



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## BOARD OF DIRECTORS' REGULAR MEETING

November 1, 2006

A meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:45 a.m. in the 7<sup>th</sup> 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  
NOVEMBER 1, 2006

BOARD ROOM  
7TH FLOOR

9:45 A.M.

## CALL TO ORDER

Opening Comments  
Roll Call  
Pledge of Allegiance  
Proclamation/Commendation

Gayle B. Uilkema, Chair  
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 – 6)

Staff/Phone (415) 749-

1. Minutes of October 18, 2006

M. Romaidis/4965  
[mromaidis@baaqmd.gov](mailto:mromaidis@baaqmd.gov)

2. Communications

J. Broadbent/5052  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*Information only*

3. District Personnel on Out-of-State Business Travel

J. Broadbent/5052  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*In accordance with Section 5.4 (b) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the attached memoranda lists District personnel who traveled on out-of-state business.*

4. Consider Authorization for Execution of Purchase Order in Excess of \$70,000  
Pursuant to Administrative Code Division II Fiscal Policies and Procedures  
Section 4.3 Contract Limitations

J. Broadbent/5052  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Board of Directors will consider authorizing the Executive Officer/APCO to execute a purchase order to FLIR Systems, for the purchase of a handheld Infra Red (IR) video camera in an amount not to exceed \$96,068.*

5. Consider Adjusting the District's Maximum Medical Contribution Declared to California Public Employees' Retirement System (CalPERS) **J. Broadbent/5052**

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Board of Directors will consider approval of the attached resolution adjusting the District's Maximum Medical Contribution declared to CalPERS for management, confidential, represented, and miscellaneous employees and retirees.*

6. Set Public Hearing for December 6, 2006 to Consider Proposed Amendments to Regulation 9, Rule 9: Nitrogen Oxides from Stationary Gas Turbines and Adoption of a California Environment Quality Act (CEQA) Negative Declaration **H. Hilken/4642**

[hhilken@baaqmd.gov](mailto:hhilken@baaqmd.gov)

*The proposed amendments to Regulation 9, Rule 9 implement control measure SS-14 from the Bay Area 2005 Ozone Strategy. They would set more stringent limits for emissions of nitrogen oxides (NOx) from stationary gas turbines used for electrical generation, steam and mechanical power.*

### **COMMITTEE REPORTS AND RECOMMENDATIONS**

7. Report of the **Legislative Committee** Meeting of October 19, 2006

**CHAIR: E. GARNER**

**J. Broadbent/5052**

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

8. Report of the **Budget and Finance Committee** Meeting of October 30, 2006

**CHAIR: C. DALY**

**J. Broadbent/5052**

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*Action(s): The Committee may recommend Board of Directors' approval of the following:*

- A) Designation of a Reserve for Climate Protection Grant program and funding of Reserve with a transfer of \$300,000 for the Reserve for Radio Replacement; and*
- B) Addition of a line item to the FY 06/07 Planning and Research Professional Services Program 608 in the amount of \$300,000 for the Climate Protection Summit, and increase the Planning and Research Professional Services Program 608 in the amount of \$200,000, and correspondingly add a revenue line item of \$200,000 to recognize sponsorship income for this event, with the balance of the cost covered by the current budget.*

### **CLOSED SESSION**

- 9.) Conference with District's Labor Negotiators  
(Government Code § 54957.6(a))

*Agency Negotiators: Jack P. Broadbent, Executive Officer/APCO  
Michael Rich, Human Resources Officer*

*Employee Organization: Bay Area Air Quality Management District Employees' Association, Inc.*

10.) Conference with Legal Counsel

A) **Existing Litigation Government Code Section 54956.9(a)**

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

**Bay Area AQMD v. Pacific Steel Casting Company, et al.**, Alameda County Superior Court, Case No. RGO6284043

B) **Threat of Litigation Government Code Section 54956.9(b)**

*Tort Claim of Patricia Howell against the Bay Area Air Quality Management District, and individually against Michael Rich, Mary Ann Goodley, Diane Iwata, Doe 1, and Integrity Support Services, Inc./Employment Screening Resources (ISS) (received 09/27/06)*

**OPEN SESSION**

**OTHER BUSINESS**

11. Report of the Executive Officer/APCO
12. Chairperson's Report
13. 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)

14. Time and Place of Next Meeting - 9:45 a.m., Wednesday, November 15, 2006-939 Ellis Street, San Francisco, CA 94109
15. Adjournment

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

**(415) 749-4965**  
**FAX: (415) 928-8560**  
**BAAQMD homepage:**  
[www.baaqmd.gov](http://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: Chair Uilkema and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: October 19, 2006

Re: Board of Directors' Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Board of Directors meeting of October 18, 2006.

