

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

APPROVED MINUTES

Summary of Board of Directors
Budget & Finance Committee Meeting
9:45 a.m., Monday, October 30, 2006

1. **Call to Order:** Chairperson Chris Daly called the meeting to order at 9:45 a.m.

Roll Call: Chris Daly, Chair; Jerry Hill, Patrick Kwok, Mark Ross, Tim Smith.

Absent: Harold Brown, Dan Dunnigan, Erin Garner, Janet Lockhart.

Also Present: Scott Haggerty, Pamela Torliatt (9:50 a.m.), Gayle B. Uilkema.

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

3. **Approval of Minutes of September 27, 2006:** Director Uilkema moved approval of the minutes; seconded by Director Hill; carried unanimously without objection.

4. **Review of Reallocation of Reserves for Funding of Climate Protection Grant Program:**
The Committee considered a designation of Reserve for Climate Protection Grant program and funding the new reserve with a transfer of \$3,000,000.00 from Reserve for Radio Replacement.

Jeff McKay, Chief Financial Officer, presented the report and stated that the Ad Hoc Committee on Climate Protection recommended \$3,000,000 as an initial allocation to establish a Climate Protection Grant Program. In addition, a request was made that if funds become available in the future, the allocation amount would be increased to \$5,000,000.

Mr. McKay reviewed the typical guidance for Unreserved Funds, which call for 10% to 25% of General Fund revenue. The District's \$9 million in the Unreserved Fund is 19% of the General Fund revenue. Mr. McKay stated that the radio room replacement came in under budget, which leaves \$3 million available to be re-designated. Mr. McKay reviewed the current reserves. Staff recommended that the Committee 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 from the Reserve for Radio Room Replacement.

Kelly Wee, Director of Compliance and Enforcement, responded to questions and provided information on technology and other changes that reduced the cost of the radio room replacement.

Director Pamela Torliatt arrived at 9:50 a.m.

There was discussion with regard to staff continuing to look for an additional \$2 million to add to the initial \$3 million for this program. There was also discussion on the establishment of a Foundation. Jack Broadbent, Executive Officer/APCO indicated that the new standing Committee on Climate Protection would review ways to develop a Foundation.

Committee Action: Director Hill moved the staff recommendation; seconded by Director Uilkema.

There was a brief discussion on the process for changing the Administrative Code to establish the new standing committee.

There were no public comments on this agenda item. The motion then passed unanimously without objection.

5. **Consider Amending Fiscal Year 2006/2007 Approved Budget:** *The Committee considered amending the FY 2006/2007 approved budget to recognize revenue from Climate Protection Summit sponsors.*

Mr. McKay presented the report and stated that the Air District succeeded in obtaining sponsorship for the Climate Protection Summit and the projected amount of sponsorship is \$200,000. Currently there is \$100,000 budgeted for this event. Staff recommended that the Committee recommend that the Board of Directors add a line item to the fiscal year 2006/2007 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.

In response to questions, Mr. Broadbent stated that when the budget was prepared, the Air District anticipated receiving sponsorships for the Summit.

Committee Action: Director Smith moved the staff recommendations; seconded by Director Kwok.

There were no public comments on this agenda item. The motion then carried unanimously without objection.

6. **Replacement of Field Communications System Follow-Up:** *Staff responded to requests for information regarding the replacement of the Field Communications System from the Committee at its last meeting.*

Kelly Wee, Director of Compliance and Enforcement, presented information regarding the replacement of the Field Communications System. Topics reviewed included:

- Analog versus digital
- Sub-leasing of tower sites
- Life expectancy of new equipment
- Value of District-owned FCC licensed frequencies

- Interoperability with First Responders (police and fire)

Committee Action: None. This report provided for information only.

7. **Committee Member Comments/Other Business.** There were none.
8. **Time and Place of Next Meeting:** 9:45 a.m., Wednesday, November 22, 2006 – 939 Ellis Street, San Francisco, CA 94109
9. **Adjournment:** The meeting adjourned at 10:15 a.m.

/s/ Mary Romaidis
Mary Romaidis
Clerk of the Boards