



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS' REGULAR MEETING

April 7, 2004

A meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:45 a.m. in the 7th floor Board room at the Air District headquarters, 939 Ellis Street, San Francisco, California.

Questions About an Agenda Item

The name, telephone number and e-mail of the appropriate staff person to contact for additional information or to resolve concerns is listed for each agenda item.

Meeting Procedures

The public meeting of the Air District Board of Directors begins at 9:45 a.m. The Board of Directors generally will consider items in the order listed on the agenda. However, any item may be considered in any order.

After action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

BOARD OF DIRECTORS' REGULAR MEETING A G E N D A

WEDNESDAY
APRIL 7, 2004
9:45 A.M.

BOARD ROOM
7TH FLOOR

CALL TO ORDER

Opening Comments
Roll Call
Pledge of Allegiance
Swearing in of New Board Member

Scott Haggerty, Chairperson
Clerk of the Boards

PUBLIC COMMENT PERIOD

Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3
Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Board's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.

COMMENDATIONS/PROCLAMATIONS

The Board of Directors will recognize employees who have completed the milestone levels of (25) twenty-five and thirty (30) years of service to the District.

CONSENT CALENDAR (ITEMS 1 –7)

Staff/Phone (415) 749-

1. Minutes of March 3, 2004

M. Romaidis/4965

mromaidis@baaqmd.gov

2. Communications

J. Broadbent/5052

jbroadbent@baaqmd.gov

Information only

3. Report of the Advisory Council

B. Hanna/4962

bchanna@napanet.net

4. Monthly Activity Report

P. Hess/4971

phess@baaqmd.gov

Activities for the month of February 2004

5. Report of District Personnel on Out of State Business Travel

W. Tanaka/5066

wtanaka@baaqmd.gov

6. Approval of Expenditure of \$162,500 from the Contingencies Account to fund Settlement of Lawsuit
B. Bunger/4920
bbunger@baaqmd.gov

Consider approval of \$162,500 expenditure from Contingency account to fund the settlement in the lawsuit of Communities for a Better Environment (CBE) and Transportation Defense and Education Fund (TRANSDEF) v. Bay Area AQMD, et al., San Francisco Superior Court, Case No. 323849, First District Court of Appeals Case No. A103991 as approved at the March 3, 2004 Board of Directors meeting.

7. Approval Budget Increase to Reflect Amounts Previously Allocated by Board of Directors to Transportation Fund for Clean Air Budget Program 612 (Vehicle Buy-Back and Scrapping) and Planning and Research Division Budget Program 603 (Central California Ozone Studies)

B. Bunger/4920
bbunger@baaqmd.gov

Consider approval of Increases to the current FY '03/04 approved TFCA Budget for Program 612 and to the FY '03/04 Budget for Planning and Research Division Program 603 to formally and properly reflect increases in the amounts allocated to these programs by prior Board actions.

COMMITTEE REPORTS AND RECOMMENDATIONS

8. Report of the **Personnel Committee** Meeting of March 4, 2004

CHAIR: H. BROWN

J. Broadbent/5052
jbroadbent@baaqmd.gov

Action: The Committee recommends Board of Director approval of Steven Kmucha as the alternate for the Medical Profession category on the Hearing Board. This is for a 3 year-term of office effective April 15, 2004.

9. Report of the **Legislative Committee** Meeting of March 17, 2004

CHAIR: B. WAGENKNECHT

J. Broadbent/5052
jbroadbent@baaqmd.gov

Action(s) The Committee recommends Board of Director approval of positions taken regarding recently introduced bills as listed in the memorandum for this agenda item.

10. Report of the **Regional Agency Coordinating Committee** Meeting of March 19, 2004

CHAIR: M. DeSAULNIER

J. Broadbent/5052
jbroadbent@baaqmd.gov

11. Report of the **Stationary Source Committee** Meeting of March 22, 2004

CHAIR: M. DeSAULNIER

J. Broadbent/5052

jbroadbent@baaqmd.gov

Action(s): Approve staff recommendation to support Pacific Gas & Electric Company's proposed shut down of the Hunters Point Power plant.

12. Report of the **Executive Committee** Meeting of March 29, 2004

CHAIR: S. HAGGERTY

J. Broadbent/5052

jbroadbent@baaqmd.gov

Action(s): Approve Advisory Council Recommendation to Appoint Sanjiv Bhandari to the Architect category on the Advisory Council to complete an unexpired term of office effective immediately and ending December 31, 2004.

PRESENTATION

13. Clean Air Plan for the Tri-Valley Area

S. Haggerty/5052

jbroadbent@baaqmd.gov

Ellen Garvey will present the Clean Air Plan for the Tri-Valley Area, the plan includes voluntary measures to help achieve clean air in the Tri-Valley area.

OTHER BUSINESS

14. Report of the Executive Officer/APCO
15. Chairperson's Report

CLOSED SESSION

16. Conference with Legal Counsel

Existing Litigation:

Pursuant to Government Code Section 54956.9(a), a need exists to meet in closed session with legal counsel to consider the following cases:

- 1. **Paul Mauriello v. Bay Area AQMD** (Public Employment Relations Board, Unfair Practice Charge No. SF-CE-175-M)*
- 2. **Stonelight Tile, Inc. and David Anson v. Bay Area AQMD**, United States Court of Appeals for the Ninth Circuit, Case No. 03-15402 and 03-15530 (Appeal from Judgment following Jury Trial in United States District Court, N.D. Cal., San Jose Division, Case No. CV 98-21060-JW/HRL)*

OPEN SESSION

17. Board Members' Comments

Any member of the Board, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

18. Place of Next Meeting - 9:45 a.m., Wednesday, April 21, 2004 -939 Ellis Street, San Francisco, CA 94109

19. Adjournment

JPB:mag

CONTACT CLERK OF THE BOARD - 939 ELLIS STREET SF, CA 94109

(415) 749-4965
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities notification to the Clerk's Office should be given at least 3 working days prior to the date of the meeting, so that arrangements can be made accordingly.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 29, 2004

Re: Board of Directors' Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Board of Directors meeting of March 3, 2004.

DISCUSSION

Attached for your review and approval are the draft minutes of the March 3, 2004 Board of Directors' meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Bay Area Rapid Transit District, First Floor Board Room, 800 Madison Street, Oakland, CA 94607

Draft Minutes: Board of Directors Regular Meeting – March 3, 2004

Call To Order

Opening Comments: Chairperson Haggerty called the meeting to order at 9:10 a.m.

Pledge of Allegiance: Director Smith led the Board in the Pledge of Allegiance.