DISCUSSION

Attached for your review and approval are the draft minutes of the October 18, 2006 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 – October 4, 2006

**Call To Order**

Opening Comments: Vice-Chair Mark Ross called the meeting to order at 9:58 a.m.

Pledge of Allegiance: The Board of Directors recited the Pledge of Allegiance.

Roll Call: Present: Gayle B. Uilkema, Chair (10:16 a.m.), Tom Bates, Harold Brown, Chris Daly, Dan Dunnigan (10:05 a.m.), Erin Garner, Scott Haggerty (10:00 a.m.), Jerry Hill, Yoriko Kishimoto, Liz Kniss (10:43 a.m.), Patrick Kwok, Janet Lockhart, Jake McGoldrick, Mark Ross, Michael Shimansky, Tim Smith, Pamela Torliatt, Brad Wagenknecht.

Absent: Mark DeSaulnier, Carol Klatt, Nate Miley, John Silva.

**Public Comment Period:** There were none:

Director Scott Haggerty arrived at 10:00 a.m.

**Proclamation/Commendation**

*The Board of Directors presented a plaque to Jack Bean, Air Quality Program Manager in the Compliance and Enforcement Division for his dedicated service of over 36 years to the cause of air pollution control.*

**Consent Calendar (Items 1 – 7)**

1. Minutes of October 4, 2006
2. Communications. Correspondence addressed to the Board of Directors. For information only.
3. Monthly Activity Report – Report of Division Activities for the month of September 2006
4. Quarterly Report of the Clerk of the Boards
5. Quarterly Report of Air Resources Board Representative Honorable Mark DeSaulnier
6. Update on Affirmative Action Plan

*Pursuant to Division III, Section 2 of the District's Administrative Code the Board of Directors affirms its policy to provide equal employment opportunities and commits itself and the District to implementing an Affirmative Action Plan. Receive and file.*

7. Consider Establishing a New Classification of Purchasing Agent with a Salary Set at Pay Range 122 Effective as of the Date of Board Approval

*The Board of Directors considered establishing a new classification of Purchasing Agent with a salary set at Range 122.*

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

Deputy Director Dan Dunnigan arrived at 10:05 a.m.

### **Committee Reports and Recommendations**

8. Report of the Public Outreach Committee Meeting of October 11, 2006

Director Wagenknecht presented the report and stated that the Public Outreach Committee met on Wednesday, October 11, 2006.

Staff presented a summary of the Spare the Air Tonight 2006/2007 campaign. The Spare the Air Tonight campaign will begin November 20, 2006 and end February 16, 2007. The focus of the Spare the Air Tonight campaign will be on reducing particulate matter. EPA has established new particulate matter standards. Due to the new standards the threshold for calling a Spare the Air Tonight alert will be lower, and considerably more alerts may be called this year than in previous years.

Staff presented an overview of District Regulation 5 Open Burning and played the new video Burning Cleaner, Burning Better. The video is a collaborative effort with the Napa County Fire Marshall's Office and was produced with a bilingual option. The purpose of the video is to reach out to the agricultural community by demonstrating proper burning techniques in an easy to view format. It was noted that distribution of the video will be throughout the 9 Bay Area counties. Media and other outreach strategies were discussed.

Finally, staff provided an update to the Committee on the Spare the Air 2006 Campaign. The 2006 Spare the Air campaign ended on October 13, 2006. Staff will work closely with MTC and transit providers to refine the program. Staff will conduct a thorough analysis of the data received to date and report back to the Committee within the next six months.

The Committee directed staff to agendize "Safe Routes to School" at a future meeting.

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

**Board Action:** Director Wagenknecht moved that the Board of Directors' approve the report of the Public Outreach Committee; seconded by Director Kishimoto; carried unanimously without objection.

9. Report of the Ad Hoc Committee on Climate Protection Meeting of October 12, 2006

*Action(s): The Committee recommended Board of Directors' approval of the establishment of a Climate Protection Grant Program with an initial allocation of \$2,000,000.00 subject to the review of the Budget and Finance Committee for the redesignation of the requested funds.*

Director Torliatt presented the report and stated that the Ad Hoc Committee on Climate Protection met on Thursday, October 12, 2006.

Staff presented an overview of Assembly Bill 32, which mandates that the state reduce greenhouse gas emissions to 1990 levels by the year 2020. The key features of the bill were highlighted as well as the timeline for implementation. The Air Resources Board roles under AB 32 were also reviewed.

An update on the Climate Protection Summit was provided to the Committee. The Summit program; key themes; signature-level and event-level sponsors; and Summit announcements were reviewed. There was discussion on steps that are being taken to make this a carbon neutral event.

