



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS' REGULAR MEETING

May 19, 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
MAY 19, 2004
9:45 A.M.

BOARD ROOM
7TH FLOOR

CALL TO ORDER

Opening Comments
Roll Call
Pledge of Allegiance
Commendation/Proclamations

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.

CONSENT CALENDAR (ITEMS 1 – 9)

Staff/Phone (415) 749-

1. Minutes of April 21, 2004
M. Romaidis/4965
mromaidis@baaqmd.gov
2. Communications
Information only
J. Broadbent/5052
jbroadbent@baaqmd.gov
3. Report of the Advisory Council
E. Blake/4962
eblake@igc.org
4. Monthly Activity Report
Activities for the month of April 2004
P. Hess/4971
phess@baaqmd.gov
5. District Personnel on Out-of-State Business Travel
J. Broadbent/5052
jbroadbent@baaqmd.gov
6. Approval of Refund in Excess of \$10,000 to Equillon Enterprises, LLC
J. Broadbent/5052
jbroadbent@baaqmd.gov

In accordance with Section 3.6 (c) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board of Directors is hereby requested to authorize a refund payment in the amount of \$84,368 be paid to Equillon Enterprises, LLC (Plant # 51) of Houston, Texas due to overpayment of permit application fees.

7. Approval of Refund in Excess of \$10,000 to Owens Corning

J. Broadbent/5052
jbroadbent@baaqmd.gov

In accordance with Section 3.6 (c) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board of Directors is hereby requested to authorize a refund payment in the amount of \$30,382 be paid Owens Corning due to a miscalculation in emission fees.

8. Approve Resolution to Clarify Role of Existing Non-Board Administrative Committee

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board will consider approving a clarification to the authority of the existing non-board Administrative Committee.

9. Consider Approval of Purchase Order in Excess of \$70,000 for Professional Services

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board will consider authorizing the Executive Officer/APCO to execute a purchase order with J. D. Edwards for 2000 hours of professional services to cover the conversion of the Mitchell Humphrey system into the new J.D. Edwards Enterprise Resource Planning System. The purchase order is not to exceed \$300,000 from the approved 2003/2004 budget.

COMMITTEE REPORTS AND RECOMMENDATIONS

10. Report of the **Public Outreach Committee** Meeting of April 26, 2004

CHAIR: M. ROSS

J. Broadbent/5052
jbroadbent@baaqmd.gov

11. Report of the **Budget and Finance Committee** Meetings of April 28 and May 17, 2004

CHAIR: J. MILLER

J. Broadbent/5052
jbroadbent@baaqmd.gov

Action(s): The Committee may recommend the Board of Director approve the following:

- A) Creation of a Self-Insured Workers' Compensation Program, authorizing the Executive Officer/APCO to execute necessary documents to establish a self-insured Workers' Compensation Program and approval of a transfer of funds in the amount of \$1,000,000 from the General Reserve to establish a Reserve for Workers' Compensation; and*
- B) Referral of the proposed FY 2004/2005 budget to the Board of Director's at its June 2, 2004 meeting for the first of two public hearings. Final action will be taken at the conclusion of the second public hearing on this matter scheduled for June 16, 2004.*

12. Report of the **Legislative Committee** Meeting of April 28, 2004

CHAIR: B. WAGENKNECHT

J. Broadbent/5052
jbroadbent@baaqmd.gov

Action(s): The consensus of the Committee is that the Board approve the following positions on recently introduced bills:

Bill	Brief Description	Committee Recommendation
AB 2128 (Jackson)	Uses SB 1614 fuel fee for light-duty scrappage and retrofit programs	Support in Concept
AB 2541(Fromer)	Establishes Low Emission Contractor Incentive Program	Support
AB 3104 (Firebaugh)	Environmental Health and Air Quality Funding Act of 2004	Support

13. Report of the **Executive Committee** Meeting of April 30, 2004

CHAIR: S. HAGGERTY

J. Broadbent/5052
jbroadbent@baaqmd.gov

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. **Stonelight Tile, Inc. and David Anson v. Bay Area AQMD, United States District Court, N.D. Cal., San Jose Division, Case No. CV 98-21060 (JW) (PVT) (on remand from the United States Court of Appeals for the Ninth Circuit, Case No. 03-15402)**
2. **Alvin J. Greenberg, Ph.D. v. Bay Area AQMD, et al., United States district Court, N.D. Cal., Case No. C 02 1501 VRW**
3. **New United Motors Manufacturing Inc. v. Bay Area AQMD, et al., Alameda County Superior Court, Case No. RGO 04-140445**

B. Significant Exposure to Litigation

Pursuant to Government Code Section 54956.9(b), a need exists to meet in closed session to discuss one potential litigation matter against the District.

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, June 2, 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: May 7, 2004

Re: Board of Directors' Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Board of Directors meeting of April 21, 2004.

DISCUSSION

Attached for your review and approval are the draft minutes of the April 21, 2004 Board of Directors' meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET – SAN FRANCISCO, CA 94109

Draft Minutes: Board of Directors Regular Meeting – April 21, 2004

Call To Order

Opening Comments: Chairperson Haggerty called the meeting to order at 9:51 a.m.

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

Roll Call: Present: Scott Haggerty, Chair, Harold Brown, Roberta Cooper, Chris Daly, Mark DeSaulnier, Erin Garner, Jerry Hill, Patrick Kwok, Jake McGoldrick (9:57), Nate Miley, Julia Miller, Mark Ross, John Silva, Pam Torliatt (9:56 a.m.), Marland Townsend, Gayle Uilkema, Brad Wagenknecht, Shelia Young.

Absent: Liz Kniss, Tim Smith.

Commendations/Proclamations: There were none.

Public Comment Period: The following individuals came forward and spoke on the adoption of a District flare control rule, the issue of flaring at refineries, and health concerns in the communities located near the flares. Communities for a Better Environment (CBE) presented a report entitled *Refinery Flaring in the Neighborhood*.

A. J. Napolis
CBE

Ramona Martinez
CBE

Carla M. Perez
CBE

Julia May
CBE

Guillermina Lopez
CBE

Johnny White
Community Health Initiative

Dr. Henry Clark
West County Toxic Coalition

Wanna Wright
CBE

Dennis Bolt
Western Stated Petroleum
Association (WSPA)

Marleen Quint
CBE

Lucia Flores
CBE

Jack Broadbent, Executive Officer/APCO, stated that the District staff is in the process of developing rules for four Further Study Measures that were identified in the 2001 Ozone Plan that will affect refineries. The measures are directed toward wastewater operations, marine loading, pressure relief devices, and flaring. There will be five separate rules on these measures. It is expected there will be a flare control rule before the Board by the end of 2004. The other Further Study Measures as rules will be brought before the Board this year and next year.

As part of the fiscal year 2004/2005 budget there is a Community Risk Characterization and Reduction Program that will enable the District to characterize what the risk are in different Bay Area communities. This will be the technical foundation by which the District will build a plan and further legislative and regulatory efforts to address some of the community risk concerns heard today. There is also a Toxics New Source Review (TSNR) rule that will be brought before the Board by the end of 2004.

In response to concerns expressed by Director Torliatt on particulate matter from diesel exhaust, Mr. Broadbent stated that the Risk Characterization and Reduction Program is part of the fiscal year 2004/2005 budget. This is an effort by the District to be able to characterize what is the risk of breathing the air in different communities of the Bay Area. A similar study, the Multiple Air Toxics Exposure Study (MATES II), was done in the South Coast AQMD which cost several million dollars and took a number of years. This District would conduct a study that would take 6 to 9 months to characterize and define the risk in these different communities. It is believed that the diesel traffic is responsible for a very high part of the risk in the communities in the Bay Area. The District wants to be able to quantify that and would then start to develop plans on how to reduce that risk.

Consent Calendar (Items 1 – 7)

1. Minutes of April 7, 2004
2. Communications. Correspondence addressed to the Board of Directors
3. Report of the Advisory Council
4. Monthly Activity Report – *Activities for the month of March 2004*
5. Quarterly Report of Air Resources Board Representative Director mark DeSaulnier
6. Quarterly Report of the Clerk of the Boards
7. Referral of Proposed District Budget for Fiscal Year 2004/2005 to the Budget and Finance Committee

Pursuant to Administrative Code Division II, Section 3.2 Fiscal Policies and Procedures, and in compliance with Section 29064 of the Government Code, the Board referred the proposed budget for Fiscal Year 2004/2005 to the Budget and Finance Committee for review and consideration.

Board Action: Director Brown moved approval of Consent Calendar Items 1 through 7; seconded by Director Kwok; carried unanimously without objection.

COMMITTEE REPORTS AND RECOMMENDATIONS

8. Report of the Mobile Source Committee Meeting of April 8, 2004

Director Young presented the report and stated that the Committee met on Thursday, April 8, 2004. Staff requested, and the Committee approved that agenda item 4 be deferred to the next meeting.

Staff presented the Transportation Fund for Clean Air (TFCA) Annual Report for the 2003/2004 funding cycle and highlighted some of the key findings:

- A total of \$28.3 million has been allocated for eligible projects and programs: \$18.1 million in Regional funds for 46 projects, and \$10.2 million in Program Manager funds for 77 projects.
- The aggregate estimated lifetime emissions reduction is 1,558 tons, which includes 525 tons of reactive organic gas (ROG), 898 tons of oxides of nitrogen (NO_x), and 135 tons of particulate matter (PM).
- The aggregate cost-effectiveness of all TFCA projects funded in 2003/2004 is \$18,155 per ton of emission reductions.
- Since the inception of the TFCA program in 1992, the Air District has allocated \$258 million to 1, 614 projects.

The Committee requested staff provide a chart that lists the amount of funds that have been allocated for each year since 1992. The Committee recommends the Board approve the report entitled *Transportation Fund for Clean Air Report on FY 2003/04 Allocations and Effectiveness*.

Staff presented a report on the distribution of Lower Emission School Bus Program funds. Staff reported on the following:

- The current age of Bay Area school bus fleets.
- The county distribution of all school buses.
- The county distribution of public school buses.
- The history of the program.
- The total number of Lower Emission School Bus projects in each county.
- The county allocation of Air District funds to public school districts for the Lower Emission School Bus Program.
- Future actions include:
 1. \$1.9 million for additional bus replacements is available in the next funding cycle.
 2. The District will continue to work with school districts and private school bus contractors to install diesel PM retrofits on buses that are model-1994 and newer.
 3. The District will support continued funding from State agencies for school bus and engine replacements in pre-1994 buses.

There was considerable discussion on bus companies that are not currently in the program. Staff has been meeting with one of the companies that has expressed an interest in the program. It was also noted that the South Coast AQMD has written a rule, which has been challenged in court, that requires the school buses to be clean diesel when they are

purchased. The consensus of the Committee was that this Air District should pursue legislation that would allow the District to promulgate a similar rule in the Bay Area. The May 13th meeting has been rescheduled to 9:30 a.m., Thursday, May 20, 2004.

Board Action: Director Young moved the Board approve the recommendations of the Mobile Source Committee; seconded by Director Townsend; carried unanimously without objection.

9. Report of the Public Outreach Committee Meeting of April 12, 2004

Director Ross presented the report and stated that the Public Outreach Committee met on Monday, April 12, 2004. The consultants that are assisting the District with advertising and media relations for the *Spare the Air* program made presentations to the Committee.

Allison & Partners presented their plan for the media campaign, which included the following:

- Objectives and strategies, including emphasizing media relations and enlisting high-profile partnerships.
- This would include:
 - Proactive outreach
 - Reporting air quality facts
 - Bylined articles and op-eds
 - Outreach to non-English speaking residents
- Creating a “Media Kit” with a variety of information on the District.
- Creating a “Partner Pack,” which would be similar to the “Kit.”

Allison & Partners also presented an overview of the activities and milestones for each quarter. There was discussion on making sure that the Board members are included in the process; the possibility of a weekly theme, recruiting volunteers, interacting with schools, working with youth to spread the message, and making sure that there is an element of fun.

O’Rorke, Inc. presented their advertising theme of “Have a Plan...And Use It” and highlighted the following aspects of the campaign:

- Ad campaign goals, which include promoting Spare the Air’s importance, showing how changes in behavior can make a difference, and directing people to the web site.
- The ad campaign strategy, which focuses on families, friends, neighbors and colleagues in real-life situations.

The consultant also reviewed a progressive story that would focus on how a family would work out alternative plans to driving alone. There was considerable discussion on this item and the Committee requested O’Rorke, Inc. to return on Monday, April 26th to present more detailed information the Committee members.

Agenda Item 5, Update on Outreach for the 2004 Ozone Strategy, was deferred to the next meeting. Staff presented an update on the Lawn Mower Buyback Programs and reviewed the list of events for 2004. The next meeting of the Committee is scheduled for 9:15 a.m., Monday, April 26, 2004.

Board Action: Director Ross moved the Board approve the report of the Public Outreach Committee; seconded by Director Silva; carried unanimously without objection.