Roll Call: Present: Scott Haggerty, Chair, Roberta Cooper (9:26 a.m.), Chris Daly, Mark DeSaulnier, Jerry Hill, Liz Kniss (9:32 a.m.), Patrick Kwok, Nate Miley (9:26 a.m.), Tim Smith, Pam Torliatt (9:16 a.m.), Gayle Uilkema, Shelia Young.

Absent: Harold Brown, Jake McGoldrick, Julia Miller, Dena Mossar, Mark Ross, John Silva, Marland Townsend, Brad Wagenknecht.

Chairperson Haggerty congratulated the following Board members on being re-elected: Tim Smith, Gayle Uilkema, Liz Kniss, Hal Brown and John Silva.

Chairperson Haggerty announced the March 17, 2004 Board meeting is cancelled.

Public Comment Period: There were no speakers.

Commendations/Proclamations: Chairperson Haggerty acknowledged Director Dena Mossar who has served on the Board of Directors since March 1999. Chairperson Haggerty directed staff to send Director Mossar her plaque along with a letter of appreciation. Chairperson Haggerty also directed staff to send a letter to Deputy Director Maria Ayerdi, who resigned from the Board in January.

Consent Calendar (Items 1 – 5) – The Consent Calendar was deferred until a quorum was present.

COMMITTEE REPORTS AND RECOMMENDATIONS – THE COMMITTEE REPORTS AND RECOMMENDATIONS WERE DEFERRED UNTIL A QUORUM WAS PRESENT.

PRESENTATION

8. Summary of Environmental Community Tour

Staff provided a summary of the Environmental Community tour and the Air District's response to questions raised during the tour.

Jack Broadbent, Executive Officer/APCO, presented a report of the February 18, 2004 Environmental Community Tour of Oakland. Mr. Broadbent reviewed the community member comments and concerns raised during the tour and summarized how the Air District is addressing these concerns.

Other Business

9. Report of the Executive Officer/APCO – Mr. Broadbent stated he had no report.
10. Chairperson’s Report

Chairperson Haggerty discussed the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) putting together a joint planning council that will look at comprehensive regional planning for the nine Bay Area counties. Mr. Haggerty stated that a comprehensive plan should not only include transportation and housing, but air quality.

Director DeSaulnier congratulated Chairperson Haggerty on his re-election. Director DeSaulnier added that at the last Regional Agency Coordinating Committee (RACC) having the Air District a part of any kind of regional transportation/land-use commission was discussed. Director DeSaulnier noted that the ultimate goal is to have better coordination between the regional agencies and coordination on land use issues; and that it is appropriate for the Air District to be include in these discussions. Director DeSaulnier stated that since the RACC is already established and designated on the implementation of the regional agency’s Smart Growth Implementation Plan, it would be appropriate to continue with the RACC.

Chairperson Haggerty directed staff to send a letter to Senator Torlakson and the Chairs of MTC and ABAG. The letter should discuss the fact that, if there is going to be a comprehensive regional plan, the Air District believes it should be at the table; that the Air District would prefer that this move to the RACC; and if that is not possible; then the Air District would want an equivalent amount of seats as ABAG and MTC as the new joint planning council is established. Mr. Broadbent will sign the letter to ABAG and Chairperson Haggerty will sign the letter to MTC.

CLOSED SESSION (THE BOARD ADJOURNED TO CLOSED SESSION AT 9:25 A.M. WITHOUT A QUORUM)

11. Conference with Legal Counsel

Existing Litigation:

Communities for a Better Environment and Transportation Defense and Education Fund v. Bay Area AQMD, Metropolitan Transportation Commission, Association of Bay Area Governments, and California Air Resources Board, San Francisco Superior Court, Case No. 323849

With the arrival of Directors Miley and Cooper at 9:26 a.m. and Director Kniss at 9:32 a.m., a quorum was present for the Closed Session.

Open Session (The Board reconvened to Open Session at 9:37 a.m.)

Brian Bunger, Counsel, reported that the Board met in Closed Session to discuss Item 11 on the agenda. The Board agreed unanimously to approve the settlement, and that the terms of the settlement agreement will be made available when the other parties have approved it.

12. Board Members' Comments – There were none.

Consent Calendar (Items 1 – 5)

1. Minutes of February 18, 2004
2. Communications. Correspondence addressed to the Board of Directors
3. Report of the Advisory Council – There was no report.
4. Consider Approval of Resolution to Create Non-Board Administrative Committee

The Board of Directors Considered approval of a resolution to create a non-Board Administrative Committee with the authority to administer and amend benefit plan documents when necessitated by changes to tax laws, implementation of Board approved labor agreements, and Board direction on benefits for non-represented employees.

5. Consider Amending the MOU with the Employees' Association to add the Principal Air Quality Chemist classification title.

The Board of Directors considered amending the MOU with the Employees' Association to add the Principal Air Quality Chemist classification title.

Board Action: Director Torliatt moved approval of Consent Calendar Items 1 through 5; seconded by Director Young; carried unanimously with the following Board members voting:

AYES: Cooper, Daly, DeSaulnier, Hill, Kniss, Kwok, Miley, Smith, Torliatt, Uilkema, Young, Haggerty.

NOES: None.

ABSENT: Brown, McGoldrick, Miller, Mossar, Ross, Silva, Townsend, Wagenknecht.

Adopted Resolution No. 2004-04: A Resolution of the Bay Area Air Quality Management District Board of Directors Establishing an Administrative Committee and Bestowing Authority on the Administrative Committee to Administer and Amend Employee Benefit Plans

Adopted Resolution No. 2004-05: A Resolution to Approve the Side Letter of Agreement Regarding the Principal Air Quality Chemist Classification

COMMITTEE REPORTS AND RECOMMENDATIONS

6. Report of the Budget & Finance Committee Meeting of February 25, 2004

Director Daly presented the report and stated that the Committee, lacking a quorum, met on Wednesday, February 25, 2004. Staff reported on the impact of the Governor's proposed budget for fiscal year 2004/05 on the Air District. Staff reviewed the timeline for the State budget and noted that the Legislature hoped to pass the budget by July 1st. The District's share of subvention this year is \$1.8 million, which is the same as last year. Staff reported that the Governor's proposal would shift \$1.3 billion in property taxes from local governments to the State. The Governor's proposal does not specify if the Air District is included in this shift, and if the District is included, how much property tax would be taken. Staff also reviewed the State revenues and expenditures for the 2004/05 fiscal year.

Staff presented the Second Quarter Financial Report for Fiscal Year 2003/2004. Staff reviewed the Statement of Revenue and Statement of Expenditures and the comparison of budget to actual for each. Staff reviewed the income and expenditures of the Transportation Fund for Clean Air (TFCA) fund.