Staff gave a presentation on the establishment of a Climate Protection Grant Program, including formalizing the creation of a new Standing Committee on Climate Protection. The new Committee would have the authority to make grant program award recommendations to the full Board. The Program would fund projects beyond those covered by current District grant programs. The projects would be required to achieve criteria, toxic, and greenhouse gas emission reductions. This would be the first Climate Protection Grant Program by an air quality control district. Initial funding for the program would come from a reallocation of excess funds remaining in the Reserve for Radio Replacement, which came in under budget. The Committee recommends that the Board of Directors' approve the establishment of a Climate Protection Grant Program with an initial \$3 million allocation, and concurrence from the Budget and Finance Committee. The Committee also requested that the Budget and Finance Committee review the budget with regard to funds that may be available to increase the initial allocation to \$5 million.

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

**Board Action:** Director Torliatt moved that the Board of Directors approve the recommendations and the report of the Ad Hoc Committee on Climate Protection; seconded by Director Haggerty.

Jack Broadbent, Executive Officer/APCO, added that the key issue is the establishment of the grant program to fund projects that will reduce climate change precursors. Also, this would be the first step in developing a foundation that could receive and distribute the funds for climate protection projects.

Chair Gayle B. Uilkema arrived at 10:16 a.m.

The motion then passed unanimously without objection.



10. Report of the Mobile Source Committee meeting of October 16, 2006

*Action(s): The Committee recommended Board of Directors' approval of the following:*

- A) Air District's continued participation in implementing the California Air Resources Board FY 2006/2007 Carl Moyer Program in the San Francisco Bay Area;*
- B) Contractor(s) for the FY 2006/2007 Vehicle Buy Back Program vehicle dismantlers; and*
- C) Allocation of available FY 2006/07 Transportation Funds for Clean Air Funds (TFCA). – **The Committee deferred this item to its next meeting.***

Director Tim Smith presented the report and stated that the Committee met on Monday, October 16, 2006.

The Committee received a report on the implementation of the Year 8 Carl Moyer Program. Staff provided information on the background of the Program, new guidelines, the additional requirements of fleet modernization projects, and a summary of the Year 8 Program. The Committee recommends that the Board of Directors approve implementation of Year 8 Carl Moyer Program in the Bay Area for all eligible project types with the exception of Fleet Modernization projects.

The Committee received a report on the contractor selection for the Vehicle Buy Back (VBB) Program for fiscal year 2006/2007 and recommends Board of Director approval of the following:

- A) the selection of Environmental Engineering Studies, Inc.; Pick-N-Pull; and Pick Your Part as the vehicle scrapping contractors for the fiscal year 2006/2007 VBB Program; and
- B) authorization for the Executive Officer/APCO to execute contracts for vehicle scrapping and related services with the selected contractors, that will distribute, on a monthly reimbursement basis, the \$7 million allocated for this purpose to the VBB Program in fiscal year 2006/2007.

Staff was given direction with regard to providing information to the Committee on the funds spent by the contractors on advertising for the VBB Program.

A report was provided to the Committee on the Transportation Fund for Clean Air (TFCA) Regional Fund Grant Awards for Fiscal Year 2006/2007. The report included information on the evaluation of the grant applications and scoring criteria; available funds; emission reductions from recommended projects; and the percent of funding by project type.

The Committee recommends that the Board of Directors approve the replacement of up to \$7,386,585 in TFCA Regional Fund revenues with the same amount in Mobile Source Incentive Fund (MSIF) revenues for the District's VBB Program for Fiscal Year 2006/2007, with \$2,655,239 contingent on approval by the Metropolitan Transportation Commission (MTC) on the use of these funds for TFCA Regional Fund projects.

The Committee provided direction to staff with regard to the TFCA Regional Fund grant awards. The Committee will consider recommendations for the TFCA Regional Fund grant awards at its next meeting.

The next meeting of the Committee is scheduled for 9:30 a.m., Monday, November 13, 2006.

**Board Action:** Director Smith moved that the Board of Directors approve the recommendations and report of the Mobile Source Committee; seconded by Director Kwok.

Director Haggerty discussed the difference of cost of advertising between the contractors for the Vehicle Buy Back Program vehicle dismantlers. Jean Roggenkamp, Deputy APCO, stated that the contractor that charges more for advertising has a higher number of vehicles scrapped and will be improving their program. That contractor also brings in approximately two times more vehicles than the other two contractors.

Director Haggerty moved to bifurcate the matters under consideration; seconded by Director Lockhart; carried unanimously without objection.

**Board Action:** Director Smith moved that the Board of Directors' approved the recommendations and report of the Mobile Source Committee, except for the item regarding selection of vehicle scrapping contractors for the fiscal year 2006/2007 Vehicle Buy Back Program; seconded by Director Kwok; carried unanimously without objection.