10. Report of the Personnel Committee Meeting of April 14, 2004

Director Kwok presented the report and stated that the Committee met on April 14, 2004 to conduct interviews of candidates to fill the regular Medical Profession position and the regular and alternate Registered Professional Engineer positions on the District's Hearing Board. Three candidates were interviewed for the regular Medical Profession position:

1. Thomas M. Dailey, M.D.
2. Alfred Au, M.D.
3. Carl Rose

The Committee voted unanimously to recommend the reappointment of Thomas M. Dailey for a three-year term of office ending April 14, 2007.

The Committee directed staff to forward the application and resume of Carl Rose to the Advisory Council Applicant Selection Working Group to be included in their pool of applicants for positions on the Advisory Council and to provide him information on the Public Member positions on the Hearing Board.

Five candidates were interviewed for the regular and alternate Registered Professional Engineer positions:

1. Christian Colline
2. Everett McDaniel, Jr.
3. Joseph Shilts
4. Jeffery Raines
5. Gary Weinstein

The Committee voted unanimously to recommend the reappointment of Christian Colline as the regular member and appoint Jeffery Raines as the alternate member for three-year terms of office ending March 6, 2007.

The next meeting of the Committee will be at the Call of the Chair.

Board Action: Director Kwok moved the Board approve the Committee recommendations for the Medical Profession position and the Registered Professional Engineer positions on the District's Hearing Board; seconded by Director Daly; carried unanimously without objection.

Public Hearing

11. First of Two Public Hearings to Adopt Proposed Amendments to District Regulation 3: Fees

The Board conducted the first of two public hearings to adopt proposed amendments to District Regulation 3: Fees, the second public hearing on the proposed amendments will be continued to the June 2, 2004 regular meeting of the Board of Directors.

Chairperson Haggerty opened the public hearing at 10:35 a.m.

Brian Bateman, Director of Engineering, presented the report and reviewed the rule development schedule, which included several public workshops, a briefing at the March 22, 2004 Stationary Source Committee meeting, and the two public hearings. Staff recommends the Board adopt the amendments to Regulation 3: Fees at its June 2, 2004 Board meeting and

the fees would be effective July 1, 2004. Mr. Bateman noted that the Air District has the authority to collect fees from stationary sources to cover the costs of regulatory programs. The six fee categories are: 1) operating/new and modified permit fees, 2) Title V permit fees, 3) asbestos fees, 4) AB 2588 fees [Air Toxics Hot Spots Program], 5) soil excavation and landfill fees, and 6) Hearing Board fees.

Mr. Bateman reviewed the Air District projected fee revenue for fiscal year 2003/2004 and a brief history of the annual fee adjustments since the 1999 KPMG Cost Recovery Study. The proposed amendments would increase the District's overall fee revenue by approximately 8.5%, or \$1.55 million, as compared to the current fiscal year. Staff is also proposing:

- A 1.9% CPI adjustment for all fee categories, except Title V permit fees, resulting in an additional \$327,500 in fee revenue.
- A new processing fee for renewal of operating permits, resulting in an additional \$673,000 in fee revenue.
- A 50% Title V fee increase, resulting in an additional \$550,000 in fee revenue.
- The District is also proposing several additional miscellaneous amendments to the fee regulation.

Mr. Bateman noted that there are 103 facilities that pay Title V fees (5 refineries and 98 other facilities). The average increase for Title V fees for refineries would be approximately \$50,000 and for other facilities approximately \$1,800. Mr. Bateman reviewed the projected permit fee revenue and program costs. Two organizations, the Western States Petroleum Association (WSPA) and the Golden Gate University Environmental Law & Justice Clinic, submitted comments on the proposed amendments.

In response to a question from Director Hill regarding a "fair share" analysis, Brian Bunger, Counsel, stated that information from employee's time sheets has been collected, but that additional information will be collected to conduct the analysis.

The following members of the public spoke on this agenda item:

Holly Gordon
Communities for a Better Environment
Oakland, CA 94612

Dennis Bolt
WSPA
Concord, CA 94518

Mr. Broadbent reminded the Board that this was the first of two hearings and staff will provide a recommendation on the comments heard today. Mr. Broadbent noted that Title V affects about 100 facilities; not just refinery operations. There is a lot of staff time and effort being spent on these complex Title V permits and more time will be spent on them in the future.

Board Action: The Board continued the public hearing to the June 2, 2004, Regular Meeting of the Board of Directors.

Other Business

12. Report of the Executive Officer/APCO – Jack Broadbent, Executive Officer/APCO reported on the following items:

1. Last Thursday, EPA announced their attainment and non-attainment designations for the new 8-hour ozone standard. The Bay Area was classified as a marginal non-attainment area. This means that the District will have to submit some planning elements to EPA. A briefing on this issue will be presented to the Executive Committee later this month. The District will need to come into compliance with the new standard by June 15, 2007.
 2. A list of Community Events and Meetings scheduled for April and June 2004 is at each Board member's place.
 3. A flyer for nominations for Clean Air Champions is at each Board member's place..
 4. The American Lung Association Luncheon is on April 29th.
 5. Another photograph on the wall that attempts to show all nine counties in the Bay Area.
13. Chairperson's Report - Chairperson Haggerty stated that the May 5, 2004 Board meeting is cancelled. The next meeting will be May 19, 2004.

CLOSED SESSION (THE BOARD ADJOURNED TO CLOSED SESSION AT 11:12 A.M.)

14. Conference with Legal Counsel

Existing Litigation:

Pursuant to Government Code Section 54956.9(a), a need existed to meet in Closed Session with legal counsel to consider the following cases:

1. **Alvin J. Greenberg, Ph.D. v. Bay Area AQMD, et al.**, United States District Court, N.D. Cal., Case No. C 02 1501 VRW
2. **City of Morgan Hill, Santa Teresa Citizen Action Group, Inc., Demand Clean Air, Inc. and Californians for Renewable Energy, Inc. v. Hearing Board of the Bay Area AQMD, et al.**, California Court of Appeals, First Appellate District, Division 4, Case No. A102518 (on Appeal from Judgment following Demurrer in San Francisco County Superior Court, Case No. CPF-02-501624)
3. **New United Motors Manufacturing, Inc. v. Bay Area AQMD, et al.**, Alameda County Superior Court, Case No. RGO 04-140445
4. **Communities for a Better Environment v. Bay Area AQMD, Dow Chemical Company, Real Party in Interest**, San Francisco County Supervisor Court, Case No. CPF-04-503883

Open Session (The Board reconvened to Open Session at 11:21 a.m.)

Mr. Bunger reported that the Board met in Closed Session to discuss the four cases under Item 14 on the agenda. The Board discussed the items with Counsel and provided general direction.

15. Board Members' Comments – Director Daly expressed his concern regarding the District's authority to deny a Title V permit and issues that may arise during the public hearings.

Director Miller requested information on emissions from CalTrain diesel engines.

16. Time and Place of Next Meeting - 9:45 a.m., Wednesday, May 19, 2004, 939 Ellis Street, San Francisco, California.
17. Adjournment: The meeting was adjourned at 11:24 a.m.

Mary Romaidis
Clerk of the Boards

mr

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: May 5, 2004

Re: Report of the Advisory Council

RECOMMENDED ACTION:

Receive and file.

DISCUSSION:

Attached for your review are the draft minutes of the following Advisory Council meetings:

- a) Regular Meeting – March 10, 2004
- b) Joint Technical and Air Quality Planning Committee – April 6, 2004
- c) Public Health Committee – April 19, 2004

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: James N. Corazza

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

DRAFT MINUTES

Advisory Council Regular Meeting
10:00 a.m., Wednesday, March 10, 2004

CALL TO ORDER: 10:10 a.m.

Opening Comments: Chairperson Blake. There were none.

Roll Call: Present: Elinor Blake, Chairperson, Sam Altshuler, P.E., Louise Bedsworth, Ph.D., Robert Bornstein, Ph.D., Jeffrey Bramlett, Harold Brazil, Pamela Chang, Irvin Dawid, Emily Drennen, Fred Glueck, William Hanna, Stan Hayes, John Holtzclaw, Ph.D., Norman A. Lopera, Jr. Kevin Shanahan, Victor Torreano, Linda Weiner, Brian Zamora.

Absent: Kraig Kurucz.

CONSENT CALENDAR:

1. Approval of Minutes of January 14, 2004: Mr. Zamora moved approval of the minutes; seconded by Dr. Bedsworth; carried unanimously.

PUBLIC COMMENT PERIOD: There were no public comments.

COMMITTEE REPORTS:

2. Report of the Air Quality Planning Committee Meeting of February 3, 2004. Mr. Brazil stated that the Committee met on February 3 and received a staff presentation on the District's review of over 370 pollution reduction strategies for possible inclusion in the update to the Ozone Attainment Plan (OAP). The Committee will soon provide comments to the District staff on the update to the OAP and will meet jointly with the Air Quality Planning Committee on April 6 to review further progress in control measure review. The Committee also discussed employee trip reduction, the relationship of District cost-effectiveness criteria for the Transportation Fund for Clean Air (TFCA) to pedestrian and bike facility improvements, the need for stricter emission standards for heavy-duty diesel engines, and the underestimation of mobile source emissions by current emission models. Later in the year, the Committee will review the Smog Check II program in California.

3. Report of the Public Health Committee Meeting of February 23, 2004. Ms. Weiner stated that the Committee met on February 23 and received presentations on cumulative risk assessment and the precautionary principle. These were provided by Amy Cohen and Ken Kloc of the Golden Gate University School of Law Environmental Law & Justice Clinic (ELJC), and Cindy Tuck of the California Council on Environmental and Economic Balance (CCEEB).

In the context of the District's pending rule-making on Toxics New Source Review (TNSR), the ELJC advocates cumulative over incremental risk assessment and a lower level of acceptable risk as a precautionary measure. CCEEB expressed its opposition to the further intervention of government regulation and argued that the precautionary principle was not workable in practice.

Ms. Weiner added that the District's executive management recently met with the ELJC and members of several East Bay and San Francisco communities with multiple sources of pollution. The outcome was that the District will implement a pilot program in one Bay Area community to develop data on cumulative risk. The Committee will develop recommendations by July.

Mr. Altshuler inquired if cumulative risk is defined as multiple exposures to an individual from different sources of the same pollutant or an individual's exposure to multiple pollutants in a cumulative manner, or a combination thereof, which would require a multiple chemical exposure matrix. Ms. Weiner replied that cumulative risk primarily refers to multiple sources.

Mr. Hayes observed that cumulative risk assessment contains many complex technical aspects and might be referred to the Technical Committee for review. Chairperson Blake stated that while the full Council would discuss the Committee reports at each Regular meeting, the Committee Chairs could consider whether to address the topic in the other Standing Committees as time permits.

4. **Report of the Technical Committee Meeting of February 24, 2004.** Dr. Bedsworth stated that the Committee met on February 24 and received a staff presentation on control measure review for the OAP. The Committee will meet jointly with the Air Quality Planning Committee on April 6 on further control measure review. The Committee's focus for the first half of the year will be the update to the OAP and starting in June mobile source emission inventory issues will be reviewed. The Committee will formulate comments on the District's ozone strategy document by October.
5. **Report of the Executive Committee Meeting of March 10, 2004.** Chairperson Blake stated that the Committee met this morning and discussed the work plan for the Standing Committees. The Committee also discussed a proposal from the Deputy Clerk on tracking the recommendations made by the Council to the Board and staff. The Deputy Clerk was directed to contact the new Advisory Council members to schedule a tour of the District facility some time after April 7.
6. **Applicant Selection Working Group Meeting of February 23, 2004.** Mr. Hayes stated that the Working Group screened seven applications, interviewed five candidates, and is recommending one candidate to the Board Executive Committee for appointment to the Council. The Executive Committee will meet on March 29. If approved, the recommendation will be given to the Board for consideration on April 7. Messrs. Hayes and Holtzclaw stated that staff did an outstanding job of advertising for this category and an excellent group of candidates applied. Chairperson Blake thanked Ms. Chang for her service on the Council and wished her well in her future endeavors.

PRESENTATION:

7. **The New York City Urban Atmospheric Observatory (UAO) and its Role in Emergency Planning: Lessons for the San Francisco Bay Area?** Chairperson Blake introduced Robert Bornstein, Ph.D., newly appointed to the Council in the "Colleges & Universities" category, a Professor of Meteorology at San Jose State University, Editor Emeritus of Atmospheric Environments Journal, a Fellow of the American Meteorological Association and three time Fulbright scholar.

Dr. Bornstein stated that the UAO project arose out of the tragic events of September 11, 2001 in New York City. The transport of toxic materials in an urban environment from the plumes filled with smoke and dust is a critical subject of study in air pollution meteorology. The UAO will be a permanent real-time facility that supports research in urban atmospheric science and also will provide a test bed for the development and validation of observational and modeling technologies for emergency response management and pollution releases due to earthquakes or accidents.