Staff presented a report on the Lawn Mower Buyback Programs and a request for the transfer of \$135,000 from the Reserve for Contingencies to continue the programs in 2004. Staff noted that seven counties (Alameda, Contra Costa, Solano, Sonoma, Napa, San Mateo and San Francisco) and the City of Sunnyvale want to partner with the Air District to sponsor local lawn mower buy-back programs. Staff is also working with Alameda County to coordinate another lawn mower buy-back program in that county again this year. The consensus of the Committee was to forward this request to the full Board for approval.

The March 24th meeting of the Committee has been cancelled. The next meeting of the Committee is scheduled for 9:45 a.m., Wednesday, April 28, 2004.

Board Action: Director Daly moved the Board approve the report of the Budget and Finance Committee; seconded by Director Torliatt; carried unanimously without objection.

7. Report of the Mobile Source Committee Meeting of February 26, 2004

The Committee met on Thursday, February 26, 2004 and staff presented reports on the following five items and the Committee recommends the Board approve the actions under each item:

- 1) Carl Moyer Program Grant Allocations.
 - Approval of \$3.32 million in grants to 16 projects.
 - Approval of \$500,000 in future Carl Moyer Program funds for a specified project at the Port of Oakland.
 - Authorize the Executive Officer to offer grants to additional projects as more Carl Moyer funds become available during the 2004 calendar year.
 - Authorize the Executive Officer to solicit additional projects that would assist the Air District in complying with the requirements of Health & Safety Code Section 43023.5 when distributing additional Carl Moyer funds that become available during the 2004 calendar year.

- Authorization for the Executive Officer to enter into funding agreements with recipients of Carl Moyer grants.
- 2) An amendment to the San Francisco County Program Manager expenditure program for fiscal year 2003/2004.
 - Approve the allocation of \$216,000 in TFCA Program Manager funds for 375 Cleaire Longview system devices for 375 San Francisco Municipal Railway (MUNI) coaches.
 - 3) The allocation of the remaining available fiscal year 2003/2004 Transportation Fund for Clean Air (TFCA) Regional Funds for two projects.
 - Approve \$1 million in TFCA Regional Funds to the Lower Emission School Bus Program.
 - Approve \$512,000 in TFCA Regional Funds to the Metropolitan Transportation Commission (MTC) to help install particulate matter (PM) and nitrogen oxide (NOx) filters on transit buses throughout the region.
 - 4) An amendment to the Marin County Program Manager expenditure program for fiscal year 2003/2004.
 - Approve the allocation of \$98,675 in Marin County Program Manager funds for the County of Marin's Ride and Roll Program.
 - 5) An amendment to the Alameda County Program Manager expenditure program for fiscal year 2003/2004.
 - Approve the allocation of \$941,130 in Alameda County Program Manager funds, awarding:
 - \$500,000 to Alameda County Transit (AC Transit) for the Transit Bus Priority System, International Boulevard project;
 - \$231,200 to the Alameda County Congestion Management Agency for the Guaranteed Ride Home project;
 - \$125,996 to the City of Berkeley for the City Carshare, East Bay Expansion project; and
 - \$83,934 to the Livermore Amador Valley Transit Authority (LAVTA), Altamont Commuter Express (ACE) Shuttle Service, Pleasanton ACE Station to Bay Area Rapid Transit (BART) project.

The Committee also directed staff to make some changes to various reports. The March 11, 2004 meeting of the Committee has been cancelled. The next meeting of the Committee is scheduled for 9:30 a.m., Thursday, April 8, 2004.

Board Action: Director Young moved Board approval of the report as written and Board approval of the five action items as stated in the report; seconded by Director Torliatt.

Speaker: Meena Palaniappan
Pacific Institute
Oakland, CA 94610

Ms. Palaniappan spoke on the Carl Moyer Program grant allocations.

In response to a question from Director Miley, Mr. Broadbent stated that he has met with members of the Pacific Institute about the community being involved with the process with the Moyer funds, but noted that the current Moyer funds are very restrictive on how the money is spent. Mr. Broadbent added that the Air District will continue to meet with the

Pacific Institute and take into consideration their concerns as the District works with the Port of Oakland to dispense the money.

The motion then passed without objection.

13. Time and Place of Next Meeting - 9:45 a.m., Wednesday, April 7, 2004, 939 Ellis Street, San Francisco, California.
14. Adjournment: The meeting was adjourned at 9:47 a.m.

Mary Romaidis
Clerk of the Boards

mr

Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 7, 2004

Re: Report of Division Activities for the month of February 2004

RECOMMENDED ACTION:

Receive and file.

Reviewed by: Peter Hess

ADMINISTRATIVE SERVICES DIVISION – W. TANAKA, DIRECTOR

The Second Quarter Financial Report was presented to the Budget & Finance Committee at the February 25, 2004 meeting. Also presented at the meeting was the Governors proposed budget for Fiscal Year 2004/2005. A request, not to exceed \$135,000, to fund the 2004 Lawn Mower Buyback Program was presented to the Committee.

Staff, with budget responsibilities, has been busy gathering and entering preliminary budget data for the FY 2004/2005 budget. Staff is faced with the challenge of preparing a balanced budget that will have little or no growth. With the possibility of a cut in property tax revenue, the budget preparation will proceed with uncertainty as a final decision is weeks away. An alternative plan has been developed should the District lose revenue from property taxes. This plan will be presented to the Budget & Finance Committee for approval and recommendation to the full Board.

Status of various capital projects in process:

	<u>Started</u>	<u>% Complete</u>	<u>Completion Date</u>
➤ Phase II HVAC upgrade	3/2003	80%	3/2004
➤ Main Entry Upgrade	10/2003	100%	2/2004
➤ Roof Replacement	11/2003	100%	2/2004

COMPLIANCE & ENFORCEMENT DIVISION – K. WEE, DIRECTOR

District staff met with City of Milpitas staff and Milpitas odor stakeholders on February 5, to distribute a Memorandum of Understanding amongst the District, the City of Milpitas, and odor stakeholders. The MOU outlines a Rapid Notification Program for Milpitas where complaint information is emailed to the odor stakeholder so proactive measures can be taken to reduce odorous emissions. All six Milpitas odor stakeholders are participating.

Staff gave a presentation on the Gasoline Vapor Recovery program at the 6th Annual CUPA Conference in Santa Clara on February 5. Staff attended the California Bus Association's 10th Annual Spring Maintenance Seminar on February 24 in San Jose to answer questions about Regulation 8, Rule 45. Compliance and Enforcement Division staff met with Engineering staff and a representative from a firm that does the majority of Ethylene Oxide (ETO) sterilizer source testing in the Bay Area to discuss permit conditions that monitor temperature of ETO catalysts.