**Board Action:** Director Smith moved that the Board of Directors' approve the selection of the vehicle scrapping contractors for the fiscal year 2006/2007 VBB Program and authorize the Executive Officer/APCO to execute said contracts as stated in the Report; seconded by Director Kwok; carried on roll call:

AYES: Bates, Brown, Daly, Dunnigan, Garner, Hill, Kishimoto, Kwok, Lockhart, Ross, Shimansky, Smith, Torliatt, Wagenknecht, Uilkema.

NOES: Haggerty.

ABSENT: DeSaulnier, Klatt, Kniss, McGoldrick, Miley, Silva.

### **Public Hearing**

11. Public Hearing to Consider Proposed Amendments to Regulation 8, Rule 5: Storage of Organic Liquids and Adoption of a California Environmental Quality Act (CEQA) Negative Declaration

*The proposed amendments to Regulation 8, Rule 5 would set requirements for tank shells, tank pontoons, tank cleaning agents, tank degassing, and removal of sludge; create a voluntary self-inspection and maintenance program; and clarify exemptions and language throughout the rule.*

Julian Elliot, Senior Air Quality Engineer, presented the report and reviewed the background of Regulation 8, Rule 5. The regulation has been amended several times and is one of the most stringent. Mr. Elliot described the difference between a fixed roof tank and a floating roof tank and noted that floating roof tanks are the largest tanks in the Air District.

Proposed amendments to the regulation include tank degassing, tank cleaning, a voluntary Inspection & Maintenance (I&M) Program, and integrity requirements for tank shells and

pontoons. Mr. Elliot discussed the emission reductions and cost associated with the proposed amendments, and the rule development process. In conclusion, staff recommended that the Board of Directors' adopt the proposed amendments to Regulation 8, Rule 5: Storage of Organic Liquids, and adopt a California Environmental Quality Act (CEQA) Negative Declaration for the proposed amendments.

Jack Broadbent, Executive Officer/APCO, noted that an important aspect of the proposed amendments to the rule is the voluntary self-inspection process.

Director Liz Kniss arrived at 10:43 a.m.

There was discussion on tanks at waste water treatment plants, handling of sludge, all operations being bound by regulations from other agencies, and underground storage tanks at gasoline dispensing facilities.

Chair Uilkema opened the public hearing at 10:50 a.m.

The following individual spoke in support of the proposed amendments:

Dennis Bolt  
WSPA  
Concord, CA 94518

Chair Uilkema moved to close the public hearing at 10:54 a.m.; seconded by Director Brown; carried unanimously.

**Board Action:** Director Brown moved the staff recommendation; seconded by Director Bates; carried with the following Board members voting:

AYES: Bates, Brown, Daly, Dunnigan, Garner, Haggerty, Hill, Kishimoto, Kniss, Kwok, Lockhart, Ross, Shimansky, Smith, Torliatt, Wagenknecht, Uilkema.

NOES: None.

ABSENT: DeSaulnier, Klatt, McGoldrick, Miley, Silva.

**Adopted Resolution No. 2006-15 – A Resolution of the Board of Directors of the Bay Area Air Quality Management District Amending District Regulation 8, Rule 5: Storage of Organic Liquids and Adopting a CEQA Negative Declaration for this Project**

**Closed Session** The Board convened to Closed Session at 10:56 a.m.

12. Conference with Legal Counsel

**Existing Litigation Government Code Section 54956.9(a)**

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

- A. **Paul Mauriello v. Bay Area AOMD** (*Public Employment Relations Board, Unfair Practice Charge No. SF-CE-336-M*)
- B. **Bay Area AOMD v. Pacific Steel Casting Company, et al**, *Alameda County Superior Court, Case No. RGO6284043*

**Open Session:** The Board reconvened to open session at 11:12 a.m.

Brian Bunger, Legal Counsel, reported that the Board met in closed session on items 12 A and B, received a report from Counsel and the Board provided general direction on these matters.

**Other Business**

13. Report of the Executive Officer/APCO – Mr. Broadbent reviewed the following:

- A) A Community Event list is at each Board member's place.
- B) Updated the Board on the November 10<sup>th</sup> Climate Protection Summit. It was noted that due to space limitations, it is recommended that Board members limit the number of guests they invite to the Summit to three.
- C) Another update on the Summit will be provided at the November 1<sup>st</sup> Board meeting.

14. Chairperson's Report – Chair Uilkema reported on the following items:

- A) Thanked Director Ross for stepping in as Chair earlier this morning.
- B) If any Board member is interested in being on the Nominating Committee, they should contact the Chair.
- C) If any Board member is interested in being nominated, they should contact the Chair.
- D) Congratulated Jack Bean for his 36 years of service to the Air District.
- E) Reiterated Board members should limit their guests to three for the November 10<sup>th</sup> Summit.
- F) If Board members are interested in attending the conference in China, they should contact the Chair, Mrs. Goodley, or Mr. Broadbent. The conference will be held in October 2007.