The real-time data that is essential to the issuance of evacuation instructions within 20-30 minutes will be forwarded to urban atmospheric models to which New York City emergency responders will have access. The Department of Homeland Security has provided significant funding for this system. Dr. Bornstein identified the many scientific, regulatory, government and private sector partners associated with this project and noted that he has been appointed its Chief Scientist.

The UAO will consider atmospheric activity (a) above rooftops over the city, (b) in neighborhoods, and (c) in between street canyons. Two tracer groups will provide additional data for both meso- and micro-scale models, which will in turn be used to develop simpler models that can be used in real-time. To evaluate heat islands and identify surface parameters the UAO will use a Geographical Information System (GIS) database with building permit data, as well as airborne radar measurements of building heights, and satellite data on land-use and vegetation. Additional thermal maps will show surface heat island characteristics based on data acquired from remote sensing.

Additional fixed and mobile mesonet sites will augment existing sites and provide boundary layer data for wind flows over rooftops. The data will be simulated by two models: one is a specialized urban version of Meteorological Model Version V (MM5) developed by former San Jose State University students and the other is the Regional Atmospheric Modeling System (RAMS). Dr. Bornstein showed slides of several monitoring sites in the City that will be used to obtain data for mapping wind and temperature fields. To determine upper boundary conditions, the models will incorporate radar data into the mesoscale models to assess rooftop flows and dispersion patterns and link them to smaller scale models that assess wind flow in the street canyons. Studies of the microscale will be longer-term and emphasize turbulence measurements in real-time. Staff from the Lawrence Berkeley Laboratory's indoor air quality program will assess the infusion of outdoor air into the indoor environment. The study of toxic releases in subway systems is also planned.

Safe, reliable and instantaneous communication is essential because cell phones did not work and telephone lines were down during the September 11 event. The UAO will set up a secure telecommunications network, with transmission linked to satellite via the Empire State and other buildings. Biochemical sensors will also be established at various points for providing emergency response information for police, fire and health department staff. Data must be provided based on wind flow patterns, chemical concentrations, proximate sources, urbanization modules, observations both surface and aloft, and all of this in real-time, to simple, efficient models which will process these data and predict wind direction and chemical concentrations. Smaller scale models have been developed that will provide for wind pattern analysis at the surface and along buildings.

Studies of flows of airborne materials through a building show eventual intrusion of toxic materials into a building. Flow patterns outside tall buildings can be complicated, and several different models will be used in the simulating patterns over and around buildings. For the first time, deep urban street canyons are being thoroughly analyzed. Using the most current technology, rapid response models will be developed to generate high-resolution data, reliable concentration and dosage estimates for guiding emergency response in event scenarios.

Noting that cities can significantly affect weather systems and prevent major fronts from passing over them, Dr. Bornstein displayed slides of converging weather fronts on the East Coast that resulted in confining pollutants to a narrow zone. In response to Mr. Dawid, he added that different aspects of the city affect temperature, wind, humidity and background synoptic conditions. During the summer, there are negative impacts on the poorer areas in the city. It is perhaps not an accident that climate and pollution are the worst in the poorer areas of a region.

In response to Mr. Glueck, Dr. Bornstein noted that street canyon turbulence models account for vehicular but not population movement. The sensors for biological radiation are funded separately in this program. The Office of Emergency Planning is now located under the Manhattan Bridge in a room with numerous computers connected with emergency responders. An additional goal will be to provide air emissions data to emergency responders in a useful and understandable format.

Mr. Shanahan inquired if the UAO can evaluate emissions in a street canyon from off-road diesel construction equipment, in order to assess whether emission controls lead to a measurable reduction of emissions. Dr. Bornstein stated the UAO is available for air quality analysis as well as emergency response. It found that due to a leaky transformer at Con Edison, significant amounts of SF-6 were in the atmosphere that could be used as a tracer. The UAO might use construction dust as a tracer. He offered to put Mr. Shanahan in contact with certain UAO staff on this issue.

Mr. Hayes inquired how this research might be applied to the Bay Area. Dr. Bornstein replied that the Bay Area has potential problem areas regarding earthquakes, the concentration of refineries in the Carquinez Strait, and bridge protection. Improvement in plume modeling tools for research and emergency response for toxic releases are needed to assess pollutant dispersion in complex topography. The best models should be used if there is a toxic release in a street canyon in San Francisco or San Jose. The District's air monitoring network is quite good and there is some linkage between the stations, but the data are not in real-time or linked to a central data management facility.

Peter Hess, Deputy APCO, noted that the complexity that Dr. Bornstein has demonstrated in these various models applies to the issue of cumulative risk assessment of toxics in a region, with regard to assessing many variables in inputs, data and boundary conditions. This may provide the basis for referring cumulative risk analysis for air toxics to the Technical Committee as well. He added that the stalling of a wind flow over a particular area might adversely affect it in terms of pollution concentrations. Convergent wind patterns may cause localized pollution build-up at San Martin and Livermore. Chairperson Blake noted that Contra Costa County has conducted a project with USEPA near the ConocoPhillips Refinery to develop air dispersion models.

Dr. Holtzclaw inquired if urban heat islands can also vent pollution from a city. Dr. Bornstein replied that this is possible depending upon the meteorological conditions. Project Heat in Texas is studying how the city of Houston affects thunderstorm frequency and will study this very topic.

OTHER BUSINESS:

- 8. Report of the Executive Officer/APCO:** Jack Broadbent stated that the District's OAP will serve as a Maintenance Plan for the federal one-hour standard and as a Triennial Update for the state standard. It contains measures to reduce volatile organic compounds (VOCs) and nitrogen oxide (NOx) that allow progress to be made toward attainment of the federal eight-hour ozone standard, for which the District is designated as non-attainment.

Mr. Hess stated the photochemical modeling for the OAP began a year and a half ago, and the Modeling Advisory Committee (MAC) was created to provide review in progress. The MAC includes Council members Holtzclaw, Brazil, Altshuler, and Bornstein, as well as representatives of other air districts in the state, industry, environmental groups and state and federal air pollution regulators. Five ozone episodes will be simulated for impacts within and downwind from the District. It appears that the model is currently under-predicting emissions, and therefore the model's inputs are being reviewed. According to a number of air districts, the state's Emission Factor Model (EMFAC) is under-predicting mobile source emissions. District staff has requested the Council to review the accuracy of the EMFAC model for heavy-duty diesel trucks and light-duty vehicles in particular for the relationship of estimates to atmospheric measurements.

Mr. Broadbent added that:

- the Board of Directors recently conducted two community tours. In Bayview-Hunters Point the Board received comments from the community expressing concerns about the impacts of emissions from stationary and mobile sources in the community. In West and East Oakland, the Board heard concerns relative to the cumulative impact of a variety of sources in that area, the demolition of Red Star Yeast and other sources near an elementary school.
- staff will bring its TNSR rule before the Board later this year, and is currently planning an assessment of the Bay Area to characterize localized exposures in different communities. As the plan develops, staff will be seeking the Advisory Council's input and review. Important programmatic paradigms for staff's work include the South Coast air district's MATES Study.
- this year staff will complete the five further study measures from the 2001 OAP.
- the District's budget for fiscal year 2004-05 is being developed. No major staffing changes are expected. The state budget process is being monitored since a good portion of the District's budget derives from property tax revenues. The Budget will be presented to the Board, referred to Committee in April and May, and presented back to the Board for adoption in June.

Noting the variety of particulate matter (PM) emissions from vehicles, Mr. Dawid requested staff identify off-road diesel emissions in its presentation to the Technical Committee on mobile sources. Mr. Hess replied that staff would discuss vehicle classes in terms of ozone production. Dr. Bedsworth noted that at the January Retreat the Committee discussed programs for vehicle scrapping and the retrofitting of high-emitting vehicles, and will consider this within a socially-conscious framework. Gary Kendall, Technical Division Director, noted that two-cycle diesel engines are high-emitting, and motorcycles, in particular, are difficult to retrofit with a catalytic converter. The technology of vehicle emission controls has been greatly advanced. Fuel economy and mileage must also be considered in addition to emission estimates from the tailpipe.

Mr. Broadbent added that the Lieber bill (SB 2863) proposes to remove the 30-year rolling exemption from the Smog Check Program. Through the Board Legislative Committee the District has supported this legislation. If the bill is adopted, an estimated seven tons per day of VOCs and NOx would be reduced statewide. Owners of classic cars are an animated advocacy group and contend that classic cars are not driven very far or often. Mr. Hess noted that the Advisory Council originally recommended legislation revoking the 30-year rolling exemption to the Board. This was the result of the work of the Air Quality Planning Committee, which worked diligently on this issue last year. Staff presented that recommendation to the Board Executive Committee, which, in turn, referred it to the Legislative Committee.

Ms. Drennen inquired how this legislation might impact lower income groups. Mr. Hess replied that the Council's consideration of this legislation included this particular issue and can be reviewed in the minutes from last year's meetings. Mr. Altshuler inquired as to advocacy for clean air vehicles and provision for green vehicle parking. Mr. Broadbent replied that AB 2683 would allow hybrid vehicles to have access to diamond lanes. However, some experts feel this could adversely impact carpool lanes given that 50,000 hybrid vehicles have been sold in the state.

9. Report of Advisory Council Chair: Chairperson Blake stated:

- the Council's 2004 work plan was presented to the Board in February of this year.
- the recommendation of the Applicant Selection Working Group for appointment to the Council's Architect category will be presented to the Board Executive Committee on March 29.
- the District is sponsoring the attendance of several Advisory Council members at the 97th Annual Air & Waste Management Association to be held in Indianapolis, Indiana this June.

10. Council Member Comments/Other Business: Ms. Weiner referred to a "Clean Air Champions Award" nominations form for an individual, agency or organization or business that has made a significant contribution to reducing air pollution, and encouraged Council members to submit their nomination.

Dr. Holtzclaw noted that he had e-mailed the Council members regarding legislation that proposes information on potentially hazardous chemicals at facilities be withheld from the public under the aegis of homeland security. The Department of Health Services is accepting comments on this proposed legislation until May 20. Ms. Weiner opined that it creates a dangerous precedent to cut off the public's voice in environmental security as the public has the greatest health risk from hazardous chemicals. Mr. Lopera replied that this legislation relates to the accessibility of such information through the Freedom of Information Act and aims to prevent a potential terrorist from gaining access to such information. It does not exempt a government agency from having to report such information, and all local police and fire departments can obtain it. This is a first attempt to address the issue of accessibility to hazardous chemical data and the proposal will likely evolve.

Dr. Bornstein observed that the UAO has not taken a close look at this proposal but he could report back to the Council on it. He also requested that this matter be referred to the Technical Committee. Mr. Broadbent stated that although this issue is not before the Board, staff would review it further and report back to the Advisory Council. Mr. Hayes requested that the Council consider the topic of environmental security as a matter for future review. Chairperson Blake stated that this request could be discussed at the next meeting of the Council's Executive Committee.

11. Time and Place of Next Meeting. 10:00 a.m., Wednesday, May 12, 2004, 939 Ellis Street, San Francisco, CA 94109.

12. Adjournment. The meeting was adjourned at 12:01 p.m.

James N. Corazza
Deputy Clerk of the Boards

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

DRAFT MINUTES

Advisory Council Regular Meeting
Joint Meeting of the Technical and Air Quality Planning Committees
9:30 a.m., Tuesday, April 6, 2004

- 1. Call to Order – Roll Call.** Chairperson Brazil called the meeting to order at 9:32 a.m. Air Quality Planning Committee Members present: Harold Brazil, Chairperson; Irvin Dawid, Emily Drennen, Fred Glueck, John Holtzclaw, Ph.D., Kraig Kurucz, Kevin Shanahan. Technical Committee Members present: Louise Bedsworth, Ph.D., Sam Altshuler, P.E., Stan Hayes, John Holtzclaw, Ph.D., Norman A. Lopera, Jr. Technical Committee Members absent: Robert Bornstein, Ph.D., William Hanna.
- 2. Public Comment Period.** There were none.
- 3. Approval of Minutes:**
 - A. Air Quality Planning Committee – February 3, 2004.** Mr. Kurucz moved approval of the minutes; seconded by Dr. Holtzclaw; carried unanimously.
 - B. Technical Committee – February 24, 2004.** Dr. Bedsworth requested that “feasible” be added after “technically” in the second bullet item of paragraph three on page two. Mr. Hayes requested that “may” replace “would” in line two of paragraph six on page three. Mr. Hayes moved approval of the minutes as corrected; seconded by Dr. Holtzclaw; carried, with Mr. Altshuler abstaining.
- 4. 2004 Ozone Strategy – Preliminary Control Measure Descriptions.** Henry Hilken, Air Quality Planning Manager, presented “Bay Area 2004 Ozone Strategy: Preliminary Draft Control Measure Descriptions.” The Strategy will address both state and federal air quality planning requirements and contains stationary, mobile and transportation control measures, as well as miscellaneous and further study measures. Input on over 400 measures initially reviewed was obtained from the Ozone Working Group, the public, other air districts, the members of the Board and Council, and previous air quality plans. Staff focused on mobile and stationary source measures that can be implemented through regulation, incentive and educational efforts. The Metropolitan Transportation Commission (MTC) has taken the lead on evaluating transportation control measures.