Staff conducted training for the Public Information staff, and other interested staff, on how to use the over-the-phone foreign language translation service. Staff will conduct additional training of other Divisions on request. Revised Compliance Policy and Procedures Guidelines for Complaints and Regulation 5 - Open Burning were posted to the District website. New Guidelines for Asbestos Air Toxic Control Measure (ATCM) for Construction, Grading, Quarrying and Surface Mining Operations, were also posted. These documents help guide both industry and inspection staff on compliance with District Regulations. A Compliance Assistance Advisory was sent out to operators of vapor solvent cleaners who use halogenated solvents that are regulated by the US EPA. Staff responded to the Tesoro Refinery flaring incident of February 20 when a power loss resulted in significant flaring.

(See Attachment for Activities by County)

ENGINEERING DIVISION – B. BATEMAN, DIRECTOR

Permit Evaluation Activity

Major Permit Activity

The District issued a permit (#8799) to Tesoro Refining Company for a new knockout drum to control emissions from desalter pressure safety valves (PSV). Installation of this control system was required because on July 31, 2003, the desalter had the second PSV release in five years, triggering the requirement in Regulation 8-28 to vent PSVs to a control system.

The first revisions of the Refinery Title V permits were released for public comment. These draft revised permits address flare monitoring, compliance with refinery NOx caps, and miscellaneous critical issues identified by the refineries and EPA.

Mirant Potrero's proposed Alternative Compliance Plan (ACP) was approved. This plan allows the facility to use Interchangeable Emission Reduction Credits (IERCs), which are extra emission reductions achieved by the facility in the recent past, as offsets. These offsets may only be used to allow the facility to continue emitting at current levels, in spite of newly effective requirements that affect the source, a power plant in San Francisco.

Two new Title V permits were issued (Republic Services Vasco Road, Livermore, and International Disposal Corporation, Milpitas). One new Title V permit was released for public comment (San Francisco Airport, San Mateo)

Toxics Program

Health risk screening assessments were conducted for 31 permit applications, primarily diesel emergency generators. Rule development activities continued on Regulation 2, Rule 5, New Source Review of Toxic Air Contaminants. This rule development project had been delayed,

however, due to delays in the release of health risk assessment software tools by CAL/EPA, and presentation for adoption to the District's Board of Directors is not expected until the second half of 2004. Staff met with representatives of several community groups and the Advisory Council concerning the Rule 2-5. Staff completed quality assurance review of the 2002 toxic emission inventory; the annual toxic report is expected to be completed soon and available on the District's website.

INFORMATION SYSTEMS DIVISION – J. McKAY, DIRECTOR

Enterprise Resource Planning (ERP) Project for Air District Financial Systems

JDE Budgeting is in use. The Administration Mitchell Humphrey cutover will occur at the beginning of the new fiscal year.

Administration and Human Resources continue to focus on modeling of business processes. Modeling Design for HR and Payroll involves significant innovation because these systems are currently paper based. Significant progress has been made, and HR may be able to go live before the July 1 scheduled date.

The first phase of implementation will not only replace the old Mitchell Humphrey's financial system, but will also absorb a small portion of the function currently in the IRIS/Databank system. The interfaces between JDE and the Districts' Engineering/Production systems (IRIS/Databank) have shown initial successful trials. Determination of appropriate tool sets and functional design for the Districts' future Engineering/Production Systems (used by Permits, Enforcement and Legal) continues as a separate, but linked, process.

Toolsets for Permits/Enforcement/Legal

High-level functional design and toolset evaluations are ongoing with Engineering. The process of determining high-level system architecture will continue concurrent with the ERP implementation. This process will further mature in the first half of the calendar year, and will then receive full staffing as the ERP implementation completes.

Web Site Development

The roadmap for the next phase of the new site is under development. Infrastructure Development for web based query capability has initiated, with first results scheduled for release in May.

LEGAL DIVISION – B. BUNGER, DISTRICT COUNSEL

The District Counsel's Office received 159 Violations reflected in Notices of Violation ("NOVs") for processing.

Mutual Settlement Program staff initiated settlement discussions regarding civil penalties for 54 Violations reflected in NOVs. In addition, Mutual Settlement Program staff sent 39 Final 30 Day Letters regarding civil penalties for 53 Violations reflected in NOVs. Finally, settlement negotiations by Mutual Settlement Program staff resulted in collection of \$46,967 in civil penalties for 90 Violations reflected in NOVs.

Counsel in the District Counsel's Office initiated settlement discussions regarding civil penalties for 91 Violations reflected in NOVs. Settlement negotiations by counsel in the District Counsel's Office and by counsel in the Contra Costa County District Attorney's Office resulted in collection of \$308,275 in civil penalties for 128 Violations.

PLANNING DIVISION – J. ROGGENKAMP, DIRECTOR

The Board approved allocation of \$3.3 million in Carl Moyer Program funds to 16 projects; allocation of available FY 2003/04 Transportation Fund for Clean Air (TFCA) Regional Funds to two projects; and amendments to the San Francisco, Marin, and Alameda TFCA County Program Manager expenditure programs for FY 2003/04. The District signed new agreements with the current vehicle buy-back contractors. The contractors purchased 157 vehicles in February 2004.

The Technical Committee and the Air Quality Planning Committee of the Advisory Council discussed preliminary evaluations of ozone control measures with staff, focusing particularly on measures contained in the San Joaquin Valley Unified APCD and South Coast AQMD plans. Staff met with ARB managers regarding progress on Further Study Measures in the 2001 Ozone Plan. Staff participated in conference calls comparing rules between Sacramento, San Joaquin and Bay Area districts. Staff met with representatives from Sacramento and Yolo Solano districts regarding control measures to address transport concerns. Staff participated in a workgroup meeting to gather input on the draft Technical Assessment Document for further emissions reductions from organic liquid storage tanks.

Staff wrote four comment letters regarding air quality impacts of development projects and plans in the Bay Area: Central Station Project (Oakland), Vista Del Mar Project (Pittsburg), Parkway Commerce Center (Richmond), BEA Development Project (San Jose). A letter was also sent to each city manager and county administrator in the region providing information about air quality benefits of tree planting and encouraging cities and counties to incorporate air quality considerations in their tree planting programs.

PUBLIC INFORMATION & OUTREACH – T. GALVIN LEE, DIRECTOR

The wintertime media relations and outreach program on woodsmoke and driving was completed in February, and planning began for Spare the Air 2004 summertime campaign. The Board approved recommendations for five contractors to assist with the program and staff began to meet with the new contractors to begin program development. Eight Spare the Air employer workshops are being planned for April and May in Santa Rosa, San Francisco, the Peninsula, Sunnyvale, Oakland, West Contra Costa, Central Contra Costa, and the Tri-Valley. To date, six of the sessions are fully sponsored. Staff and the consultant (RIDES) finalized the design and content of the pre-season employer packet. The employer section of the STA website is in the process of being updated.