15. Board Members' Comments – Director Bates requested staff provide him with the number of complaints received on the Pacific Steel Casting facility in 2005 and 2006, and how many of the complaints were confirmed.

Draft Minutes of October 18, 2006 Regular Board Meeting

Director Kniss requested that information on the China conference be e-mailed to the Board members.

16. Time and Place of Next Meeting – 9:45 a.m., Wednesday, November 1, 2006 – 939 Ellis Street, San Francisco, CA 94109
17. Adjournment – The meeting adjourned at 11:19 a.m.

Mary Romaidis  
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chair Uilkema and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: October 19, 2006

Re: Board Communications Received from October 18, 2006 through October 31, 2006

RECOMMENDED ACTION:

Receive and file.

DISCUSSION

A list of Communications received by the Air District from October 18, 2006 through October 31, 2006, if any, will be at each Board member's place at the November 1, 2006 Regular Board meeting.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

**BAY AREA AIR QUALITY MANGEMENT DISTRICT**

Memorandum

To: Chair Gayle B. Uilkema and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: October 19, 2006

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

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

In accordance with Section 5.4 (b) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the following District personnel have traveled on out-of-state business.

DISCUSSION

Cuong Tran, Atmospheric Modeler, attended SMOKE training courses in Chapel Hill, NC October 10 – 13, 2006.

Saffet Tanrikulu, Research and Modeling Manager and Su-Tzai Soong, Senior Atmospheric Modeler attended CMAQ Air Quality Modeling Training in Chapel Hill, NC October 18 – 20, 2006

Peter Hess, Deputy Air Pollution Control Officer, was the keynote speaker at the A&WMA Florida Section Annual Environmental Conference in Jacksonville, FL October 20 – 23, 2006. Travel expenses were paid by A&WMA.

Peter Hess, Deputy Air Pollution Control Officer, attended the STAPPA/ALAPCO Fall Membership Meeting held in San Antonio, TX October 24 – 25, 2006.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Michael White  
Reviewed by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Uilkema and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: October 17, 2006

Re: Consider Authorization of Purchase Order in Excess of \$70,000 Pursuant to  
Administrative Code Division II Fiscal Policies and Procedures Section 4.3:  
Contract Limitations

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RECOMMENDED ACTION:

Authorize the Executive Officer/APCO to execute a purchase order to FLIR Systems, for the purchase of a hand held Infra Red Video Camera in an amount not to exceed \$96,068.

BACKGROUND

As Volatile Organic Compounds (VOC) are a key precursor to ground level ozone, many District rules specifically target fugitive leaks from equipment as part of their control strategy. To assure compliance with these rules it is essential that Air Quality Inspectors have the capability to identify and document excessive VOC leaks. To identify VOC vapor leaks Inspectors currently use portable VOC detectors. However, the leaks must be accessible because VOC detectors only provide accurate results when positioned within 0.4” of a source, and identifying VOC leaks with this equipment is very labor intensive.

Handheld Infra Red (IR) video cameras are now available that can identify and record VOC leaks from hundreds of feet away (depending on leak concentration and camera lens). This technology has been demonstrated by the USEPA and other public agencies to be an efficient and effective method of identifying VOC leaks, particularly in inaccessible areas. IR cameras can be used to screen large areas for VOC leaks. Any leak identified can be checked for rule compliance using a VOC detector, including nontraditional sources of fugitive VOCs.

DISCUSSION

District staff researched IR cameras at trade shows, internet sites, with manufacturers and other public agencies. This research identified two manufacturers of commercially available, hand-held, IR cameras capable of robust and reliable VOC leak detection. Figure 1 shows the two cameras, which are:

- GasFindIR by FLIR Systems, and
- Sherlock by PAT Inc



**Figure 1. Handheld IR VOC Cameras**



GasFindIR  
FLIR Systems



Sherlock  
PAT Inc.

Staff obtained written bids from FLIR Systems and PAT Inc based on a specification provided. The two companies submitted bids to provide an IR camera and ancillary training/equipment. Staff reviewed the bids and, based on cost, performance and service, recommend purchase of the GasFindIR camera manufactured by FLIR Systems. Table 1 compares the costs associated with each IR camera:

**Table 1. Summary of costs**

	Camera	Battery	Software	Tax	Training	Ship	Total
<b>GasFindIR FLIR</b>	\$70,500	Incl.	Incl.	\$5,993	\$19,500	\$75	<b>\$96,068</b>
<b>Sherlock PAT Inc</b>	\$95,300	\$2,620	\$3,025	\$8580	\$10,797	\$250	<b>\$120,572</b>

Table 2 is a side-by-side comparison of the key non-monetary factors.

