of color and women; the request for a recruitment plan (presented at a future Committee meeting) containing defined phasing and the number of current vacancies; the Air District's employee retention of new hires; and the anticipated timeline for the management audit;

Committee Action (6A – 6D)

Vice Chair Mitchoff made a motion, seconded by Director Constantine, to recommend the Board:

1. **Modify** the Proposed Fiscal Year Ending 2022 budget Reserves Designations to increase the Community Benefit designation from \$1M to \$3M, reducing the Pandemic Contingency designation from \$10M to \$8M, and require that Air District staff give regular updates on the Community Benefit Fund to the Committee;
2. **Set** a target for a 100% cost recovery policy;
3. **Approve** the proposed workplan to initiate a management audit and the scope of work to procure services for a management audit, acknowledging the following priorities: evaluate the Air District's current hiring process, analyze Air District divisions that are asking for the greatest numbers of new staffing positions, include a risk assessment within the audit. The selection team of the auditor will include Board Members Carole Groom and Margaret Abe-Koga, as well as one community member appointed by the Community Equity, Health, and Justice Committee, and another appointed by the Stationary Source and Impacts Committee; and
4. **Request** that Air District staff prepare and present a recruitment plan to the Committee, including and a defined phasing of that plan, which should reflect the diversity of Bay Area communities.

The motion carried by the following vote of the Committee:

AYES: Abe-Koga, Bauters, Chavez, Constantine, Groom, Jue, Mitchoff, Rice,
Ross, Wagenknecht.
NOES: None.
ABSTAIN: None.
ABSENT: Hannigan.

CLOSED SESSION (11:33 a.m.)

7. CONFERENCE WITH LABOR NEGOTIATORS (Government Code § 54957.6(a))

Agency Negotiators: Jack P. Broadbent, Executive Officer/APCO
John Chiladakis, Acting, Chief Administrative Officer
Terri Levels, People and Engagement Officer

Employee Organizations: Bay Area Air Quality Management District Employees'
Association, Management, and Confidential Employee
Groups

REPORTABLE ACTION: NONE REPORTED

OPEN SESSION (12:01 p.m.)

8. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

9. COMMITTEE MEMBERS' COMMENTS

None.

10. TIME AND PLACE OF NEXT MEETING

Wednesday, September 15, 2021, at 10:30 a.m., via webcast, pursuant to procedures authorized by Executive Order N-29-20 issued by Governor Gavin Newsom.

11. ADJOURNMENT

The meeting adjourned at 12:02 p.m.

/s/ Marcy Hiratzka
Marcy Hiratzka
Clerk of the Boards