On February 18th the Oakland Community Environmental Tour was held. Nine board members attended. The Air District's community resource teams worked on a variety of projects. The San Francisco team continued outreach to San Francisco businesses to increase participation in Bike to Work Day, which will be held on May 20. The East Bay resource team developed their Commute Resource Guide. The Napa Clean Air Coalition evaluated progress on its vanpool project and discussed other potential projects for 2004.

1558 smoking vehicles were reported during February.

TECHNICAL DIVISION – G. KENDALL, DIRECTOR

Air Monitoring

Particulate monitors for PM_{2.5}, including six continuous PM_{2.5} monitors, continued their enhanced wintertime sampling schedules at all designated stations. Ozone monitors at eight stations are shut down during the low ozone winter period as authorized under by a waiver granted by the EPA.

Meteorology and Data Analysis

November 2003 air quality data were reviewed and entered into the EPA Air Quality System (AQS) database. The winter calibration of the District meteorological network was completed. Stubble burn complaints for 2002-2003 were analyzed in preparation for developing Stubble Burn forecasting techniques. Three staff attended the two-day media training course.

Quality Assurance

The Quality Assurance supervisor met with CARB Standard Lab staff to discuss standard gas and transfer standard certification procedures. A system audit was completed at the District's Vallejo air monitoring station.

Air Quality

There were no days in February when the air quality reached the Unhealthful for Sensitive Groups category (AQI >100) for PM_{2.5}. Frequent frontal passages prevented any significant buildup of PM_{2.5} at the beginning of the month. A brief period of high pressure with cold nights and offshore flow led to five consecutive days when the air quality rose to the Moderate level (51-100 AQI) during the middle of the month. Several strong storms brought windy, wet conditions with good air quality (AQI < 51) during the last two weeks of the month. Air quality was good between storms due to strong winds. Our Santa Rosa meteorological station recorded 18 days of rain in February.

Laboratory

In addition to the ongoing, routine analyses performed by the lab, six ambient air samples collected from the vicinity of the Tesoro incident on 2/20/04 were analyzed for reduced sulfur compounds and total hydrocarbons. One of those samples was further analyzed for toxic compounds and other hydrocarbons. Four coating samples from Rexam Beverage were analyzed for hydrocarbon compounds.

Source Test

Ongoing Source Test activities included Continuous Emissions Monitoring (CEM) Field Accuracy Tests, source tests, gasoline cargo tank testing, and evaluations of tests conducted by outside contractors. The ConocoPhillips Refinery's open path monitor monthly report for the Month of January was reviewed. The Source Test Section provided ongoing participation in the District's Further Studies Measures for refineries.

**These facilities have received one or more Notices of Violations
Report period: February 1, 2004 – February 29, 2004**

Alameda County

Status				Regulation
Date	Site #	Site Name	City	Title
2/23/2004	C7925	Campus Mini-Mart	Berkeley	Failure to Meet Permit Conditions
2/26/2004	P7796	Greencompass Marine	Emeryville	Particulate Matter and Visible Emissions
2/2/2004	A1965	Container Management Service-LLC	Hayward	Major Facility Review (Title V)
2/6/2004	B1362	Owens Brockway Glass Container, Inc	Hayward	Major Facility Review (Title V)
2/4/2004	C8876	Livermore Beacon	Livermore	Permit to Operate
2/4/2004	C8876	Livermore Beacon	Livermore	Gasoline Dispensing Facilities Motor Vehicle and Mobile Equipment Coating Operations
2/5/2004	A5756	Capri Auto Body	Oakland	Operations
2/26/2004	A0591	East Bay Municipal Utility District	Oakland	Failure to Meet Permit Conditions Motor Vehicle and Mobile Equipment Coating Operations
2/2/2004	P7286	Mario Alfardo	San Leandro	Operations

Contra Costa County

Received				Regulation
Date	Site #	Site Name	City	Title
2/17/2004	P7575	Steven Johnson	Bethel Island	Open Burning
2/23/2004	P7725	David Marr	Concord	Asbestos Demolition, Renovation&Manufacturing
2/26/2004	B0295	Air Products & Chemicals, Inc	Martinez	Failure to Meet Permit Conditions
2/20/2004	P7684	Martinez Gun Club	Martinez	Open Burning
2/26/2004	B2758	Tesoro Refining and Marketing Company	Martinez	Continuous Emission Monitoring&Recordkeeping
2/26/2004	A0010	Chevron Products Company	Richmond	Storage of Organic Liquids
2/26/2004	A0010	Chevron Products Company	Richmond	Wastewater (Oil - Water) Separators
2/5/2004	A0016	ConocoPhillips - San Francisco Refinery	Rodeo	Failure to Meet Permit Conditions
2/5/2004	A0016	ConocoPhillips - San Francisco Refinery	Rodeo	Wastewater (Oil - Water) Separators
2/11/2004	P7483	James Kang	San Pablo	Open Burning

Marin County

Received				Regulation
Date	Site #	Site Name	City	Title
2/24/2004	C8435	A & A Gas	Novato	Gasoline Dispensing Facilities
2/2/2004	C0420	Super Stop	San Rafael	Gasoline Dispensing Facilities

Napa County

Received				Regulation
Date	Site #	Site Name	City	Title
NONE				

San Francisco County

Received				Regulation
Date	Site #	Site Name	City	Title
2/26/2004	P7749	Annuzzi's Concrete Service	San Francisco	Authority to Construct
2/26/2004	P7749	Annuzzi's Concrete Service	San Francisco	Permit to Operate
2/6/2004	P7403	Department of Public Works	San Francisco	Particulate Matter and Visible Emissions
2/4/2004	D0122	Pacific Heights Shell-Shell Oil Products	San Francisco	Gasoline Dispensing Facilities
2/6/2004	P7401	Sam' Coffee Company	San Francisco	Authority to Construct
2/26/2004	D0191	Sunset Shell-Shell Oil Products	San Francisco	Gasoline Dispensing Facilities

2/5/2004	P7371	Toland Motor	San Francisco Authority to Construct
2/5/2004	P7371	Toland Motor	San Francisco Permit to Operate
2/5/2004	P7371	Toland Motor	San Francisco Motor Vehicle&Mobile Equipment Coating
2/17/2004	C2354	Unocal #5459	San Francisco Gasoline Dispensing Facilities

San Mateo County**Received**

Date	Site #	Site Name	City	Regulation Title
2/6/2004	A1364	Cypress Amloc Land Co , Inc	Colma	Major Facility Review (Title V)
2/11/2004	B2455	Gilead Sciences	Foster City	Failure to Meet Permit Conditions