**Table 2. Comparison of Key IR Camera Factors**

	<b>Sherlock PAT Inc</b>	<b>GasFindIR FLIR</b>
<b>Public Agency Endorsement</b>	No details provided	<ul style="list-style-type: none"> <li>• Texas Com for Environ Quality</li> <li>• City of Houston</li> <li>• US EPA Region VIII</li> </ul>
<b>Availability</b>	Built to order, few sales (<10/yr)	High volume production model
<b>Usage</b>	Not in common use	Widely used by industry and regulators
<b>Shipping time (from order)</b>	Three months	Six weeks
<b>Weight</b>	12 lbs	4.6 lbs
<b>Batteries</b>	\$780 rechargeable	\$35 rechargeable

Based on the above analysis of the written bids, staff recommends purchase of the GasFindIR camera manufactured by FLIR Systems. GasFindIR provides the District with a proven technology at the lowest price in its class, together with a track record of reliability and serviceability.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

The FY 2006/2007 budget has \$100,000 of capital approved for a 'Remote Sensing Camera for Fugitive VOCs.'<sup>1</sup>

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Kelly Wee

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<sup>1</sup> BAAQMD 2006-2007 Budget, Table VII Page 13, Item 15. Remote Sensing Camera for Fugitive VOCs.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
 Memorandum

To: Chairperson Gail Uilkema  
 Members of the Board of Directors

From: Jack Broadbent  
 Executive Officer/APCO

Date: November 1, 2006

Re: Consider Adjusting the District's Maximum Medical Contribution Declared to California Public Employee's Retirement System (CalPERS)

**RECOMMENDATION**

Approve the attached resolution adjusting the District's Maximum Medical Contribution declared to CalPERS for management, confidential, represented, and miscellaneous employees and retirees.

**BACKGROUND**

Effective January 1, 2007, the premiums for all basic health plans offered by CalPERS will be increasing by an average of 12.6%. Pursuant to the MOU, Article IX, Section 11.07, the District must provide represented employees and retirees a maximum medical contribution amount that will be equal to the cost of the lowest health plan premium rate for an employee and two or more dependents offered by CalPERS. The Board adopted the same formula for confidential employees and retirees and the same formula plus an additional \$50.00 for management employees and retirees.

Further, CalPERS requires the District to declare a maximum contribution amount that can be used by employees and retirees to purchase medical insurance annually. Therefore, based on the increase in premiums and the minimum coverage agreements adopted by the Board, staff is recommending that the maximum contribution amount declared to CalPERS be increased for all employees and retirees. This will facilitate correct billing to the District for medical insurance premiums.

Upon the Board's adoption of attached draft Resolution No. 2006-\_\_, the District's maximum medical premium contributions will be adjusted as follows:

Category	Current Contribution	Contribution Effective 1/1/07
Management	\$1,062.39	\$1,171.04
Non-Management	\$1,012.39	\$1,121.04
Confidential	\$1,012.39	\$1,121.04
Miscellaneous (i.e., limited term)	\$64.60	\$80.80

**BUDGET CONSIDERATION/FINANCIAL IMPACT**

There is no additional fiscal impact beyond that contemplated in the current budget approved for FY 2006-2007.

Respectfully Submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Michael Rich

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chair Gayle B. Uilkema and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: October 20, 2006

Re: Set Public Hearing on Proposed Amendments to Regulation 9, Rule 9:  
Nitrogen Oxides from Stationary Gas Turbines, and Adopt a CEQA  
Negative Declaration

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RECOMMENDED ACTION:

Set public hearing for December 6, 2006, to consider adoption of proposed amendments to Regulation 9, Rule 9: Nitrogen Oxides from Stationary Gas Turbines and adoption of a CEQA Negative Declaration.

DISCUSSION

The District is proposing to amend Regulation 9, Rule 9: Nitrogen Oxides from Stationary Gas Turbines and adopt a California Environmental Quality Act (CEQA) Negative Declaration. Regulation 9, Rule 9 sets emissions standards for stationary gas turbines. The rule requires turbines to meet emission rates depending on their size, fuel type, and amount of usage. Gas turbines are used to supply commercial electrical power, mechanical power, and steam used within various industries such as petroleum refineries. The proposed amendments will implement control measure SS-14 from the Bay Area 2005 Ozone Strategy.

The proposed amendments categorize affected turbines by heat input rather than megawatt output and set more stringent emission limits for some categories. The proposed amendments also provide a new measure of compliance, pounds of NOx per megawatt – hour, include the heating value of steam and useful work in the compliance calculation, provide an emission averaging period, and provide for up to 400 hours of operation per year before new emission limits become effective. In addition, the proposed amendments provide new definitions; administrative, recordkeeping and monitoring requirements; and test methods where necessary to clarify and enforce the new provisions in the rule.