Dan Belik, Rule Development Manager, reviewed the preliminary stationary and mobile source measures in the Strategy, noting that those that concern boilers with 5-10 MMBTU/hr, large water heaters and stationary gas turbines will reduce the transport of nitrogen oxide (NO_x). Other measures emerged from the further study measures in the 2001 ozone plan and concern refinery flares, marine loading operations, organic liquid storage tanks, pressure relief devices, refinery wastewater systems and low emission vehicles.

Several additional draft stationary and mobile source measures considered feasible are under internal review and will be presented at the next meeting of the Ozone Working Group. These include gasoline bulk terminals and bulk plants, polyester resin operations, graphic arts operations, and model ordinances for green contracting and truck idling.

Mr. Hilken stated that the draft transportation control measures (TCMs) in the Strategy have been developed and evaluated in concert with MTC. Many were derived from the 2000 Clean Air Plan, and include voluntary employer based trip reduction, transit improvements in bus, rail and ferry service, improvements to transportation facilities, bicycle and pedestrian improvements, pricing and land-use strategies. TCMs that are still under development include regional and interregional rail service, youth transportation, freeway traffic management, trip reduction services, inter-mittent control measures, public education and clean air vehicle demonstration projects.

Potential further study measures include architectural coatings and solvents, back-up diesel generators, cooling water from coke cutting, cooling tower emissions, composting emissions, food product manufacturing/processing, free transit on Spare the Air days, glass melting furnaces, solvent limits based on reactivity, refinery wastewater ponds, and others.

Messrs. Hess, Hilken and Belik replied to questions from the Council members, as follows:

- a) The aggregate estimate of emission reductions from the draft stationary and mobile source measures in the Strategy are 4 tons per day (tpd) of reactive organic compounds (ROG) and 6 tpd of NOx. The baseline ROG emissions reduction from 2001 to 2006 is 121 tpd including California Air Resources Board (CARB) mobile source measures. Estimated emission reductions from the TCMs are not yet available. CARB is pursuing controls on emissions from off-road diesel engines and the emission reductions from these measures will increase. (Hayes)
- b) The Council's review of Urban Heat Islands and Smart Growth two years ago inspired the green contracting ordinance. Council members have participated with the staff in discussing these concepts with local governments. The TCM on local land-use development will provide a mechanism for further work on land-use issues. The Association of Bay Area Governments (ABAG) has adopted the projections based on the recent Smart Growth visioning process for the Bay Area. MTC will assess a transportation scenario that will be based on that Smart Growth vision for this region. (Dawid)
- c) The Strategy will account for emission reductions from the Enhanced Smog Check program. This grew out of a further study measure from the 2001 Ozone Plan. (Glueck)
- d) The low emission vehicle control measure focuses on obtaining reductions from on-road, medium and heavy-duty vehicles, and reflects the District's program work in the Transportation Fund for Clean Air (TFCA) and Carl Moyer programs. (Bedsworth)
- e) Staff welcomes Council assistance in being referred to the staff of the University of California at Berkeley that are associated with the forthcoming Transportation Alternative Study. This concerns establishing a program using Segway machines, bicycles and electric bicycles at the Pleasant Hill BART Station for use by employees at nearby businesses. Coordination with the East Bay Regional Park District in increasing the use of its 11,000 miles of bike trails to reduce vehicle traffic is also appreciated. (Lapera)

- f) The \$2 million in anticipated funding for City Car Share programs will be included in the Local Land-use Planning and Development TCM. The TFCA has funded City Car Share in Alameda County. City Car Share can be supported through funding, publicity, marketing, and working with cities to obtain more parking for new development. (Drennen)
- g) Ozone is a regional pollutant and reducing precursors in one area will have impacts elsewhere within the District. Some control measures also have local benefits. One future study measure will evaluate cumulative impacts of toxic air contaminants in a specific community. This proposal will be reviewed by the Public Health Committee. While the tools for conducting cumulative risk assessment are not yet available, there are efforts to develop these at both the state and federal levels. (Drennen)
- h) The Bay Area Alliance for Sustainable Development will meet on May 13 in Oakland and will address case studies of cities that have implemented Smart Growth. (Dawid)
- i) Notwithstanding the information that the Oakland Police department is sponsoring legislation that would require the operator of a motorized scooter have a driver's license, CARB has sole regulatory authority over motorized scooters. (Lapera)
- j) The District's Spare the Air Coordinator provides Spare the Air day guidelines and to participating employers and governments. The Clean Air Cities and Counties Program and the Clean Air Consortium also conduct outreach to local governments. Staff welcomes the suggestion to further such outreach to park and school districts. (Lapera)
- k) The control measure on spray booths addresses facilities with emissions that are close to the threshold above which Best Available Control Technology (BACT) is required. The number of companies using water-based technology in the South Coast AQMD is not known. The measure would accommodate low emission technologies. (Kurucz)
- l) Regarding the proposed doming of refinery liquid storage tank roofs, staff is currently discussing with the refineries as to how many tanks have the improved "zero gap" flat roof seals. These will be factored into future emission reduction estimates. Staff is acquiring data from the South Coast AQMD on refinery dome installation costs. (Kurucz)
- m) In accounting for the cost of enforcing a rule in the overall cost-effectiveness calculation, the District assesses cost estimates through discussions with internal working groups. Enforcement is continually refined and improved in its efficiency. (Shanahan)
- n) Regarding the enforcement and permitting burden associated with the control measure on small boilers, the suggestion that its implementation could take place through building code modification or a rule concerning new construction. Manufacturing standards that govern water heaters and central furnaces have gradually reduced emissions over time. The further suggestion that staff coordinate with building departments in the Bay Area to locate boilers greater with greater than 10 million BTUs would establish an additional mechanism for equipment identification. (Shanahan)
- o) The District's calculation method for forecasting Spare the Air days accounts for the negative effects of morning NO_x emissions. However, emission inventories may not be used to determine progress toward attainment. One of the episodes that will be addressed by the District's photochemical modeling will concern the weekday/weekend ozone effect. The recent backsliding experienced by the South Coast AQMD with regard to ozone attainment is likely due to a combination of diverse factors. (Altshuler)

- p) Social changes achieved through Smart Growth may increasingly constitute the future focus of emission reduction strategies. The most significant stationary control measures have already been adopted. CARB and the Environmental Protection Agency (EPA) need to achieve more reductions from off-road and on-road mobile sources. The Regional Agency Coordinating Committee, which is comprised of members of the Boards of the District, MTC and ABAG, will also address such regional planning issues. MTC's Regional Transportation Plan will examine a Smart Growth land-use scenario. The District, MTC and ABAG recently discussed commercial and residential parking requirements, as well as the possible development of an inventory of best practices for reference by planning staff. Some of these best practices are included in TCM No. 16. (Glueck)
- q) Staff will consider the suggestions to establish shuttle bus feeder service between the 22nd Street Caltrain Station to the 16th and 24th Street BART stations, and between the downtown Caltrain depot and one of the BART stations on Market Street; as well as to combine bike pool programs with station car programs at BART stations. (Drennen)
- r) The application of carpool and express bus lanes on freeways to bus only lanes in urban centers could be considered under the category of improved transit service. (Drennen)
- s) The suggestion to expand the Commuter Check program to lower income populations should be referred to MTC, with the assistance of Chairperson Brazil. (Drennen)
- t) The suggestion to establish 24-hour free transit for high-occupancy vehicles for the Bay Bridge is not new. However, the major incentive is to avoid queue time at the toll plaza rather than the toll. The District continues to evaluate various pricing strategies for the Bay Area bridges and has worked with Senator Perata on this issue. (Drennen)
- u) Parking pricing measures that would propose to derive a fee from each parking stall could be considered as an indirect source mitigation fee but would prove difficult to sell. The City of San Jose is looking into assessing impact fees for new development. (Dawid)
- v) The practice of European businesses of using bicycles and tricycles instead of trucks to deliver lightweight materials in downtown areas might be considered by United Parcel Service, Pedal Express in the East Bay, and San Francisco bike messengers. (Holtzclaw)
- w) Suggestions are welcome on staggering working hours to affect time of day emissions to reduce the buildup of ozone precursors that begins in the early morning. (Hayes)
- x) Staff will evaluate the provision of free parking by the City of San Jose to any hybrid vehicle purchased in San Jose, as well as the extent to which parking incentives may be derived from such programs for hybrid or alternative fuel vehicles. Staff also notes the observation that formaldehyde is more reactive than other organics, and NO₂ is more reactive than NO_x, and that the manufacture of natural gas over diesel bus fleets in China and India leads to fleets with less reactive exhaust emission profiles. (Altshuler)
- y) Financial incentives to reduce mobile source emissions are offered by the TFCA, and stationary source emissions reduced beyond a permit requirement or standard may be banked to offset emissions from future facility expansion. (Glueck)
- z) Staff agrees that diesel bus retrofit programs are likely to be considered by the Governor to be more of a job-oriented program for California than a clean air initiative, even if some of the incentive funding is provided through the Carl Moyer program. (Shanahan)

Chairperson Brazil called for public comment, and the following individuals came forward:

Kevin Buchan, Western States Petroleum Association, stated the discussions between the District and the refineries on the future study measures were constructive, and the refineries do not oppose the proposed rules. Further assessments are needed of the cost of controls and the emission inventory for the marine loading rule. The impact of doming a refinery tank on egress and entry during seal inspections also requires further evaluation. Emission estimates from pressure relief devices are based solely on events and not on daily emission averages. For the proposed wastewater treatment rule, the working group process was also successful.

Stephanie Corcoran, Chemical Engineer, Valero Refining Company, Benicia, stated that the emission estimate of 13.78 tpd from flares does not reflect current emission rates, which are now estimated for the refineries collectively at 0.5 tpd of non-methane hydrocarbons. Also, Bay Area refinery flare operating guidelines are consistent with guidelines provided by the American Petroleum Institute (API) and the recommendations of the American Society of Mechanical Engineers (ASME). The Occupational Safety & Health Administration (OSHA) recognizes that refinery flares are important devices for fire prevention and operational safety. The District should not consider adopting any control measure for flares that has not been approved by the API, ASME and OSHA.

Mr. Belik noted that the estimate of 13.78 tpd derives from the 2001 Ozone Plan. Staff agrees that over half of this tonnage has been eliminated, although the refinery estimate of half a ton per day has not been agreed upon. Staff is working to quantify those emissions. A lower baseline emission estimate will be included in the final iteration of the Ozone Strategy.

Mr. Altshuler urged that speciated gas stream data be obtained from refineries to identify and reduce the streams with the more reactive hydrocarbons, as well as those with the greatest amount of highly reactive NO_x constituents, such as NO, NO₂, formaldehyde and benzene.

5. **Committee Member Comments/Other Business.** Mr. Hayes requested that the cumulative risk assessment issue that is now before the Public Health Committee be referred to the Technical Committee as a discussion topic on the agenda for the next meeting. Mr. Kurucz made the same request for the agenda of the next Air Quality Planning Committee meeting. After discussion, Chairpersons Brazil and Bedsworth directed that this topic be placed as a discussion item on the next agendas for the meetings of their respective Committees.
6. **Time and Place of Next Meeting.** Technical Committee, 9:30 a.m., Thursday, June 3, 2004. Air Quality Planning Committee, 9:30 a.m., June 15, 2004, 939 Ellis Street, San Francisco, California 94109.
7. **Adjournment.** 12:30 p.m.

James N. Corazza
Deputy Clerk of the Boards

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

DRAFT MINUTES

Advisory Council Public Health Committee Meeting
12:30 p.m., Monday, April 19, 2004

- 1. Call to Order – Roll Call.** 1:35 p.m. Quorum Present: Linda Weiner, Chairperson; Diane Bailey, Elinor Blake, Jeffrey Bramlett, Victor Torreano. Absent: Brian Zamora.
- 2. Public Comment Period.** There were no public comments.
- 3. Approval of Minutes of March 10, 2004.** On page four, Ms. Blake requested the deletion of the last clause of line two in paragraph three; and the addition of “due to the Technical Committee’s full schedule” at the end of the second sentence in paragraph four. Ms. Bailey requested that “routinely conducts” replace “is trained to conduct” in the final sentence of paragraph four. Mr. Torreano moved approval of the minutes as amended; seconded by Ms. Blake; carried.
- 4. Proposed Community Risk Reduction Program.** Eric Stevenson, Air Monitoring Program Manager, presented “Community Risk Reduction Program.” He stated that \$500,000 from the general reserve has been allocated for this new program Fiscal Year 2004-05. Two new staff positions will be added in the Engineering and in Planning Divisions, respectively.

