

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

Approved Minutes: Board of Directors’ Regular Meeting – October 19, 2005

Call To Order

Opening Comments: Chairperson Marland Townsend called the meeting to order at 9:59 a.m.

Roll Call: Present: Marland Townsend, Chair, Harold Brown, Roberta Cooper, Chris Daly, Mark DeSaulnier, Erin Garner, Scott Haggerty, Liz Kniss (10:08 a.m.), Patrick Kwok, Jake McGoldrick, Nate Miley, Julia Miller, Mark Ross, Michael Shimansky, Pam Torliatt, Brad Wagenknecht, Shelia Young.

Absent: Dan Dunnigan, Jerry Hill, John Silva, Tim Smith, Gayle B. Uilkema.

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

Commendations/Proclamation: There were none.

Public Comment Period: The following individuals came forward to speak:

James Corazza
Employees’ Association

Will Saltz
Employees’ Association

Mr. Corazza introduced Will Saltz as the in-coming President of the Employees’ Association.

Director Liz Kniss arrived at 10:08 a.m.

Consent Calendar (Items 1 – 6)

1. Minutes of September 21, 2005 Meeting
2. Communications. Correspondence addressed to the Board of Directors
3. Report of the Advisory Council. There was no report.
4. Monthly Activity Report – Report of Division Activities for the month of September 2005.
5. Quarterly Report of Air Resources Board Representative
6. Quarterly Report of the Clerk of the Boards

Board Action: Director Brown moved approval of the Consent Calendar; seconded by Director Torliatt; carried unanimously without objection.

Committee Reports and Recommendations

7. Report of the Stationary Source Committee Meeting of September 26, 2005

Director DeSaulnier presented the report and stated that the Committee met on Monday, September 26, 2005.

The Committee received a report on the District's Compliance Program, and provided direction to staff on several items.

The Committee received a status report on two specific elements of the Refinery Flare Control Rule. Staff reported on the comments made at the public hearing related to (1) the trigger point for the most formal level of causal analysis, and (2) a sulfur limit for any gases sent to a flare, including a limit of 160 ppm hydrogen sulfide. Staff recommended that no changes be made at this time to the adopted rule. The Committee directed staff to provide a status report on the rule at the next Committee meeting and include a timeline on the feasibility study; an update on the South Coast Air District's rulemaking and details on any high emissions, low volume events that might have occurred since the rule was adopted.

The Committee received a report on the progress of rule development efforts with regard to refinery operations and an update on the status of the 2005 Ozone Strategy and the Particulate Matter (PM) Implementation Schedule.

The next meeting of the Committee is scheduled for Monday, November 28, 2005.

Board Action: Director DeSaulnier moved that the Board of Directors approve the report of the Stationary Source Committee; seconded by Director Young.

Speakers: The following individuals came forward and spoke on this item:

Richard Quiroz
ChevronTexaco
Richmond, CA 94802

Dennis Bolt
Western States Petroleum Association
Concord, CA 94518

During discussion, Jack Broadbent, Executive Officer/APCO, stated that data is coming in from the refineries and that it will take from six to nine months before the District can make any recommendations regarding amendments to the refinery rule. The motion then passed unanimously with out objection.

8. Report of the Budget and Finance Committee Meeting of September 28, 2005

Action(s): The Committee recommended Board of Director approval of the following:

- A) *Increase the Executive Officer/APCO credit card limit from \$5,000 to \$10,000;*
- B) *Add the District Counsel and Executive Office Manager to the list of credit cards issued with a limit of \$10,000 each;*

- C) *Credit card limits of \$5,000 each for the two Deputy APCOs and for the two existing Division Directors;*
- D) *Approve the transfer of \$122,000 from the Reserve for Building and Facilities, and approve an increase in the Administrative Services Building Maintenance budget of \$60,000 for installation of rooftop Safety Anchors, and approve an increase in the Administrative Services Building Maintenance budget of \$62,000 for Air District Building West Exterior Epoxy Injection; and*
- E) *Transfer \$250,000 from the Reserve for Production System, and approve an increase in the Information Systems Professional Services budget of \$250,000, and approve a Purchase Order not to exceed \$250,000 to CH2MHill for configuration and building of Oracle database.*

Director Miller presented the report and stated that the Committee met on Wednesday, September 28, 2005 and received the Fourth Quarter Financial Report for Fiscal Year 2004/2005. Staff was directed to include a separate statement on Reserves with future financial reports.

Staff presented information and the Committee recommends Board of Director approval to authorize an increase of the credit card limit of the Executive Officer/APCO from \$5,000 to \$10,000; and that the Executive Office Manager be added to the list of credit cards issued as well as the District Counsel, with a credit limit of \$10,000 each; the credit limits for the two Deputy Air Pollution Control Officers and the two existing Division Directors shall be \$5,000 each. Additionally, there will be a provision established to have the expenditures formally reviewed by either the Chairperson of the Board of Directors or the Budget & Finance Committee Chair.

