

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT**

**Headquarters**

**200 Litton Drive, Ste. 320**

**Grass Valley, CA 95945**

**(530) 274-9360/ FAX: (530) 274-7546**

**Gretchen G. Bennett, APCO**

**Northern Field Office**

**257 E. Sierra Street, Suite E**

**Portola, CA 96122**

**(530)832-0102 FAX:(530) 832-0101**

**NORTHERN SIERRA**

**AIR QUALITY MANAGEMENT DISTRICT**

**BOARD OF DIRECTORS**

**REGULAR BOARD MEETING**

**MONDAY**

**June 22, 2020**

**1:00 p.m.**

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING

June 22, 2020

1:00 P.M.

This meeting will be held by Telephone Conference

425 436-6345

Passcode: 899668#

THE PUBLIC IS WELCOME TO PARTICIPATE BY CALLING THE ABOVE NUMBER AND PASSCODE AT THE AGENDIZED DATE/TIME. IF REASONABLE ACCOMMODATIONS ARE NEEDED BY THE PUBLIC TO ATTEND, PLEASE CONTACT THE AIR DISTRICT OFFICE AT [OFFICE@MYAIRDISTRICT.COM](mailto:OFFICE@MYAIRDISTRICT.COM) OR 530 274-9360 BY May 15 AT 1:00 P.M.

All items on the agenda may be acted upon by the Board of Directors. No action will be taken nor discussion held at the meeting on business not appearing on the posted agenda.

I. **Standing Orders:**

Call to Order.

Roll call and determination of quorum.

II. **Public Comment:** For items **NOT** appearing on the agenda and within the jurisdiction of the Board. The public may comment on Agenda items as they are discussed.

III. **Consent Calendar** These Items Are Expected to Be Routine and Noncontroversial. They Will Be Acted on By the Board at One Time Without Discussion. Any Board Member, Staff Member, or Interested Party May Request That an Item Be Removed From the Consent Calendar for Discussion.

- A. Approval of regular meeting minutes – May 16, 2020 *Page 5*
- B. Payment Details by Vendor Board Report – June 2020 *Page 9*

IV. **Administrative Report**

- A. Public Hearing for FY 2020-2021 Operating and Restricted Budget *See Page 14*
- B. Amendment to FARMER Contract between Placer Air District and Northern Sierra Air Quality Management District *Page 28*
- C. Ratify Amendment #1 for Prescribed Burn Reporting and Monitoring Support Program Agreement *Page 32*
- D. Service Agreement between NSAQMD and Heating and Air, Inc. *Page 34*

V. **Director's Report**

- A. Status on Portola PM2.5 Nonattainment Area *Page 35*

**VII. Concerns of Board** - The Board may at this time bring up matters it wishes to discuss at the next Board Meeting, as long as no discussions are conducted and no actions are taken, in compliance with the Brown Act.

**VIII. Schedule next Meeting** – August 24, 2020

**IX. Adjournment**

### **PERSONS DESIRING TO ADDRESS THE BOARD**

Meetings of the Board of Directors shall be conducted by the Chairperson in a manner consistent with the policies of the District. The latest edition of Robert's Rules of Order, Revised shall also be used as a general guideline for meeting protocol. District policies shall prevail whenever they are in conflict with Robert's Rules of Order, Revised.

All Board meetings shall commence at the time stated on the agenda and shall be guided by same.

### **PUBLIC COMMENT:**

Provisions for permitting any individual or group to address the Board concerning any item on the agenda of a special meeting, or to address the Board at a regular meeting on any subject that lies within the jurisdiction of the Board of Directors, shall be as follows:

Three (3) minutes may be allotted to each speaker and a maximum of fifteen (15) minutes to each subject matter;

No boisterous conduct shall be permitted at any Board meeting. Persistence in boisterous conduct shall be grounds for summary termination, by the Chairperson, of that person's privilege of address.

No oral presentation shall include charges or complaints against any District employee, regardless of whether or not the employee is identified in the presentation by name or by another reference which tends to identify. All charges or complaints against employees shall be submitted to the Board of Directors under provisions contained in District Policy 1030.