Air toxics monitoring began at the District in 1985 with five monitoring sites sponsored by the California Air Resources Board (CARB). The District began operating its own sites in 1986. The current toxics monitoring network includes three CARB sites and 18 District sites and measures such major gaseous toxics as benzene, 1,3 butadiene, perchlorethylene, and carbon tetrachloride. Approximately 80% of the total cancer risk in California, excluding the risk associated with diesel particulate matter (PM), is attributable to the above four gaseous toxics.

The air toxics risk that is attributable to the above four ambient toxics, excluding diesel PM, has dropped from 315 in a million in 1994 to 173 in a million in 2001. CARB estimates that statewide average risk attributable to diesel PM dropped from 900 in a million in 1990 to 510 in a million in 2000. These decreases are due to mobile, stationary and area source control measures, new vehicle emission standards, clean diesel fuel and cleaner burning gas. The latter reduced benzene by 50%. AB 2588, the District’s Toxics New Source Review program and Toxics Best Available Control Technology have also reduced air toxics risks. Alternative technologies available to dry cleaners and chrome platers have further reduced risk.

Air monitoring network data demonstrate a decrease in the coefficient of haze (COH). Data from stations in Concord show a decrease since 1990 that coincides with cleaner burning diesel fuel. A similar trend is evident at the Napa, Redwood City and the San Jose stations.

The program's technical foundation is based on the estimate that 3/4 of the statewide cancer risk from mobile sources comes from diesel PM. The main component of diesel PM is organic (OC) and elemental (EC) carbon. Using Carbon 14 dating, staff will analyze 16-24 PM₁₀ filters for fossil fuel and wood combusted carbon. These filters will contain samples from the weekday and weekend, as well as summer and winter, to account for variation in traffic density and season. As total EC varies with location, season and day of week, ambient EC measurements will be used as a relative indicator of diesel PM. Other carbon components of diesel PM will be analyzed using the PM emission inventory to assess the contribution of diesel PM to total carbon emissions. Desert Research Institute (DRI) will also analyze archived District PM filters to establish a baseline for EC and OC levels dating back to 1998. The District will begin regular EC/OC analysis for PM filter stations and will purchase an analyzer for this purpose.

The District will begin a pilot cumulative risk assessment program in selected areas. It will compare carbon emission inventory trends with trends in ambient measurements of COH, EC/OC filters and aethalometer data on black carbon. The latest generation of monitoring equipment can distinguish particulate size as well. Staff will take into account impacts on air quality from current control measures and those with future effective dates, and the impact of additional controls focused on reducing diesel PM emissions in impacted communities.

Using CARB modeling programs, staff will develop a one square kilometer gridded inventory for diesel PM for mobile, point and area sources. Subsequently, the District will develop a one square kilometer gridded emission inventory for all toxic emissions including diesel PM for mobile, point and area sources using source profiles and the District's emission inventory.

DRI will conduct EC/OC analysis of archived PM₁₀ filters for two Bay Area Children's Environmental Health Protection Program monitoring sites, as well as for PM₁₀ filters from the Bayview Hunters Point monitoring site. The one or two community locations most heavily impacted by toxic emissions will be monitored for one year for PM and toxics emissions to assess seasonal data variation. The District will then conduct risk assessment based on these data.

Targeted action plans include developing and implementing area-specific risk reduction measures. Some are incentive-based, such as diesel retrofits or replacements that will be funded by the Transportation For Clean Air, Carl Moyer or Proposition 40 funds. Others include working with fleet operators to reduce heavy-duty diesel usage, and with transit agencies and school districts to retrofit and replace school buses. Other approaches are regulatory and include working with CARB to establish heavy-duty diesel inspection stations, and with the California Highway Patrol to enforce the Vehicle Code on smoking heavy-duty vehicles. Low sulfur diesel fuel in 2007 will enable more effective emission control technology to be put in place. Other programs including working with cities counties and Caltrans to re-route traffic to ports away from routes through neighborhoods. Public outreach will be included by establishing an advisory committee that will include scientists, community groups, environmental groups, industry and port operators, and academicians. Community meetings on this process will then be held.

The legislative and regulatory agenda also includes further efforts to reduce toxic emissions from such area sources as dry cleaners and gas stations. The District is also trying to obtain legislative authority to regulate heavy-duty diesel fleets and trains.

In reply to questions from Committee members, Mr. Stevenson stated:

- The program will likely have results earlier—within two to three years after the analysis begins, rather than five.
- The diesel emissions under the District’s rather than CARB’s control are not fully defined. The District may affect diesel engine emissions only through incentive programs.
- Alternative project analysis occurs under the California Environmental Quality Act (CEQA).
- PM₁₀ filters generate higher flow rates and deposition levels than PM_{2.5} filters. Subsequent EC/OC analysis of the filters will allow for analysis of the fractions of smaller particles.
- There are more incentive programs geared toward mobile than stationary sources because the majority of risk derives from mobile sources.
- The placement of District air monitors is guided by regulations from the US Environmental Protection Agency (EPA). In future presentations on trends in ambient data from monitoring stations, information will be included on the distance of air monitors from freeways.
- Community involvement in monitor placement for the pilot program, review of risk assessment, and communication of information will be based on recent District approaches and will be used to select the most affected communities.

5. Proposed Air Toxics New Source Review Program. Brian Bateman, Engineering Division Director, presented “BAAQMD Proposed Air Toxics New Source Review Rule.” He stated that the Toxics New Source Review (TNSR) is a preconstruction permitting program for new and modified stationary sources that allows the District to create new emission standards within a permit as well as ensure compliance with existing limits. NSR exists for criteria pollutants and the applicability of requirements are based on emission levels. EPA’s Prevention of Significant Deterioration (PSD) program concerns criteria pollutants and is cumulative to the extent that it considers background levels for specific pollutants. If project impacts are below low significance levels, the project is not considered to contribute to an excess of an air quality standard, regardless of the existing background air quality.

TNSR has no specific state or federal mandate and is a local program within an air district. Emission applicability is health-risk based, and program requirements are based on health risk assessment. Risk management involves policy judgment as to whether a risk is significant. California’s risk assessment guidelines were developed in 1987 by an inter-agency group that included the air districts, CARB, and the Office of Environmental Health Hazard Assessment (OEHHA). The Air Toxics Hot Spots Program risk assessment guidelines were published in 1993 and were updated by OEHHA in 2003. EPA has largely similar health risk assessment guidelines, although the EPA guidelines are generally less health protective.

Risk management guidelines for permitting were issued by CARB in 1993. EPA’s risk management permitting guidelines are more concerned with risk management for EPA regulatory actions. Neither CARB nor EPA recommends “bright line” risk assessment in regulation due to uncertainties in risk assessment. At very low levels, risks may be deemed insignificant, while above such levels the risk manager may exercise discretionary judgment and consider a variety of factors in characterizing risk. The District’s TNSR program uses risk assessment procedures based on the State’s 1993 risk assessment guidelines with updated health effect values from OEHHA. The District assesses an applicant’s source emissions with reference to toxic trigger levels. If risk screening analysis is warranted, staff conducts air dispersion modeling to calculate exposure for residents and offsite workers. Pollutant effects are considered additive.

The District's risk management policy for permitting provides that, if all sources in a project do not have Toxics Best Available Control Technology (TBACT), the maximum lifetime cancer risk cannot exceed one in a million, and the maximum chronic non-cancer risk hazard index cannot exceed 1.0. If all the sources in a project do have TBACT, then the lifetime cancer risk is 10 in a million, and the non-cancer risk remains the same. If PERC dry cleaners have TBACT and also employ all feasible risk reduction measures, the maximum cancer may approach 100 in a million. During the energy crises several years ago, the District established a risk management policy that allowed the emissions during emergencies from back-up emergency generators to not be counted.

In 1999, the District conducted an average of 15 toxic risk screens per month and this increased to 50 per month in 2002 due to the elimination of exemptions for stand-by engines. The District is seeking to convert its toxics risk assessment policies and procedures into a rule. It will use the new OEHHA numbers for toxicity values and exposure assumptions. It will also establish a project risk limit for acute impacts at hazard index of 1.0, and a TBACT requirement for non-cancer hazard index of 0.2 as per CARB risk management guidelines. TBACT will be applicable at the source level and thus rendered consistent with criteria pollutant NSR. Staff proposes to eliminate the 100 in a million project cancer risk option for PERC dry cleaners since alternative technologies are now available.

Mr. Batemen distributed two documents: "Preliminary Response to Comments on BAAQMD Air Toxics NSR Draft Proposed Rule and Rule Amendments made by Golden Gate University Environmental Law & Justice Clinic (ELJC): BAAQMD Toxic Evaluation Section – November 2003" and "BAAQMD Staff & APCO Meeting – March 3, 2004: Some Suggestions for Addressing Cumulative Health Impacts & the Precautionary Principle in Toxics New Source Review (prepared by ELJC)." He reviewed the foregoing documents, stating as follows:

- a) It is not feasible to lower the acceptable risk levels by a factor of 10. No single gas station in the Bay Area can achieve an off-site exposure risk level of 1 in a million. Disagreement among stakeholders as to what constitutes an acceptable risk is unavoidable. Staff follows CARB and EPA guidelines for risk management.
- b) The use of community risk caps, based either on emissions from all sources of toxic air contaminants or only those from permitted stationary sources, requires detailed data on source emissions and nearby structures for modeling. From a policy standpoint, current guidelines on what constitutes a significant risk derive from incremental risk. Cumulative risk will be dealt with at the state level and staff will follow guideline development there.
- c) Health risk calculation from toxic air contaminants and cumulative effects from criteria pollutants should not be combined. The latter should be evaluated separately through the criteria pollutant NSR program.
- d) It is inappropriate to require TBACT for acute risks at a hazard index at 0.2. This level is appropriate for chronic health risks. Most sources on which the District focuses have routinely consistent emissions, which are more appropriately characterized as causing chronic exposures.
- e) The consideration of options for requiring less toxic compounds and technologies happens indirectly from risk-based District programs. However, the District has limited regulatory authority to require the use of specific compounds and technologies.

- f) CARB is already developing web-based emissions data for health risk maps.
- g) OEHHA's assumptions already resolve scientific uncertainty in favor of health protection.
- h) Public participation in permitting should indeed be meaningful but must also be balanced with other factors such as permit streamlining. Sources that now involve formal public comment for toxic permitting are those that are within 1,000 feet of a school site.
- i) Current CEQA exemptions from project risk are appropriate and should remain in place.
- j) Staff will continue to collaborate with CARB to collect data for cumulative health risks.
- k) The District will conduct a pilot program to evaluate cumulative risks in one neighborhood. It will start in one neighborhood with the evaluation of cumulative stationary source risk and compare it with the incremental risk to assess the difference between the two approaches.
- l) The District is using a one-kilometer gridded parcel for toxic emissions. This is similar to the study and assessment of air toxics risk in the South Coast AQMD. Assessing cumulative risk in actual settings is a higher priority than conducting hypothetical cumulative risk.
- m) The District is already converting gasoline dispensing facilities from area to point sources.
- n) The District's Community Risk Reduction Program is a result of efforts to develop new programs and goals to limit community health risks.
- o) It is too early to develop more stringent criteria for areas with higher health risks; nor is it known which areas these are. Health risk assessment should be consistently performed.

In response to Committee members' questions, Mr. Bateman noted:

- the extent to which a community risk cap is flexible also needs further policy evaluation.
- the District is scheduled to adopt the TNSR rule either late this year or early next year.
- CARB is considering making the South Coast AQMD rule on dry cleaner use of perchloroethylene into a statewide rule. If the District eliminates the 100 in a million risk threshold for dry cleaners with TBACT, this will accelerate the use of alternative technologies locally.

6. Discussion of Community Risk Reduction Program and Toxics New Source Review.

Chairperson Weiner noted that these will be discussed in detail at the next Committee meeting.

7. Committee Member Comments/Other Business. There were none.

8. Time and Place of Next Meeting. 12:30 p.m., Wednesday, May 12, 2004, 939 Ellis Street, San Francisco, California 94109.

9. Adjournment. 3:11 p.m.

James N. Corazza
Deputy Clerk of the Boards

Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 19, 2004

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

RECOMMENDED ACTION:

Receive and file.

Reviewed by: Peter Hess

ADMINISTRATIVE SERVICES DIVISION – W. TANAKA, DIRECTOR

The proposed budget for fiscal year 2004/2005 was presented to the Board of Directors at the April 21, 2004 meeting. At the meeting, the budget was referred to the Budget and Finance Committee that met on April 28, 2004. The committee reviewed the budget and requested minor revisions. A review of the changes and further discussions will be held at a May 17, 2004 meeting. Also presented was a proposal to change from the current Worker's Compensation insurance program to a self-funded program. The committee will recommend that the Board approve the proposal at the May 19, 2004 meeting.