Staff presented a report and the Committee recommends Board of Director approval to amend the Fiscal Year 2005/2006 budget and transfer funds from Reserve for Building and Facilities, as follows:

- A. *Transfer \$122,000 from the Reserve for Building and Facilities;*
- B. *Increase the fiscal year 2005/2006 Administrative Services Building Maintenance budget by \$60,000 for installation of rooftop Safety Anchors; and*
- C. *Increase the fiscal year 2005/2006 Administrative Services Building Maintenance budget by \$62,000 for Air District Building West Exterior Epoxy Injection.*

Direction was given to staff to obtain a cost estimate for conducting a building inspection and to investigate whether or not the District is still within the statute of limitation to file a claim against the management of the building next to the District for a settlement for damages caused by the construction of that building; and to investigate District insurance recourse, if any.

Staff presented a report and the Committee recommends Board of Director approval to transfer \$250,000 from the Reserve for Production System; and approve an increase of \$250,000 in the Information Systems Professional Services budget for fiscal year 2005/2006. Additionally, the Committee recommends Board of Director approval for a purchase order to CH2MHill in an amount not to exceed \$250,000 for configuration and building of an Oracle database.

Staff introduced Michael White, the new Finance Manager. The next meeting of the Committee will be at 9:45 a.m., Wednesday, October 26, 2005.

Board Action: Director Miller moved that the Board of Directors approve the recommendations and report of the Budget and Finance Committee; seconded by Director Haggerty.

There was a brief discussion on the credit card limits and when payment is made on the cards. The motion then passed unanimously without objection.

9. Report of the Executive Committee Meeting of October 12, 2005

Action(s): The Committee recommended Board of Director approval of the Report of the Advisory Council with the recommendation to appoint Ken Blonski to the Regional Park District category on the Advisory Council to complete an unexpired term of office that began January 1, 2004 and will end December 31, 2005.

Chairperson Townsend presented the report and stated that the Committee met on Wednesday, October 12, 2005 and received and filed the Report of the Hearing Board.

Brian Zamora, Advisory Council Chairperson, presented the Report of the Advisory Council and updated the Committee on a formalized Code of Conduct for the Council, the Council's recommendation on Indoor Air Quality (IAQ), and a review of a presentation made by Dr. Richard Jackson at the last Council meeting on public health and land-use planning.

Bill Hanna, Chairperson of the Advisory Council Applicant Selection Working Group, requested that the Committee recommend Board of Director approval of the appointment of Ken Blonski to the "Regional Park District" category on the Advisory Council for an unexpired term ending December 31, 2005. The Committee approved the recommendation.

Ted Droettboom, Regional Planning Program Director of the Joint Policy Committee provided an update on the JPC.

Staff presented an update on the District's Affirmative Action Plan.

Jack Broadbent, Executive Officer/APCO presented a report to the Committee on some organizational realignment of several Divisions.

The Committee adjourned to a Closed Session to conduct performance evaluations of the Executive Officer/APCO and the District Counsel. A report on the Committee's Closed Session discussions will be provided in Closed Session with the full Board on this topic today.

The next meeting of the Executive Committee will be at 9:30 a.m., Wednesday, November 30, 2005.

Board Action: Chairperson Townsend moved that the Board of Directors approve the report and recommendation of the Executive Committee and appoint Ken Blonski to the Regional

Park District category on the Advisory Council to complete an unexpired term ending December 31, 2005; seconded by Director Torliatt.

Chairperson Townsend noted there will be a change in the future whereby the Advisory Council appointments will go to the Personnel Committee instead of the Executive Committee. The motion then passed unanimously without objection.

Closed Session (The Board adjourned to Closed Session at 10:29 a.m.)

10. Report of Executive Committee Meeting of October 12, 2005 and Closed Session to Conduct Public Employee Performance Evaluation

Pursuant to Government Code Sections 54957 and 54957.6, a performance evaluation was conducted of the Executive Officer/APCO and the District Counsel.

11. Conference with Legal Counsel

Significant Exposure to Litigation

Pursuant to Government Code Section 54956.9(b), a need existed to meet in Closed Session to discuss one potential litigation matter against the District.

Open Session (The Board reconvened to Open Session at 11:38 a.m.)

Chairperson Townsend reported on agenda item 10 and stated that the Board gave general direction to the Chairperson to negotiate further on the contracts for the Executive Officer/APCO and District Counsel.

Brian Bunger, Counsel, reported that the Board met in Closed Session on agenda item 11 and received a report on potential litigation and provided general direction to Counsel.

Other Business

12. Report of the Executive Officer/APCO – Mr. Broadbent reported on the following:
 1. The smog season ended October 14th and the Air District only had one violation of the new national 8-hour ozone standard. The violation was on Saturday, July 23rd. A Spare the Air day was called the following Tuesday, but there was no exceedance on that day.
 2. Reminded the Board of the upcoming 50th Anniversary event on November 10th at Scott's in Jack London Square.
 3. The Air District logos that have been placed in the 7th floor lobby and the Board room.
13. Chairperson's Report: There was no report.
14. Board Members' Comments – There were none.

15. Time and Place of Next Meeting –9:45 a.m., Wednesday, November 2, 2005 - 939 Ellis Street, San Francisco, CA 94109.
16. Adjournment – The meeting adjourned at 11:40 a.m.

/s/ Mary Romaidis
Mary Romaidis
Clerk of the Boards