A California Environmental Quality Act initial study for the proposed amendments is being conducted. The study, and CEQA documents as required by the Public Resources Code and CEQA guidelines, will be made available to the public on November 6, 2006.

A public hearing notice, the proposed amendments to Regulation 9, Rule 9, the CEQA documents and a staff report will be available on the District's website at [http://www.baaqmd.gov/pln/ruledev/regulatory\\_public\\_hearings.htm](http://www.baaqmd.gov/pln/ruledev/regulatory_public_hearings.htm).

BUDGET CONSIDERATION/FINANCIAL IMPACTS

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Daniel Belik  
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chair Gayle B. Uilkema and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: October 23, 2006

Re: Report of the Legislative Committee Meeting of October 19, 2006

RECOMMENDED ACTIONS

None. For information only.

DISCUSSION

The Legislative Committee met on Thursday, October 19, 2006 and staff presented a summary of the recently-concluded year in Sacramento and highlighted the outcome of measures on which the District adopted positions.

The Committee discussed potential legislative proposals for the District's legislative agenda for 2007. The Committee will consider a recommended legislative agenda for 2007 at its next meeting.

Committee Chair Erin Garner will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chair Gayle B. Uilkema and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: October 22, 2006

Re: Report of the Budget & Finance Committee Meeting of October 30, 2006

RECOMMENDED ACTION:

The Committee may recommend that the Board of Directors approve the following:

- A) Designation of a Reserve for Climate Protection Grant program and funding of Reserve with a transfer of \$3,000,000 for the Reserve for Radio Replacement; and
- B) Addition of a line item to the FY 06/07 Planning and Research Professional Services Program 608 in the amount of \$300,000 for the Climate Protection Summit, and increase the Planning and Research Professional Services Program 608 in the amount of \$200,000, and correspondingly add a revenue line item of \$200,000 to recognize sponsorship income for this event, with the balance of the cost covered by the current budget.

BACKGROUND:

The Budget & Finance Committee will meet Monday, October 30, 2006. Staff will present the following reports and recommendations:

- Consider recommending a designation for Reserve for Climate Protection Grant program and funding the new reserve with a transfer of \$3,000,000 from Reserve for Radio Replacement;
- Consider recommending an increase in FY 06/07 Planning and Research Professional Services program 608 for costs related to Climate Protection for the Climate Protection Summit in the amount of \$300,000 and correspondingly add a revenue line item of \$200,000 to recognize sponsorship revenue for this event.
- Receive information regarding the replacement of the Field Communications System from the Committee at its last meeting; and

Attached are the staff reports presented to the Committee.

Chairperson Chris Daly will give an oral report of the meeting.



BUDGET CONSIDERATION/FINANCIAL IMPACT:

Item A listed above the Designation and transfer of funds will have no budget impact.

Item B listed above will increase the FY 06/07 Planning and Research Professional Services program 608 in the amount of \$200,000, and correspondingly add a revenue line item of \$200,000 to recognize sponsorship income for this event.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Daly and Members  
of the Budget and Finance Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: October 25, 2006

Re: Review of Reallocation of Reserves for Funding of Climate Protection  
Grant Program

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RECOMMENDED ACTION:

Consider recommending that the Board of Directors designate a Reserve for the Climate Protection Grant Program and fund the new Reserve with a transfer of \$3,000,000.00 from the Reserve for Radio Replacement.

BACKGROUND

The Ad Hoc Committee on Climate Protection met on Thursday, October 12, 2006 to consider recommending Board of Directors' approval for the establishment of a Climate Protection Grant program with an initial allocation of \$2,000,000.00 subject to review by the Budget and Finance Committee with regard to the redesignation of requested funds.

The Ad Hoc Committee on Climate Protection recommended that the Board of Directors establish the Climate Protection Grant program with an initial allocation of \$3,000,000.00 and a review by the Budget and Finance Committee for additional funding. The formalized creation of a new Standing Committee on Climate Protection was also recommended for approval. The new Committee would have the authority to make grant program award recommendations to the Board of Directors. The Program would fund projects beyond those covered by current District grant programs.

The Board of Directors at its October 18, 2006 meeting approved the Committee's recommendations to establish a Climate Protection Grant program with an initial allocation of \$3,000,000.00 with concurrence from the Budget and Finance Committee and the formalization of a new Climate Protection Committee. The Board of Directors further directed the Budget and Finance Committee's consideration of whether funds may be available to increase the allocation amount to \$5,000,000.00.

