

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

Board of Directors Special Meeting / Budget Hearing
Wednesday, May 5, 2021

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*

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

CALL TO ORDER

1. Board of Directors (Board) Chairperson, Cindy Chavez, called the meeting to order at 9:30 a.m.

Roll Call:

Present: Chairperson Cindy Chavez; Vice Chairperson Karen Mitchoff; Secretary John Bauters; and Directors Margaret Abe-Koga, Teresa Barrett, David Canepa, Rich Constantine, Pauline Russo Cutter, John Gioia, Carole Groom, Erin Hannigan, David Haubert, Lynda Hopkins, David Hudson, Davina Hurt, Tyrone Jue, Myrna Melgar, Nate Miley, Rob Rennie, Katie Rice, Mark Ross, Brad Wagenknecht, Shamann Walton, and Lori Wilson.

Absent: None.

PUBLIC HEARING

2. **First Public Hearing on the Proposed Air District Budget for Fiscal Year Ending (FYE) 2022.**

The Board of Directors held a public hearing for the exclusive purpose of considering testimony on the Air District's Proposed Budget for FYE 2022. A Final Public Hearing is scheduled for Wednesday, June 16, 2021, to consider adoption of the Proposed Budget for FYE 2022.

Dr. Jeff McKay, Chief Financial Officer, gave the staff presentation *First Public Hearing on the Proposed Air District Budget for FYE 2022*, including: outcome; outline; requested action; financial history – actual reserves and policy trends, cost recovery trends, fees and cost recovery overview; possible path to 100% cost recovery; current FY budget overview; FY 21-22 Proposed Budget overview; breakdown of \$10.5 million budget increase; new staffing request (General

Fund and grant funded); staffing needs of Divisions (Engineering, Technology Implementation Office, Compliance & Enforcement, Finance, Community Engagement, Rules, Strategic Incentives, and Metrology & Measurements; management audit; funding of retirement liabilities; Community Benefit Funding; pandemic contingency reserves; reserves designations; FY 21-22 Proposed Budget summary; budget adoption steps; and feedback requested/prompt.

Chair Chavez opened the first of two required public hearings for the exclusive purpose of considering testimony on the Air District's Proposed Budget for FYE 2022.

NOTED PRESENT: Directors Hurt, Melgar, and Wilson were noted present at 10:00 a.m.

Public Comments

Public comments were given by Michael Carr, California Council for Environmental and Economic Balance; Bob Brown, Western States Petroleum Association; and Jed Holtzman, 350 Bay Area.

Board Comments

The Board and staff discussed the fact that staff augmentation is one of the biggest elements of the Proposed Budget for FYE 2022, due to increase in programmatic deliverables; which of the 26 requested additional staff positions considered entry-level, the qualifications for each requested position, and what their benefits would be; the concern that the Air District overpays its employees; who is required to pay the Air District's Criteria Pollutants and Toxic Emissions Reporting Fee; whether the Air District should continue to prioritize AB 617 if the State ceases to fund the program; how fees relate to cost recovery; how the Air District's Community Benefits Fund Transparent and Equitable Funding expenditures are being reflected in the Proposed Budget for FYE 2022, and the request that the proposed \$1M for the Community Benefits Fund be increased to \$3M; the speed at which the Air District should be aspiring to reach 100% of cost recovery, the request for a comparison of other California air districts' cost recovery policies, and the suggestion of giving the Board three different cost recovery options; the need to better anticipate the rate of Air District employee attrition and turnover the request for an Air District salary survey and a management audit, and the request that a proposed scope of work for the management audit be presented at the upcoming Administration Committee meeting and at the June 16th Board meeting.

Chair Chavez closed the public hearing.

Board Action

None; receive and file.

PUBLIC COMMENT ON NON-AGENDA MATTERS

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

No requests received.

OTHER BUSINESS

4. BOARD MEMBERS' COMMENTS

None.

5. TIME AND PLACE OF NEXT MEETING

The second and final Public Hearing on the Proposed Air District Budget for FYE 2022 is scheduled for Wednesday, June 16, 2021, at 9:30 a.m., via webcast, pursuant to procedures authorized by Executive Order N-29-20 issued by Governor Gavin Newsom.

6. ADJOURNMENT

The meeting adjourned at 10:42 a.m.

/s/ Marcy Hiratzka
Marcy Hiratzka
Clerk of the Boards