Mr. Robert Izabal, a partner from the CPA firm of Izabal, Bernaciak and Company, presented an informational report on the fiscal year 2002/2003 audit at the same Budget and Finance meeting. It was reported that the District was issued an unqualified audit report. The report on compliance with OMB circular A-133 states "In our opinion, Bay Area Air Quality Management District complied, in all material respects, with the requirements referred to above that are applicable to each of its federal programs for the year ended June 30, 2003."

COMPLIANCE & ENFORCEMENT DIVISION – K. WEE, DIRECTOR

The Pinole-Hercules Sewage Treatment Plant has received five Public Nuisance violations since August of 2003. The surrounding community has complained of sewage odors that District staff has confirmed originating from the digester number 3. Staff met with the City of Pinole on April 21, 2004 regarding the number of complaints that the District has received and the repeated public nuisance violations. The City explained to staff that the number 3 digester roof failed in March forcing the facility to take the digester out of service. The digester is back in service; however, the digester organisms that process the sludge have not reached full maturity and therefore odors are present. The facility has taken the following several steps to mitigate odors including trucking digester sludge to another plant. Once the organisms in the number 3 digester reach maturity, odors are expected to diminish.

Staff met with Tesoro Refinery representatives on April 22, 2004 at the District office to discuss the following issues: Refinery wide NOx emissions; tank inspections, maintenance and repairs; increased number of violations occurring over the previous 3 years, emission calculations from the February 20, 2004 power outage; odor releases on March 1, 2, and 4, 2004; and the #5 to #6 Boiler House NOx excesses that occur when the #5 Boiler is shutdown.

On April 2, 2004, Vasco Road Landfill reported to the Alameda County Fire Department that they had a fire in their auto interior scrap storage area. The material stored in this area is shredded automobile interiors. This material is used to cover the top of newly received garbage. District Inspection Staff responded with the Incident Response Van to monitor the smoke plume and to gather air samples. The fire was approximately the size of two football fields. Smoke impacted the eastern portion of Livermore. At approximately 8:30 AM, the County of Alameda Fire Department advised the City of Livermore residents and schools to shelter-in-place and this advisory was lifted at 1:10 PM. The fire was extinguished with dirt. A Notice of Violation was issued to Vasco Road Landfill for violation for causing a public nuisance.

A new document retention and retrieval system for the Division was implemented. This system replaces an old failing system. In-service training classes were held for review of Complaint Program changes and the first set of a new Safety Program for field Inspectors was started. Staff provided comments on the Draft Environmental and Impact Statement (DEIS) for Point Reyes National Seashore/GGNRA Fire Management Plan. Staff forwarded comments on CARB's proposed particulate control measure list to the CAPCOA Enforcement Managers group. Comments from other CAPCOA forums will be consolidated by CAPCOA and forwarded to CARB. Staff attended the CAPCOA Enforcement Managers meeting at Yolo-Solano AQMD on April 15 and gave a presentation on the Complaint Program changes. Staff also attended the Interagency Air and Smoke Council conference in Southern California.

(See Attachment for Activities by County)

ENGINEERING DIVISION – B. BATEMAN, DIRECTOR
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Permit Evaluation Program

Emission Reduction Credits were issued to Owens Brockway Glass Container, Inc (Hayward) for shutdown of a glass-melting furnace. The public comment period ended for the first revisions of the Title V permits for five petroleum refineries. A number of comments were received, and responses to comments are being prepared. An informational meeting was held in the Hunters Point area of San Francisco to explain the Title V permit renewal process and to discuss issues of concern to community members regarding PG&E Hunters Point Power Plant. A public hearing on the draft permit is scheduled for May 4, 2004. An informational meeting was also held in the Potrero area of San Francisco to explain the Title V permit renewal process regarding Mirant's Potrero Power Plant. A public hearing on this draft permit is scheduled for May 6, 2004. One new Title V permit was issued (San Francisco Airport, San Mateo).

Toxics Program

Health risk screening assessments were conducted for 27 permit applications, primarily diesel emergency generators. Rule development activities continued on Regulation 2, Rule 5, New

Source Review of Toxic Air Contaminants, which is not expected to be presented for adoption to the District's Board of Directors until the latter part of 2004. Staff is completing work on the annual toxic report, which 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

Integration Testing continues for both the Financial Systems and the Human Resources systems. This is the final phase of testing prior to go-live.

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 completed testing. 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

The design methodology for replacement of IRIS and Databank will begin with identification of the large scale functional components of the Air District Production Processes. This will enable a tool selection process focused on high level tool sets. While this may not allow the District to accomplish all of its objectives with a single vendor offering, it will allow the opportunity to substitute purchased modules for custom code. 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. Peter Hess directed inquiries to Air Districts around the United States and received substantial input on their current systems and future plans.

Web Site Development

The roadmap for the next phase of the new site is under development. Development for web based Complaint query capability is near completion.

LEGAL DIVISION – B. BUNGER, DISTRICT COUNSEL

The District Counsel's Office received 79 Violations reflected in Notices of Violation ("NOVs") for processing.

Mutual Settlement Program staff initiated settlement discussions regarding civil penalties for 51 Violations reflected in NOVs. In addition, Mutual Settlement Program staff sent 15 Final 30 Day Letters regarding civil penalties for 27 Violations reflected in NOVs. Finally, settlement negotiations by Mutual Settlement Program staff resulted in collection of \$66,777 in civil penalties for 107 Violations reflected in NOVs.

Counsel in the District Counsel's Office initiated settlement discussions regarding civil penalties for 112 Violations reflected in NOVs. Settlement negotiations by counsel in the District Counsel's Office resulted in collection of \$24,900 in civil penalties for 24 Violations.

PLANNING DIVISION – J. ROGGENKAMP, DIRECTOR

On April 15 US EPA designated the Bay Area as a non-attainment area for the national 8-hour ozone standard. EPA classified the Bay Area as a marginal non-attainment area, resulting in an attainment deadline of June 15, 2007. The region will not be required to submit an attainment plan for the 8-hour standard, but will need to submit certain elements including an emission inventory and a demonstration that our permitting program meets RACT and offset requirements. The national 1-hour ozone standard will be revoked as of June 15, 2005.

Staff presented preliminary control measure descriptions for the 2004 Ozone Strategy at a joint meeting of the Advisory Council Air Quality Planning and Technical Committees on April 6. Staff met with the Silicon Valley Manufacturing Group Environmental Committee on April 15 to discuss the 2004 Ozone Strategy, mobile source measures and the Community Risk Reduction Program.

Staff circulated for public comment a Notice of Preparation of an Environmental Impact Report for the 2004 Ozone Strategy. Staff hosted a CEQA scoping meeting for the 2004 Ozone Strategy on April 20 at MetroCenter in Oakland.

Staff hosted a technical workgroup meeting on April 2 at the offices of Brown and Caldwell in Walnut Creek and a public workshop on April 27 in Martinez to discuss a regulatory proposal to control VOC emissions from wastewater collection systems at petroleum refineries (Regulation 8, Rule 8). A second workshop is scheduled for May 18 in Richmond.

Staff participated in two CAPCOA Rule Development Managers conference calls to discuss ARB's development of a list of particulate matter regulations and programs being implemented by districts in California to meet the requirements of SB 656.

Staff participated in a Collaborative Decision Making Workshop hosted by CSU Sacramento, McGeorge School of Law and University of the Pacific on April 28 and 29 in San Francisco.

Staff wrote four comment letters regarding air quality impacts of development projects and plans in the Bay Area: the East San Carlos Specific Plan, Pt. Reyes National Seashore Draft Fire Management Plan, and San Jose Market Center, and the Villages at Fairfield (City of Fairfield). The District's vehicle buy-back contractors purchased 243 vehicles in April 2004.

PUBLIC INFORMATION & OUTREACH – T. GALVIN LEE, DIRECTOR

April highlights in the Public Information Division include continuing coordination and planning for the 2004 Spare the Air advertising campaign, revamping the Spare the Air website, participation in 25 Earth Day and other community events organized by local governments and employers and sponsoring several lawn mower buy-back events. Two public information meetings were held in southeast San Francisco for local residents interested in the proposed Title V operating permits for the PG&E and MIRANT power plants.

Outreach to the employers in the Spare the Air program began for the 2004 summer season. In April, five Spare the Air Employer workshops were held in Santa Rosa, San Ramon, Redwood Shores, Sunnyvale, and West Contra Costa County. Three additional workshops will be held in May. Over 100 employers were provided information on participating in the Spare the Air program, and commute alternatives. The employer pre-season packet was mailed to current employers to provide information on this coming season, seek contact updates, and provide a materials order form. Staff continued discussions with BART on the possibility of “wrapping” several BART cars with a Spare the Air message. The wrapped trains would have high visibility, would serve as “moving billboards” and would represent a unique partnership with BART. Work also continued on the development of television and radio scripts for the summertime Spare the Air outreach campaign.

The District’s five-year CMAQ project which funds the Spare the Air campaign has been completed. New funding is in place, and will now be approved on an annual basis.

Number of smoking vehicles reported: 2320

TECHNICAL DIVISION – G. KENDALL, DIRECTOR

Air Monitoring

The enhanced wintertime schedules for PM_{2.5} samplers at all designated stations ended on March 31st. Continuous PM_{2.5} monitors (BAM) continued to operate at six stations. Ozone monitors at eight stations, that were shut down during the low ozone winter period as authorized under by a waiver granted by the EPA, began operation on April 1st.

Meteorology and Data Analysis

January 2004 air quality data were reviewed and entered into the EPA Air Quality System (AQS) database. PM₁₀ Data Management Procedures were finalized. Two staff attended the semi annual two-day Interagency Smoke Council meeting in Southern California. The 1st quarterly audit of the District meteorological network was completed. One staff member attended a 1-1/2 day class on Dreamweaver web page design.

Quality Assurance

The Quality Assurance Group participated in an EPA audit of ozone and carbon monoxide monitors at the Richmond station. Staff calibrated an ozone analyzer that is being used as part of a CARB funded research study at San Francisco General Hospital’s Lung Biology Lab. Staff conducted performance audits of particulate samplers operated by the Port of Oakland at two air-monitoring sites in West Oakland. Staff conducted system audits at four District air-monitoring sites (Gilroy, San Martin, Tully Rd, and San Jose East), and performance audits at three ground level monitoring sites at the ConocoPhillips Refinery.

Air Quality

There were no days during April when the air quality reached the Unhealthful for Sensitive Groups category (AQI > 100). During the first three weeks of April the air quality was in the good category (AQI < 51) except for one day of moderate air quality. The good air quality was a result of onshore winds that prevented any buildup of PM_{2.5} or ozone. However, during the last week of April, as an upper level ridge moved over the Bay Area, ozone levels increased due to offshore flow and temperature in the low 90’s. This resulted in four consecutive days with moderate category air quality (51-100 AQI). On April 26th a peak AQI of 100 was reached at

Gilroy, and the state one-hour ozone standard was exceeded at Redwood City and Sunnyvale. By the 28th the ridge moved eastward and cooler onshore winds returned with air quality levels returning to the good category for the remainder of the month.

Laboratory

In addition to the ongoing, routine analyses performed by the lab, three gaseous samples taken downwind of from the April 12th Vasco Landfill fire in Livermore were analyzed for sulfur compounds, toxics and total non-methane organic compounds. One sample taken directly in the plume from the fire was analyzed for C1 to C10 hydrocarbons. Analysis of hydrocarbon compounds was performed on a contaminated soil sample from a William G. McCullough Co. construction site in Pittsburg.

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 March 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: April 1, 2004 – April 30, 2004**

Alameda County

Status				Regulation	
Date	Site #	Site Name	City	Title	
4/14/2004	P8948	DAVNI LLC	Berkeley	Asbestos	Demolition, Renovation & Mfg.
4/1/2004	B2293	University of California, Berkeley	Berkeley	Wood Products Coatings	
4/2/2004	C9392	Unocal #5484	Castro Valley	Gasoline Dispensing Facilities	
4/28/2004	P8072	Allison Low	Fremont	Asbestos	Demolition, Renovation & Mfg.
4/5/2004	D0582	Fremont Cushing Chevron	Fremont	Gasoline Dispensing Facilities	
4/13/2004	C8876	Livermore Beacon	Livermore	Gasoline Dispensing Facilities	
4/27/2004	N6162	Bohm Environmental Solution	Oakland	Asbestos	Demolition, Renovation & Mfg.
4/2/2004	P8676	Center Body Shop	Oakland	Motor Vehicle and Mobile Equipment Coating Operations	
4/13/2004	B1260	Friendly Cab Inc	Oakland	Motor Vehicle and Mobile Equipment Coating Operations	
4/1/2004	P8661	Stevedoring Services of America	Oakland		
4/14/2004	B2482	Unimax Auto Craft	San Leandro	Motor Vehicle and Mobile Equipment Coating Operations	
4/29/2004	C0268	City of Union City Maint Facility	Union City	Asbestos	Demolition, Renovation & Mfg.