Santa Clara County**Received**

Date	Site #	Site Name	City	Regulation Title
2/26/2004	C9462	Gilroy CHEVRON	Gilroy	Gasoline Dispensing Facilities
2/10/2004	C3879	Blossom Valley Chevron	San Jose	Gasoline Dispensing Facilities
2/2/2004	A0115	Coast Oil Company	San Jose	Gasoline Dispensing Facilities
2/2/2004	C9500	Meridian Chevron Auto Service	San Jose	Gasoline Dispensing Facilities
2/6/2004	A8572	Publishers Press	San Jose	Failure to Meet Permit Conditions
2/24/2004	C8382	USA Petroleum	San Jose	Gasoline Dispensing Facilities
2/10/2004	D0396	Valero Refining Co SS#7109	San Jose	Gasoline Dispensing Facilities
2/2/2004	P7289	Z-Con Specialty Services	San Jose	Asbestos Demolition, Renovation and Manufacturing
2/11/2004	A8611	Gilbert Spray Coat	Santa Clara	Surface Coating of Miscellaneous Metal Parts and Products
2/4/2004	B3543	Pac Bell	Santa Clara	Permit to Operate
2/4/2004	B0647	Paramount's Great America	Santa Clara	Failure to Meet Permit Conditions

Solano County**Received**

Date	Site #	Site Name	City	Regulation Title
NONE				

Sonoma County**Received**

Date	Site #	Site Name	City	Regulation Title
2/23/2004	C9139	Redwood Shell	Rohnert Park	Failure to Meet Permit Conditions
2/5/2004	P7367	Empire Castings Inc.	Santa Rosa	Surface Coating of Miscellaneous Metal Parts and Products
2/2/2004	D0199	Grand J Gas	Sonoma	Gasoline Dispensing Facilities

Outside Bay Area**Received**

Date	Site #	Site Name	City	Regulation Title
2/18/2004	P7626	Dassel's Petroleum Inc	Hollister	Gasoline Dispensing Facilities
2/18/2004	P7614	West Coast Construction	Rancho Cordova	Asbestos Demolition, Renovation and Manufacturing
2/2/2004	N1032	Beneto Tank Lines	Sacramento	Gasoline Dispensing Facilities

February 2004 Closed NOVs with Penalties by County

Alameda

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
7-11 Store	C0644	Livermore	\$1,000	1
7-11 Store #33163	C0995	Dublin	\$1,000	1
7-Eleven	C0138	Livermore	\$500	1
AFA Services Inc	P2715	Oakland	\$250	1
Hard Chrome Engineering Company	A4004	Oakland	\$2,000	1
Hexel	A0054	Livermore	\$75,000	94
Livermore Collision Center, Inc	A9062	Livermore	\$500	2
Oakland Auto Body & Frame	A6154	Oakland	\$500	1
Safeway Store #1953	C0927	Dublin	\$750	1
Shell Oil Products	C0168	Oakland	\$500	1
VTH Resources Inc	D0166	Fremont	\$500	1
Warraich Builder	P2871	Hayward	\$1,500	4
We CARE Coffee Company	B5750	Fremont	\$375	2

Total Closed Violations: 111

Contra Costa

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
B C Stocking	N3115	Richmond	\$750	1
Bhalla's Gas and Auto Service Inc	C9023	Antioch	\$500	1
Chevron #3072	C1719	Walnut Creek	\$750	1
Chevron Products Company*	A0010	Richmond	\$228,275	33
Iver Pride	P1995	Richmond	\$5,000	1

John Muir Medical Center	B0742	Walnut Creek	\$3,042	3
Professional Finishing	A2265	Richmond	\$2,100	1
Teichert Construction	F4405	Stockton	\$2,000	2

* This was settled by Lon Wixon of the Contra Costa County DA's Office.

Total Closed Violations: 43

Napa

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
David Abreu Vineyard Management	N3806	Rutherford	\$1,750	3
Fulton Body Shop	A3870	Saint Helena	\$1,000	2
Jeff Mathis	P6512	Yountville	\$350	1
Kent Rasmussen	P6492	Napa	\$300	1
Lamoreaux Vineyards	P1875	Napa	\$250	1
Richard Wax	P6498	Saint Helena	\$200	1

Total Closed Violations: 9

San Francisco

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Asian Art Museum	B3256	San Francisco	\$2,500	3
Golden City Auto Body	B1313	San Francisco	\$500	2
Lily Sathienthirakul	P3736	San Francisco	\$650	2
Rico's Welding	P4026	San Francisco	\$500	1

Total Closed Violations: 8

Santa Clara

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Anderson Chevrolet	A6416	Cupertino	\$1,000	3
Beacon 1-726	C8858	San Jose	\$500	1
Blue Bird Cleaners	A9942	Mountain View	\$1,000	1

Branham Lane Cleaners	A7536	San Jose	\$100	2
David Penny	P0169	San Jose	\$500	1
Emilio's Body Shop	B4311	San Jose	\$700	2
Gary Vita	N7496	Gilroy	\$250	1
Integrated Silicon Solution Inc	B1254	Santa Clara	\$1,000	1
McLachlan Wood Finishing Co	A9941	Mountain View	\$750	2
OM Saratoga Gas/Union 76	C9016	Saratoga	\$400	1
One Price Cleaners	A6097	Santa Clara	\$1,000	2
Quik Stop #94	C4074	San Jose	\$250	1
Rotten Robbie #1	C8699	Los Gatos	\$1,000	2
Rotten Robbie #2	C8700	San Jose	\$250	1
Rotten Robbie #27	C3403	Campbell	\$250	1
Rotten Robbie #42	C3969	San Jose	\$500	1
Rotten Robbie #53	C4052	San Jose	\$250	1
Royal Dry Cleaning	B1728	Sunnyvale	\$250	1
Saratoga Drycleaners	A5087	Saratoga	\$1,000	3
Springer Body & Paint	B0269	San Jose	\$650	1
The Paint Shop	B3075	Santa Clara	\$750	2
Unocal Service Station #6897	C8173	Santa Clara	\$250	1

Total Closed Violations: 32

Solano

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Flatlander Duck Club	P2150	Suisun City	\$2,000	1
Miracle Auto Painting & Body	A5686	Vallejo	\$500	1

West Coast Environmental	J3725	Fairfield	\$1,000	1
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Total Closed Violations: 3

Sonoma

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Al Binder	P6850	Santa Rosa	\$400	1
Brad Fruiht	P6856	Santa Rosa	\$300	1
Costco Gasoline Loc No 659	D0698	Rohnert Park	\$500	1
Deas Custom Wood Finishing	A4934	Santa Rosa	\$750	3
Jim Bundschu Vineyard	N5266	Vineburg	\$200	1
Musco Excavators	P1736	Santa Rosa	\$500	1
Sonoma Cutrer Winery	F0429	Windsor	\$500	1
Sweetheart Cabinet Makers Inc	B4763	Santa Rosa	\$400	1
Talawind Ranch	P6394	Windsor	\$300	1
Vina Management Service	N3670	Petaluma	\$500	1