DISCUSSION

Staff will present the recommended Reserve transfer and its effect on District Reserve funds.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

The transfer will have no budget impact.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Prepared by: Jeff McKay

**BAY AREA AIR QUALITY MANGEMENT DISTRICT**

Memorandum

To: Chairperson Daly and Members  
of the Budget and Finance Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: October 22, 2006

Re: Consider Amending Fiscal Year 2006/2007 Budget to Recognize Revenue from  
Climate Protection Summit Sponsors

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RECOMMENDED ACTION:

Consider recommending that the Board of Directors add a line item to the FY 06/07 Planning and Research Professional Services Program 608 in the amount of \$300,000 for the Climate Protection Summit, and increase the Planning and Research Professional Services Program 608 in the amount of \$200,000, and correspondingly add a revenue line item of \$200,000 to recognize sponsorship income for this event, with the balance of the cost covered by the current budget.

DISCUSSION

The District will receive additional funds exceeding those projected during development of the FY 06/07 budget. In keeping with proper budgeting and accounting practices, the receipt of these funds should be recognized in a mid-year budget adjustment. In the past, staff has recommended mid-year budget adjustments when necessary.

The costs related to the Climate Protection Summit, including planning, speaker's fees, venue rental, catering and the like are expected to be approximately \$300,000. As previously discussed with the Board of Directors, the District is in the process of soliciting sponsorship for this event which is expected to defray a portion of the costs. The balance of the costs will be covered by the current budget.

BUDGET CONSIDERATION/FINANCIAL IMPACT

This action will increase the FY 06/07 Planning and Research Professional Services Program 608 in the amount of \$200,000, and correspondingly add a revenue line item of \$200,000 to recognize sponsorship income for this event.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Prepared by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Daly and Members  
of the Budget and Finance Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: October 19, 2006

Re: Replacement of Field Communications System Follow-Up

RECOMMENDED ACTION:

Informational Report.

BACKGROUND

On September 27, 2006, the Budget and Finance Committee considered and approved staff's proposal to replace the Field Communication System and recommended the Board of Directors transfer \$425,000 from the Reserve for Radio Replacement, approve an increase in the FY 2006/2007 Communications Equipment Capital Outlay budget by \$425,000, and authorize the Executive Officer/APCO to issue purchase orders with a total not to exceed \$425,000 for the Field Communications System replacement project. The Board of Directors considered and approved the Committee's recommendation during their regularly scheduled meeting on October 4, 2006. Several issues and questions about the residual value of radio assets were raised by Budget and Finance Committee Members and the Board of Directors. Staff was directed to report back to the Budget and Finance Committee on October 30, 2006 with responses to the questions.

DISCUSSION

Staff has examined several issues raised by Board Members during discussions about the replacement of the Field Communications System. Responses are presented below.

**Issue: Analog versus Digital**

No digital area-wide systems that incorporate multiple repeater sites are commercially available at this time. Only recently was a single repeater digital system made available by Motorola. Another reason the District chose an analog system is that it has a greater range (distance) compared to digital. This feature is important because a better coverage area was one of the main criteria for the new system.

**Issue: Sub-Leasing of Tower Sites**

Staff has reviewed all the repeater tower leases, contacted the tower owners, and concluded there are no tower availability issues that would suggest that the District sub-lease current tower leases. Of the six tower sites, one is leased equipment and at the other five the District owns the equipment and leases space operated with. Of those five, three are privately owned, commercial towers with current vacancies. Two towers are leased from the County of Alameda and the County will not allow sub-leases. The County has space available on its towers currently and has indicated that if the District desired to lease tower space in the future, there would not be any problem reinstating the leases as long as the District’s equipment does not interfere with the County system. The table below provides information about the current radio transmitter tower sites leased by the District.

**Inventory of Leased Tower Sites – Existing Field Communications System**

<b>Radio Tower Site</b>	<b>Tower Ownership</b>	<b>Tower Equipment</b>	<b>Availability Status</b>
Big Rock Ridge	Private	District Owned	Space available
Mt. Diablo	Private	Leased	Space available
Mt. Vaca	Private	District Owned	Space available
Sunol Ridge	Alameda County	District Owned	Space available
San Leandro Hills	Alameda County	District Owned	Space available
San Bruno Mountain	Private	District Owned	Space available

**Issue: Life Expectancy of New Equipment**

The vendor, Telepath, has a 10-year life expectancy for the dispatch consoles in their RFP. The car radios can also experience a similar useful life depending on use. Telepath also guarantees that if a product such as the console is discontinued, it will provide service for 10 years after that point in time.

**Issue: Value of District-Owned FCC Licensed Frequencies**

Staff has been advised that retaining the FCC license and frequencies and leasing the use of the frequencies may be more beneficial than trying to sell them through an auction sale. Although the license and frequencies are valuable in theory, only emergency agencies may be able to use them. An auction may not return the full potential value if only a few agencies are interested and have limited funding to bid. This scenario could result in low bids that are below the potential value of the license.

**Issue: Interoperability with First Responders (Police and Fire)**

The proposed system is interoperable with first responders provided they approve the District's use of their alternative frequency.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Prepared by: Kelly Wee