Contra Costa County

Received		Site Name	City	Regulation
Date	Site #			Title
4/2/2004	B4512	Gilroy Energy Center, LLC for Riverview Energy Ctr	Antioch	Major Facility Review (Title V)
4/12/2004	M2070	GN Henley Inc	Clayton	Open Burning
4/1/2004	A0907	Central Contra Costa Sanitary District	Martinez	Major Facility Review (Title V)
4/15/2004	A0011	Shell Martinez Refinery	Martinez	Failure to Meet Permit Conditions
4/2/2004	B0883	Sierra Processing Systems Inc	Martinez	Failure to Meet Permit Conditions & Storage of organic liquids

Marin County

Received		Site Name	City	Regulation
Date	Site #			Title
4/15/2004	B3192	Clean Look Cleaners	Novato	Perchloroethylene and Synthetic Solvent Dry Cleaning Operations
4/20/2004	B1036	Dutra Materials/San Rock Quarry Inc	Rafael San Rafael	Particulate Matter and Visible Emissions

Napa County

Received		Site Name	City	Regulation
Date	Site #			Title
4/27/2004	P9232	Eve Breckenridge	Calistoga	Open Burning
4/28/2004	P9272	Villa Amarosa	Calistoga	Open Burning
4/26/2004	A9183	Napa-Vallejo Waste Mgmt Authority	Napa	Major Facility Review (Title V) & Resin Mfg.

San Francisco County

Received		Site Name	City	Regulation
Date	Site #			Title
4/8/2004	B1073	America's Body & Fender Inc	San Francisco	Motor Vehicle and Mobile Equipment Coating Operations
4/29/2004	B2124	Bode Gravel Company	San Francisco	Failure to Meet Permit Conditions
4/28/2004	C2299	Chevron Station # 90392	San Francisco	Gasoline Dispensing Facilities
4/15/2004	B0008	Clean Wash Center	San Francisco	Perchloroethylene and Synthetic Solvent Dry Cleaning Operations

San Mateo County

Received		Site Name	City	Regulation
Date	Site #			Title
4/2/2004	B0175	DeVincenzi Metal Products	Burlingame	Failure to Meet Permit Conditions
4/2/2004	B4992	Visa Land Management IV	Foster City	Authority to Construct & Permit to Operate

4/21/2004	A0849	Roche Palo Alto LLC	Palo Alto	NOx & Carbon Monoxide from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters
4/21/2004	B3163	Oncology Therapeutics Network	S. San Francisco	Failure to Meet Permit Conditions
4/15/2004	B2396	Muscat Auto Body	San Bruno	Motor Vehicle and Mobile Equipment Coating Operations
4/14/2004	P8053	SCE, Inc.	San Carlos	Asbestos Demolition, Renovation & Mfg.
4/15/2004	A0324	Carl's Fine Dry Cleaning	San Mateo	Perchloroethylene and Synthetic Solvent Dry Cleaning Operations
4/5/2004	A2723	Dura Finish of San Mateo	San Mateo	Wood Products Coatings

Santa Clara County

Received				Regulation
Date	Site #	Site Name	City	Title
4/12/2004	P8894	DVL Autobody	Gilroy	Motor Vehicle and Mobile Equipment Coating Operations
4/6/2004	P8757	Plumbing America	Gilroy	Asbestos Demolition, Renovation & Mfg.
4/5/2004	C8705	Rotten Robbie #31	Gilroy	Gasoline Dispensing Facilities
4/12/2004	C0843	Westwood Chevron	Gilroy	Gasoline Dispensing Facilities
4/28/2004	C5364	USA Petroleum	Los Altos	Gasoline Dispensing Facilities
4/8/2004	A9278	Huntingdon Dry Cleaners	San Jose	Permit to Operate
4/28/2004	C5804	USA #103	San Jose	Gasoline Dispensing Facilities
4/28/2004	C9705	Valley Fair Market and Gas	San Jose	Gasoline Dispensing Facilities
4/27/2004	P9230	Manuel Juarez	San Martin	Open Burning
4/2/2004	D0520	KT Valero Gas	Santa Clara	Gasoline Dispensing Facilities
4/8/2004	B6032	M & S Collision	Santa Clara	Authority to Construct & Permit to Operate
4/2/2004	C5225	Oakmead Shell-Shell Oil Products	Santa Clara	Gasoline Dispensing Facilities
4/29/2004	B1938	Tyco Santa Clara	Santa Clara	Failure to Meet Permit Conditions

Solano County

Received				
Date	Site #	Site Name	City	
4/2/2004	C0077	Foodmaker/Quickstuff	Benicia	Gasoline Dispensing Facilities
4/2/2004	C9489	Gas City	Benicia	Gasoline Dispensing Facilities
4/26/2004	A0901	Valero Benicia Asphalt Plant	Benicia	Failure to Meet Permit Conditions
4/20/2004	B2626	Valero Refining Company - California	Benicia	Storage of Organic Liquids
4/28/2004	B1683	Scott Lamp Co Inc	Fairfield	Failure to Meet Permit Conditions

Sonoma County

Received

Date	Site #	Site Name	City	
4/2/2004	P8677	Glenn Murphy	Graton	Open Burning
4/27/2004	P9237	Gallo Vineyards, Inc	Healdsburg	Open Burning
4/2/2004	P8680	Edward Dillon	Petaluma	Open Burning
4/20/2004	B0292	Willowbrook Feeds	Petaluma	Failure to Meet Permit Conditions
4/13/2004	D0029	B & G Gas & Food Mart/Fast Lane Gas & Food	Santa Rosa	Permit to Operate
4/6/2004	P8679	Bare Woods	Santa Rosa	Authority to Construct & Permit to Operate: Wood products and coatings
4/6/2004	P8763	Chromagraphics	Santa Rosa	Authority to Construct & Permit to Operate
4/26/2004	B5562	Frog's Hair Finishing	Santa Rosa	Wood Products Coatings
4/12/2004	C0356	K & N Gas Inc	Santa Rosa	Gasoline Dispensing Facilities
4/1/2004	P8654	Mike Callahan	Santa Rosa	Open Burning
4/20/2004	B2911	Scott Architectural Graphics Inc	Santa Rosa	Failure to Meet Permit Conditions
4/26/2004	N1381	Simon Property Group	Santa Rosa	Authority to Construct & Permit to Operate
4/1/2004	P8650	Bruce Parr	Sebastopol	Open Burning
4/1/2004	P8658	Josh Abrams	Sebastopol	Open Burning
4/1/2004	P8657	Stanley Ramondo	Sebastopol	Open Burning

Outside Bay Area

Received

Date	Site #	Site Name	City	
4/5/2004	M2172	A & S Metals	Castroville	Asbestos Demolition, Renovation & Mfg.
4/12/2004	F4406	Williams Tank Lines/Mike Stewart	Stockton	Gasoline Bulk Terminals and Gasoline Delivery Vehicles

April 2004 Closed NOVs with Penalties by County

Alameda

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Alameda Newspaper Group	A4348	Hayward	\$400	1
Broadway Express Gas	C0539	Oakland	\$500	1
Duke Energy Oakland LLC	B1887	Oakland	\$700	1
Fairway Auto Body	B5208	Hayward	\$2,000	6

GE Nova Sensor Inc	A3224	Fremont	\$400	1
Geno's Deli	C5152	Livermore	\$300	1
Hayward Waste Water Treatment Plant	A1009	Hayward	\$500	1
Lam Research Corporation	A3152	Fremont	\$300	1
Magnussen's Fremont Auto Body	A8523	Newark	\$2,000	2
Nor Cal Construction	P2594	Pleasanton	\$10,000	5
Olympic Screen Crafts	A3423	Fremont	\$1,000	1
Owens Brockway Glass Container, Inc	B1362	Hayward	\$4,200	16
Owens-Brockway Glass Container Inc	A0030	Oakland	\$1,800	3
Seminary Gas	C8544	Oakland	\$250	1
Unocal #5484	C9392	Castro Valley	\$650	1

Total Violations Closed: 42

Contra Costa

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
BAF Complete Auto Care	A6945	San Pablo	\$1,000	2
Custom Auto Body and Restoration	A6265	Concord	\$100	1
El Sobrante Body & Fender	A7556	El Sobrante	\$150	3
Kee's Auto Body	B1606	Concord	\$1,500	3
LANSCO, A division of Hydrochem	B1959	Martinez	\$6,250	2
Lee's Body Shop	B1999	Concord	\$500	2
Michael Stead Chevrolet-Cadillac	A7247	Walnut Creek	\$1,000	1
Ray Hammond	P6594	Martinez	\$250	1

Ross Auto Body	A6355	El Cerrito	\$1,000	2
Steven Johnson	P7575	Bethel Island	\$500	2
Ventura's Body Shop	A5191	San Pablo	\$1,500	1

Total Violations Closed: 20

Marin

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Rick Gudgel	P7928	Novato	\$500	1

Total Violations Closed: 1

Napa

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Alan Finneran	P1104	Calistoga	\$250	1
David Garden	P7962	Saint Helena	\$750	2
David Jones	N4789	Saint Helena	\$250	1
Korte Ranch	P7960	Saint Helena	\$250	1
Ronald Citron	N4796	Calistoga	\$300	2
Schultz Property	P1091	Yountville	\$1,000	1
Valley Cleaners	A5061	Napa	\$1,000	2
Vintage Gas	C7248	Saint Helena	\$2,000	3

Total Violations Closed: 13

Santa Clara

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
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Champion Auto Body & Repair	A8087	Santa Clara	\$750	2
Easy Mart 11	C9053	San Jose	\$500	1
Gilroy CHEVRON	C9462	Gilroy	\$750	1
Gilroy Shell	C9202	Gilroy	\$625	1
Global Satcom Technology	B5791	Santa Clara	\$2,750	3
Italix Company, Incorporated	A3037	Santa Clara	\$500	1
L & J Ornamental Iron Work	B1960	San Jose	\$1,500	1
Meridian Chevron Auto Service	C9500	San Jose	\$250	1
Micrel Semiconductor Inc	B0751	San Jose	\$500	1
NASA-AMES Research Center	A0550	Mountain View	\$11,000	2
Pac Bell	B3543	Santa Clara	\$100	1
Perkin Elmer, Inc - Optoelectronics	A9848	Santa Clara	\$250	1
Publishers Press	A8572	San Jose	\$1,800	1
Rotten Robbie #32	C8706	San Jose	\$250	1
Sunrise Service	C8513	San Jose	\$750	1
V V Collision Auto Body	A7869	San Jose	\$3,500	3
Valero Refining Co SS#7109	D0396	San Jose	\$500	1
Veterans Administration Medical Center	A0450	Palo Alto	\$600	1

Total Violations Closed: 24

San Francisco

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Bank of America	A0429	San Francisco	\$500	1

Caffe Trieste	A8433	San Francisco	\$2,000	3
Equity Office Properties	B0672	San Francisco	\$1,000	1
Flying Dutchman Auto Body	A8690	San Francisco	\$750	1
Francisco Bay Cleaners & Laundry	A4899	San Francisco	\$500	1
Killarney Construction	H9260	San Francisco	\$350	1
Star Shipping Inc A/S Billabong	P1837	San Francisco	\$750	1
Unocal #5459	C2354	San Francisco	\$650	1
W.L Electroncial Co.	P3852	San Francisco	\$1,000	2

Total Violations Closed: 12

San Mateo

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Alameda Newspaper Group/San Mateo Times	A5070	San Mateo	\$400	1

Total Violations Closed: 1

Solano

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Petro-Chem Insulation	F2002	Vallejo	\$1,000	1

Total Violations Closed: 1

Sonoma

Site Name	Site Occurrence	City	Penalty	# of Violations Closed
Advanced Tech Collision	B0115	Santa Rosa	\$500	1
Cresco Equipment Rentals	P7935	Santa Rosa	\$300	1

Eurocal Autocraft	A3430	Santa Rosa	\$100	1
G & C Autobody	A6454	Petaluma	\$3,500	3
ITT Industries, Inc	B0127	Santa Rosa	\$750	1
Jon Early	P7969	Sonoma	\$250	1
Lazzareschi's Body Shop	A8299	Sonoma	\$1,952	4
Nova Vine Grapevine Nursery	P7937	Santa Rosa	\$500	1
Rich's Auto Paint & Body Repair	B2024	Petaluma	\$500	1
Sonoma Wood Finishing	B0385	Rohnert Park	\$500	1
superior truck and body	P1430	Santa Rosa	\$1,000	2
Trinity Engineering	A6248	Rohnert Park	\$500	1
Whitey's TBA Inc DBA	D0381	Petaluma	\$500	1

Total Violations Closed: 19

Total: \$91,677 133

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: May 6, 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

Gary Kendall, Director of Technical Services, attended the Air Waste & Management Association Symposium of Air Quality Measurement Methods and Technology held in Research Triangle Park, NC on April 19-22, 2004.