Willful disruption of any of the meetings of the Board of Directors shall not be permitted. If the Chairperson finds that there is in fact willful disruption of any meeting of the Board, he/she may order the room cleared and subsequently conduct the Board's business without the audience present. In such an event, only matters appearing on the agenda may be considered in such a session.

After clearing the room, the Chairperson may permit those persons who, in his/her opinion, were not responsible for the willful disruption to re-enter the meeting room.

Duly accredited representatives of the news media, whom the Chairperson finds not to have participated in the disruption, shall be admitted to the remainder of the meeting.

Members of the public are given the opportunity to address the Board of Directors directly at each teleconference location.

### **POSTING AGENDA:**

This agenda was posted at least 72 hours prior to the regular meeting at the following locations: Eric Rood Government Center in Nevada City, The Plumas County Courthouse in Quincy, the Litton Building in Grass Valley, the Plumas County Board of Supervisors Chambers in Quincy, Sierra County Courthouse Square in Downieville. **The agenda and board packet are available on-line prior to the Board Meeting at [www.myairdistrict.com](http://www.myairdistrict.com)**

**To:** Northern Sierra Air Quality Management District Board of Directors

**From:** Gretchen Bennett, Air Pollution Control Officer

**Date:** June 22, 2020

**Agenda Item: III.A**

**Agenda Description:** Approval of regular meeting minutes – May 18, 2020

**Requested Action:** The minutes are attached for Board comment/approval.

**ROLL CALL VOTE REQUESTED**

**Attachments:**

1. Draft May 18, 2020

DISTRICT HEADQUARTERS

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Grass Valley, CA 95945

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email: [office@myairdistrict.com](mailto:office@myairdistrict.com) or [www.myairdistrict.com](http://www.myairdistrict.com)NORTHERN FIELD OFFICE

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email: [Julie@myairdistrict.com](mailto:Julie@myairdistrict.com) or [www.myairdistrict.com](http://www.myairdistrict.com)**MINUTES****NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT****BOARD OF DIRECTORS REGULAR MEETING****May 18, 2020****1:00 p.m.****This meeting was held by Telephone Conference****480 297-0773****Passcode: 2660502#****Members Present:****Supervisor Huebner, Chair  
Supervisor Roen, Vice Chair  
Supervisor Scofield  
Supervisor Anderson  
Supervisor Simpson  
Supervisor Thrall****Members Absent:****I. Standing Orders:****Call to Order. Roll Call and Determination of Quorum.**

Chair Huebner called the meeting to order at 1:02 P.M. A quorum was confirmed.

Supervisor Scofield entered the meeting at 1:05.

Gretchen Bennitt, APCO; Julie Ruiz, APCSI, Melissa Klundby, APCSI, Dawn Lunsford, Clerk of the Board, Rose Asquith and Clay Singleton were also in attendance.

**II. Public Comment: For Items NOT Appearing on the Agenda and Within the Jurisdiction of the Board. The Public May Comment on Agenda Items As They Are Discussed. Both Teleconference Sites are Allowed an Opportunity for Public Comment.**

Chair Huebner called for public comment. There was no public present on the conference line.

**III. Consent Calendar**

- A. Approval of regular meeting minutes – February 24, 2020
- B. Approval of Special Meeting Minutes – April 16, 2020

There was a motion by Supervisor Roen to approve the consent calendar. Supervisor Scofield seconded the motion. The motion was approved unanimously by a roll call vote.

#### **IV. Administrative Report**

##### **A. Financial Audit ending June 30, 2019**

Clay Singleton, CPA gave a report concerning the District's financial audit. Supervisor Roen made a motion to approve the District's Financial Audit for the Fiscal Year Ending on June 30, 2019. Supervisor Anderson seconded the motion. The Motion was unanimously approved by a roll call vote.

##### **B. Proposal and Approval of County Contribution for FY 2020-2021**

Ms Bennitt discussed the three methods available to the Board. There was a motion by Supervisor Thrall to adopt Method C, where the contribution will be similar to last year's contribution. The motion was seconded by Supervisor Scofield. The Motion was approved unanimously by a roll call vote.

##### **C. Modification to District Policy # 4040**

Ms. Bennitt presented the proposed modifications to Policy # 4040. Supervisor Roen made a motion to approve the modification. Supervisor Thrall seconded the motion. The motion was approved unanimously with a roll call vote.