Total Closed Violations: 12

*Marin & San Mateo County - No NOV's
Closed in February 2004*

**218 Closed Violations for all Counties
in February 2004 for \$355,242**

218

\$355,242

ACRONYMS AND TERMINOLOGY

ABAG	Association of Bay Area Governments
AC	Authority to Construct issued to build a facility (permit)
AMBIENT AIR	The surrounding local air
AQI	Air Quality Index
ARB	[California] Air Resources Board

ATCM	Airborne Toxic Control Measure
BAAQMD	Bay Area Air Quality Management District
BACT	Best Available Control Technology
BANKING	Applications to deposit or withdraw emission reduction credits
BAR	[California] Bureau of Automotive Repair
BARCT	Best Available Retrofit Control Technology
BIODIESEL	A fuel or additive for diesel engines that is made from soybean oil or recycled vegetable oils and tallow. B100=100% biodiesel; B20=20% biodiesel blended with 80% conventional diesel
BTU	British Thermal Units (measure of heat output)
CAA	[Federal] Clean Air Act
CAL EPA	California Air Resources Board
CCAA	California Clean Air Act [of 1988]
CCCTA	Contra Costa County Transportation Authority
CEQA	California Environmental Quality Act
CFCs	Chlorofluorocarbons
CMA	Congestion Management Agency
CMAQ	Congestion Management Air Quality [Improvement Program]
CMP	Congestion Management Program
CNG	Compressed Natural Gas
CO	Carbon monoxide
EBTR	Employer-based trip reduction
EJ	Environmental Justice
EIR	Environmental Impact Report
EPA	[United States] Environmental Protection Agency
EV	Electric Vehicle
HC	Hydrocarbons
HOV	High-occupancy vehicle lanes (carpool lanes)
hp	Horsepower
I&M	[Motor Vehicle] Inspection & Maintenance ("Smog Check" program)
ILEV	Inherently Low Emission Vehicle
JPB	[Peninsula Corridor] Joint Powers Board
LAVTA	Livermore-Amador Valley Transit Authority ("Wheels")
LEV	Low Emission Vehicle
LNG	Liquefied Natural Gas
MPG	Miles per gallon
MTC	Metropolitan Transportation Commission
NAAQS	National Ambient Air Quality Standards (federal standards)
NO _x	Nitrogen oxides, or oxides of nitrogen
NPOC	Non-Precursor Organic Compounds
NSR	New Source Review
O ₃	Ozone
PM _{2.5}	Particulate matter less than 2.5 microns

PM ₁₀	Particulate matter (dust) less than 10 microns
PM _{>10}	Particulate matter (dust) over 10 microns
POC	Precursor Organic Compounds
pphm	Parts per hundred million
ppm	Parts per million
PUC	Public Utilities Commission
RFG	Reformulated gasoline
ROG	Reactive organic gases (photochemically reactive organic compounds)
RIDES	RIDES for Bay Area Commuters
RTP	Regional Transportation Plan
RVP	Reid vapor pressure (measure of gasoline volatility)
SCAQMD	South Coast [Los Angeles area] Air Quality Management District
SIP	State Implementation Plan (prepared for <i>national</i> air quality standards)
SO ₂	Sulfur Dioxide
TAC	Toxic Air Contaminant
TCM	Transportation Control Measure
TFCA	Transportation Fund for Clean Air [BAAQMD]
TIP	Transportation Improvement Program
TMA	Transportation Management Association
TOS	Traffic Operations System
tpd	tons per day
Ug/m ³	micrograms per cubic meter
ULEV	Ultra low emission vehicle
ULSD	Ultra low sulfur diesel
USC	United States Code
UV	Ultraviolet
VMT	Vehicle miles traveled (usually per <i>day</i> , in a defined area)
VTA	Santa Clara Valley Transportation Authority
ZEV	Zero Emission Vehicle

BAY AREA AIR QUALITY MANGEMENT DISTRICT

Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 29, 2004

Re: District Personnel on Out-of-State Business Travel

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

It is the District's policy to report all out-of-state travel to the Board of Directors.

DISCUSSION

Teresa Galvin Lee, Director of Public Information and Outreach, attended the EPA sponsored conference on "Spare the Air" programs held in Baltimore, MD on February 22- 29, 2004.

Michael Bachmann, Information Systems Manager, Randy Rattray, Supervising Systems Analyst, David James and Eddie Ng, Systems Analysts, attended the JDEwards/Peoplesoft training courses held in Chicago, IL on March 9-11, 2004.

Jack Broadbent, Executive Officer attended the National Paint and Coatings Association (NPCA) Meeting and gave the key note speech, March 22 - 24, 2004. Expenses paid for by NPCA.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Brian C. Bunger
District Counsel

Date: March 30, 2004

Re: Approval of Expenditure of \$162,500 from the Contingency Account to Fund
Lawsuit as Approved by the Board of Directors at the March 3, 2004 Board of
Directors' Regular Meeting

RECOMMENDED ACTION:

Approve expenditure of \$162,500.00 to fund the settlement of the lawsuit Communities
for a Better Environment (CBE) and Transportation Defense and Education Fund
(TRANSDEF) v. Bay Area AQMD, et al., San Francisco Superior Court, Case No.
323849, First District Court of Appeal, Case No. A103991 and A104179.

BACKGROUND:

During a closed session at the March 3, 2004, Regular Meeting of the Board of Directors, the Board approved a settlement of the above lawsuit. The settlement agreement provides, among other things, for a one-time payment in the amount of \$162,500.00 to CBE and TRANSDEF.

DISCUSSION:

Having approved the settlement in the above-referenced case, it is now necessary for the Board to approve expenditure from a specified account to cover the one-time payment of \$162,500.00 to CBE and TRANSDEF as set forth in the Settlement Agreement and Release. The Contingency Account currently contains sufficient funds to cover the amount of this one-time payment. Accordingly, staff recommends that the Board approve the expenditure of \$162,500 from the Contingency Account to fund the payment required by the Settlement Agreement and Release.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Although the amount of the one-time payment necessary to consummate the approved settlement of the above-referenced case was not specifically allocated in the current (FY03-04) Approved Budget, there are sufficient funds available in the Contingency Account to cover this payment.

Respectfully submitted,

Brian C. Bunger
District Counsel

Prepared by: Brian Bunger

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Brian C. Bunger
District Counsel

Date: March 30, 2004

Re: Recommend Budget Increases to Reflect Amounts Previously Allocated by Board of Directors to TFCA Budget Program 612 (Vehicle Buy-Back and Scrapping) and Planning and Research Division Budget Program 603 (Central California Ozone Studies)

RECOMMENDED ACTION:

Approve increases to the current FY '03/04 Approved Transportation Fund for Clean Air (TFCA) Budget for Program 612 (Vehicle Buy-Back and Scrapping) and to the FY '03/04 Budget for Planning and Research Division Program 603 (Central California Ozone Studies) to formally and properly reflect increases in the amounts allocated to these programs by prior Board actions.