Jack P. Broadbent, Executive Officer/APCO, Peter Hess, Deputy Air Pollution Control Officer, Eric Stevenson, Air Monitoring Manager, in the Technical Division and Tan Dinh, Air Quality Engineer, in the Planning Division attended the West Coast Region Conference on Marine Port Air Quality Impact held in Seattle, WA on April 20-22, 2004

Henry Hilken, Air Quality Planning Manager, Planning and Research Division, attended the American Planning Association National Conference held in Washington, D.C. on April 24-28, 2004.

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: April 29, 2004

Re: Approval of Refund in Excess of \$10,000 to Equillon Enterprises, LLC

RECOMMENDATION

Authorize the Executive Officer/APCO to refund payment to Equillon Enterprises LLC in the amount of \$84,368.00.

BACKGROUND

Equillon Refinery made an overpayment to the Air District in the 1999/2000 operating permit year by \$84,368.00.

DISCUSSION

In accordance with the District's Administrative Code, Division II, Fiscal Policies and Procedures, Section 3.6 (c), the APCO shall recommend to the Board of Director's, for final disposition, all refunds in excess of \$10,000.00. Equillon Enterprises LLC made payments in excess of the actual amount due. The refund is authorized in section 3.5 of the District's Administrative Code, Fiscal Policies and Procedures.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Payment will be made as an abatement against current year permit revenues.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Wayne Tanaka

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: May 10, 2004

Re: Approval of Refund in Excess of \$10,000 to Owens Corning

RECOMMENDATION

Authorize the Executive Officer/APCO to refund payment to Owens Corning in the amount of \$30,382.00.

BACKGROUND

Owen Corning made an overpayment to the Air District in the 2000 through 2004 operating permit cycle by \$30,382.00.

DISCUSSION

In accordance with the District's Administrative Code, Division II, Fiscal Policies and Procedures, Section 3.6 (c), the APCO shall recommend to the Board of Director's, for final disposition, all refunds in excess of \$10,000.00. Owens Corning made payments in years 2000 through 2004 in excess of the actual amount as a result of miscalculations in emissions fees. The refund is authorized in section 3.5 of the District's Administrative Code, Fiscal Policies and Procedures.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Payment will be made as an abatement against current year permit revenues.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Wayne Tanaka

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Haggerty and
Members of the Board

From: Jack Broadbent
Chief Executive Officer

Date: May 12, 2004

Re: Clarify Role of Existing Non-Board Administrative Committee

RECOMMENDATION

Clarify the authority of existing non-Board Administrative Committee to include modification and/or expansion of investment options provided through employee benefit plans.

BACKGROUND

The District maintains thirteen different benefit plans for employees. The Administrative Committee is an existing non-Board committee established by the Board of Directors at its March 3, 2004 Regular Meeting, consisting of the Executive Officer/APCO, the District Counsel, and the Human Resources Officer that approves amendments to benefit plans and associated plan documents when necessitated by changes to tax laws, implementation of Board approved labor agreements, and Board direction on benefits for non-represented employees.

DISCUSSION

The Administrative Committee's authority should be clarified to include modification and/or expansion of investment options provided through employee benefit plans. This clarification is consistent with the intended role of the Administrative Committee and will facilitate implementation of the Board's direction on any changes to benefit plans that include investment options for employees.

BUDGET CONSIDERATION/FINANCIAL IMPACT

There is no fiscal impact beyond what has already been considered and approved by the Board of Directors.

Respectfully submitted,

Jack Broadbent
Executive Officer/APCO

Reviewed by: Brian Bunger
Prepared by: Michael K. Rich

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

RESOLUTION NO.

A resolution of the Bay Area Air Quality Management District Board of Directors establishing an Administrative Committee and clarifying authority of the Administrative Committee to include modification and/or expansion of investment options provide through employee benefit plans.

WHEREAS, the Administrative Committee is authorized by the Board to execute amendments to the employee benefit plans from time to time due to changes in the tax or other governing law and due to approval by the BAAQMD's Board of Directors (the "Board") of changes in or additions to employee benefits;

WHEREAS, the Board wishes to clarify that the authority of the Administrative Committee includes modifying and/or expanding investment options provided through employee benefit plans;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Bay Area Air Quality Management District hereby clarifies that the Administrative Committee has the power to modify and/or expand investment options provided through employee benefits plans.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director _____, seconded by Director _____, on the ____ day of _____, 2004 by the following vote of the Board:

AYES:

NOES:

ABSENT:

Scott Haggerty
Chairperson of the Board of Directors

ATTEST:

Gayle B. Uilkema
Secretary of the Board of Directors

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson Haggerty and Members
of the Board of Directors

From: Jeff McKay, Director of Information Services

Date: May 19, 2004

Re: Authorization for Execution of Purchase Order in Excess of \$70,000 for Professional Services

RECOMMENDED ACTION

Authorize a purchase order not to exceed \$300,000 from the approved 2003/2004 budget to J.D. Edwards for the purchase of 2000 hours of Professional Services to cover the conversion of Mitchell Humphreys into the new J.D. Edwards Enterprise Resource Planning System.

BACKGROUND

The District's current financial system, Mitchell Humphrey, is no longer a supported product and does not include the District's HR functions. Therefore, an RFP was initiated to identify the best replacement. The proposal process attracted bids from several vendors and resulted in the identification of J.D. Edwards as the best application solution. At the May 21, 2003 Board Meeting, the Board authorized approval of a contract with J.D Edwards to provide the financial/HR software.

(\$K)	<u>Committed dollars (including current Authorization Request)</u>
Application Software License and Maintenance	\$269
System Software	\$88
Hardware	\$91
Professional Services including Training, Data Conversion, and Legacy Interfaces	\$1,490
Total Projected Cost	\$1,938

DISCUSSION

Selection of the Software vendor does not necessarily determine selection of the Professional Services Organization (PSO). BAAQMD evaluated professional service

providers and determined that both JD Edwards and AMX were qualified for the implementation. Evaluation of these two options is summarized below:

	JD Edwards PSO	AMX PSO
Initial quoted hourly rate	\$193	NA
Negotiated hourly rate	\$150	\$150
Capability Rank	First	Second

Although both professional service providers were eventually able to offer the same hourly rates, the J.D. Edwards Services organization was able to provide superior training and migration.

BUDGET CONSIDERATION/FINANCIAL IMPACT

This will be funded from the approved 2003/2004 ERP budget of the ISS Division.

Respectfully submitted,

Jeff McKay, Director
Information Services Division

Reviewed by:

FORWARDED: _____

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: May 6, 2004

Re: Report of the Budget & Finance Committee Meetings of April 28, 2004 and
May 17, 2004

RECOMMENDATION

The Committee met April 28, 2004 and May 17, 2004 and may recommend that the Board of Directors approve the following:

- Creation of a Self-Insured Worker's Compensation Program, authorization of the Executive Officer/APCO to execute necessary documents to establish a Self-Insured Workers' Compensation Program, and a transfer of \$1,000,000 from the General Reserve to a designated Reserve for Worker's Compensation.
- Referral of the proposed FY 2004/2005 budget to the Board of Directors for its June 2, 2004 meeting to conduct the first of two public hearings. Final action will be taken at the conclusion of the second public hearing, scheduled for June 16, 2004.

BACKGROUND

April 28, 2004 Committee Meeting.

The Committee met and received information on a proposal to switch from the traditional workers compensation insurance program to a self-insured program.

The Committee received the annual audit report for FY 2002/2003.

The proposed FY 2004/2005 budget was presented to the Committee for consideration. The Committee requested additional information and directed staff to make minor revisions to the budget. The requested modifications and information will be presented to the Committee at the May 17, 2004 meeting.

May 17, 2004 Committee Meeting.

The Committee met and continued discussions on the revised budget proposal for FY 2004/2005. Modifications to the proposed budget were made at the direction of the Committee. The Committee also received the Third Quarter Financial Report.

Chairperson Miller will give an oral report of the meetings.

BUDGET CONSIDERATION/FINANCIAL IMPACT

No impact on the current year budget. The proposed consolidated Budget for FY 2004/2005 is \$52,654,722.

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: May 11, 2004

Re: Report of the Legislative Committee Meeting of April 28, 2004

RECOMMENDED ACTIONS

The consensus of the Committee is that the Board approve the following positions on recently introduced bills:

Bill	Brief Description	Committee Recommendation
AB 2128 (Jackson)	Uses SB 1614 fuel fee for light-duty scrappage and retrofit programs	Support in concept
AB 2541(Fromer)	Establishes Low Emission Contractor Incentive Program	Support
AB 3104 (Firebaugh)	Environmental Health and Air Quality Funding Act of 2004	Support

DISCUSSION

The Legislative Committee met Wednesday, April 28, 2004. After discussion of the new bills above, the Committee consensus was to recommend the positions listed above. The Committee also revisited AB 2628 (Pavley), which would allow hybrid vehicles into the HOV lanes. The District currently has a “support if amended” position on this measure. After discussion, the Committee consensus was to not recommend further amendments to the bill. Finally, the Committee discussed local air district fleet rule authority and history. Since the U.S. Supreme Court had not yet ruled in the lawsuit on the South Coast’s fleet rule, the Committee consensus was to wait for that decision prior to making a recommendation to the staff or Board.

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: May 7, 2004

Re: Report of the Executive Committee Meeting of April 30, 2004

RECOMMENDED ACTION

Receive and file.

BACKGROUND

The Executive Committee met April 30, 2004. The Committee received a staff report on the U.S. Environmental Protection Agency's designations for the national 8-hour ozone standard. The Committee then went into closed session conference with the Air District's Labor Negotiator, Jack P. Broadbent to continue discussions regarding salary adjustments for management employees for fiscal year 2004/2005.

Attached is the staff report presented to the Committee for your review. 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

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

To: Chairperson DeSaulnier and Members of the Regional Agency
Coordinating Committee

From: Peter Hess
Deputy Air Pollution Control Officer

Date: May 13, 2004

Re: U. S. EPA Designations for the National 8-hour Ozone Standard

RECOMMENDED ACTION:

None. Information only..

BACKGROUND

The U. S. Environmental Protection Agency (EPA) recently designated attainment and nonattainment areas for the national 8-hour ozone standard and promulgated an implementation rule for the standard. This report provides information about how EPA's action affects the San Francisco Bay Area.

DISCUSSION

On April 15, 2004, EPA announced attainment and nonattainment designations for the national 8-hour ozone standard. These designations become effective June 15, 2004. EPA designated the San Francisco Bay Area as a nonattainment area due to a violation of the 8-hour standard at the San Martin monitoring station in the South Bay. The Livermore and Concord stations have 8-hour ozone levels approaching the standard. A violation at any station results in a nonattainment designation for the entire region because ozone is a regional pollutant.

EPA classified the Bay Area as a "marginal" nonattainment area. The 8-hour ozone standard is 85 parts per billion. Compliance with the standard is determined station-by-station using an average of the 4th high ozone reading for three years. Monitoring data for the San Martin station for the years 2001, 2002, and 2003 show an average of the 4th high ozone values of 86 parts per billion (one part per billion above the standard). The Bay Area's monitoring station with the highest 8-hour ozone levels thus barely violates the standard, hence the "marginal" classification. Areas with worse ozone air quality are classified as moderate, serious, severe, or extreme.

The deadline for marginal areas to attain the 8-hour standard is June 15, 2007. Compliance with the standard will be based on summertime monitoring data from 2004, 2005, and 2006. EPA has established provisions for extension of the attainment deadline under certain circumstances. If a region does not attain the standard by the deadline, the region will be "bumped up" to the next classification (e.g. from marginal to moderate).

EPA's recent action also outlines the transition from the national 1-hour ozone standard to the more stringent 8-hour ozone standard. The national 1-hour ozone standard will be revoked 1 year after the 8-hour designations become effective. Consequently, the national 1-hour ozone standard will no longer exist as of June 15, 2005. To ensure that air quality improvement continues as regions develop plans to attain the 8-hour standard, EPA has established anti-backsliding provisions. Essentially, the anti-backsliding provisions require that we continue to implement the regulations we have in place.

Marginal nonattainment areas are required to implement the following planning and control elements:

- Emission inventory, including periodic updates
- Reasonably available control technology regulations
- Inspection and maintenance program
- Permit program for major stationary sources
- Offset requirements of at least 1.1 to 1.

The Bay Area Air District already complies with each of these elements; however, EPA may require State Implementation Plan (SIP) submissions specifically focused on the 8-hour ozone standard (e.g. motor vehicle emission budgets based on the emission inventory). Staff will work with EPA and ARB to clarify what additional SIP submissions are necessary. The federal Clean Air Act does not require attainment demonstrations or contingency measures for marginal areas.

EPA's initial promulgation of the national 8-hour ozone standard in 1997 was subject to a lawsuit that was eventually decided by the Supreme Court. The lawsuit delayed implementation of the standard. EPA's recent actions may also be subject to lawsuits which could further delay implementation of the 8-hour standard and transition from the 1-hour standard to the 8-hour standard. Staff will continue to develop a redesignation request and maintenance plan for the national 1-hour ozone standard.