BACKGROUND:

On September 11, 2003, the Mobile Source Committee considered and recommended that the Board of Directors approve an increase of \$1 million in the amount allocated to TFCA Program 612 (Vehicle Buy-Back and Scrapping) in the approved TFCA Budget for FY '03/04. Pursuant to Agenda Item 11, the Board approved this recommendation of the Mobile Source Committee at its September 17, 2003, Regular Meeting. A copy of Agenda Item 11 from the September 17, 2003, Regular Meeting Agenda is attached.

Pursuant to Agenda Item 5.F., at its September 3, 2003, Regular Meeting, the Board approved a contract amendment with Environ International Corporation in the amount of \$200,000.00 with funding provided by the Metropolitan Transportation Commission to provide additional photochemical modeling services for Planning and Research Division Program 603 (Central California Ozone Studies). A copy of Agenda Item 5.F. from the September 3, 2003, Regular Meeting Agenda is attached.

DISCUSSION:

As District staff moves forward with preparation of the Draft Proposed FY '04/05 District Budget, it is critical to properly reflect the amount allocated to various District Programs. In order to properly reflect the above Program Budget increases previously approved by the Board, it is also necessary that the Board formally amend the current (FY '03/04) Budget to reflect these increased Program Budget allocations.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None, other than those previously considered and approved by the Board. This item is to formalize budget allocations to Program Budgets previously approved by the Board.

Respectfully submitted,

Brian C. Bunger
District Counsel

Prepared by: Brian Bunger

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 29, 2004

Re: Report of the Personnel Committee Meeting of March 4, 2004

RECOMMENDED ACTION:

The Committee recommends appointment of Steven Kmucha as the alternate for the Medical Profession category to the Hearing Board. This is for a 3-year term of office effective April 15, 2004.

BACKGROUND:

Pursuant to Section 40800 of the California Health and Safety Code the District is required to maintain a Hearing Board consisting of five members. Further, section 40801 requires that one of the Hearing Board members be from the medical profession whose specialized skills, training, or interests are in the fields of environmental medicine, community medicine, or occupational/toxicologic medicine. Section 40800 allows the District to appoint one alternate for each member of the Hearing Board with the same qualifications specified in Section 40801.

DISCUSSION:

The Personnel Committee met March 4, 2004 to conduct interviews of 5 candidates for recommendation to the full Board of Directors to fill the Alternate Medical position on the Air District's Hearing Board. Based on the Committee's review of each candidate's background, the Personnel Committee is recommending Steven Kmucha for appointment.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

None.

Respectfully submitted,

Jack Broadbent
APCO/Executive Officer

Prepared by: Michael K. Rich

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 29, 2004

Re: Report of the Legislative Committee Meeting of March 17, 2004

RECOMMENDED ACTIONS

The Committee recommends Board approval of the following positions regarding recently introduced bills:

Bill	Brief Description	Committee Recommendation
AB 1991 (Lowenthal)	Would establish a one-stop permitting process for petroleum infrastructure projects	Oppose in concept
AB 2366 (Chan)	Authorizes a 'fifth dollar' for clean air on vehicle registrations within the BAAQMD	Support
AB 2424 (LaMalfa)	Spot bill from Specialty Equipment Manufacturers Association to halt vehicle scrappage programs	Oppose in Concept
AB 2526 (Oropeza)	Funds the Moyer program with a quarter of a cent of existing diesel fuel tax	Support
AB 2628 (Pavley)	Allows hybrids into HOV lanes	Support if amended
AB 2847 (Oropeza)	Five cents per gallon fee on gas and diesel to mitigate air impacts	Support
AB 2880 (Pavley)	Authorizes increase from \$4 to \$6 in motor vehicle registration fees for clean air	Support
AB 2939 (Diaz)	Spot bill that will become a funding measure for a new Moyer-type program	Support
SB 1247 (Soto)	Spot bill that will become a funding measure for a new Moyer-type program	Support
SB 1614 (Torlakson)	Ten cents per gallon fee on gasoline and diesel with a penny going to clean air projects	Support
SB 1615 (Denham)	Ends California requirement that out-of-state vehicles older than 30 years be subject to smog check	Oppose unless amended

DISCUSSION

The Legislative Committee met Wednesday, March 17, 2004. After discussion of the bills, the Committee recommended the positions listed above. Chairperson Brad Wagenknecht will give a summary of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 30, 2004

Re: Report of the Regional Agency Coordinating Committee Meeting of March 19, 2004

RECOMMENDED ACTION:

Receive and file.

DISCUSSION

The Committee met on Friday, March 19, 2004. The Committee received reports on the Bay Area 2004 Ozone Strategy, Transportation 2030 and Regional Measure 2, and Smart Growth implementation strategies.

Chairperson Mark DeSaulnier will give an oral report.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 29 2004

Re: Report of the Stationary Source Committee Meeting of March 22, 2004

RECOMMENDED ACTION:

Approve staff recommendation to support Pacific Gas & Electric Company's proposed shut down of the Hunters Point Power plant.

DISCUSSION

The Committee met on Monday, March 22, 2004. The Committee received reports on: 1) The Air District's Renewal of Title V Permits to Pacific Gas & Electric Company (PG&E) and 2) Proposed Amendments to District Regulation 3: Fees.

With regard to discussions about PG&E, Director Young requested that the attached copies of correspondence from both Supervisor Maxwell and the California Independent System Operator be provided to the Board of Directors. The attached reports were presented to the Committee.

Chairperson Mark DeSaulnier will give an oral report.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Goodley

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 29, 2004

Re: Executive Committee Meeting of March 29, 2004

RECOMMENDED ACTION

Approve Committee recommendation to appoint Sanjiv Bhandari to the Architect category on the Advisory Council to complete an unexpired term of office effective immediately and ending December 31, 2004.

BACKGROUND

The Executive Committee met March 29, 2004. The Committee received the following reports, which are attached for your review:

- Quarterly Report of the Hearing Board; and
- Report of the Advisory Council and recommendation to appoint Sanjiv Bhandari to the Architect category on the Advisory Council;

The Committee also discussed the Air District's role in the recently proposed Joint Policy Committee formed by the Association of Bay Area Governments and the Metropolitan Transportation Commission. The Committee went into closed session conference with the Executive Officer/APCO to consider salary adjustments for management employees for fiscal year 2004/2005.

Committee Chairperson, Scott Haggerty, will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Goodley