##### **D. Community Air Protection AB617 Incentive Grant Proposal**

Ms. Bennitt asked for comments from the public pertaining to the use of the funds for the District's Carl Moyer Program. There were no comments forthcoming at the Board meeting. Ms. Bennitt clarified that there were no comments received from the public prior to the Board meeting. Supervisor Roen made a motion that the Community Air Protection AB617 Incentive Grant funds be used for the District's Carl Moyer program and authorized the Chair to sign Resolution # 2020-03. Supervisor Scofield seconded the motion. The motion was unanimously approved with a roll call vote.

##### **E. Community Air Protection AB617 Implementation Grant**

Ms Bennitt discussed that the District has been awarded \$16,015 to provide an alternative to the open burning of green waste in the Portola Nonattainment Area. Supervisor Anderson made a motion to authorize the APCO to accept funding and sign the agreement between NSAQMD and CARB and to authorize the Chair to sign resolution # 2020-04. Supervisor Roen seconded the motion. The motion was unanimously approved with a roll call vote.

##### **F. Service Agreement between the Air District and Intermountain Disposal Inc.**

The EPA has awarded the District funds to assist with a residential yard waste collection program in the federal PM nonattainment area of Portola. The District has developed a service agreement with Intermountain Disposal, INC. to reimburse for yard waste collection services.

Supervisor Simpson made a motion to authorize the Chair and the APCO to enter into an agreement with IMD. Supervisor Thrall seconded the motion. The motion was unanimously approved with a roll call vote.

**G. Approval of Northern Sierra Air Quality Management District's AB 2766 DMV Surcharge Fund Program RFP for 2021 Grant Cycle**

Supervisor Roen made a motion to approve the RFP for 2021 Grant Cycle. Supervisor Scofield seconded the motion. The motion was approved unanimously with a roll call vote.

**V. Budget Reports**

**A. Payment Details by Vendor Board Report – April 2020**

Ms. Bennitt presented and discussed the Vendor Report for April 2020.

**B. Budget Report – End of April 2020**

Ms. Bennitt presented the budget report for the end of April 2020.

Supervisor Anderson made a motion to approve the report. Supervisor Scofield seconded the motion. The motion was unanimously approved with a roll call vote.

**C. Budget Amendments for FY 2019-2020 Budget**

Ms. Bennitt presented proposed budget amendments. Supervisor Scofield made a motion to approve the budget amendments. Supervisor Thrall seconded the motion. The motion was unanimously approved with a roll call vote.

**VI. Director Reports**

**A. Status on Portola Federal PM2.5 (Smoke) Nonattainment Area**

Ms. Ruiz reported on the status of the woodstove changeout program. She reported that installation ceased during the COVID-19 pandemic due to installers inability to enter homes.

**VI. Concerns of the Board – no concerns of the Board**

**VII. Schedule next Meeting – Next meeting was scheduled for June 22, 2020.**

**VIII. Adjournment**

The meeting was adjourned at 1:59 P.M.

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**TO:** Northern Sierra Air Quality Management Board of Directors

**FROM:** Gretchen Bennitt, Executive Director

**DATE:** June 22, 2020

**Agenda Item:** <sup>III</sup>IV.B

**Agenda Description:** Payment Details by Vendor Board Report – May 2020

**Issues:**

**Requested Action:**

None, informational only

**Attachments:**

1. Payment Details by Vendor Report for May 2020



**Northern Sierra Air Quality Management District**  
**Check Detail**  
**May 2020**

Type	Num	Date	Name	Item	Account	Paid Amount
<b>Bill Pmt -Check</b>	<b>221698</b>	<b>05/07/2020</b>	<b>A-1 Stoves Inc.</b>		<b>20-1000 · Cash, Restricted Fund</b>	
Bill	45338	05/07/2020			20-5414 · Woodsmoke Reduction Prog...	-4,925.66
Bill	45346	05/07/2020			20-5414 · Woodsmoke Reduction Prog...	-5,000.00
TOTAL						-9,925.66
<b>Bill Pmt -Check</b>	<b>474396</b>	<b>05/01/2020</b>	<b>ADP Fees</b>		<b>10-1003 · Cash, Bank Payroll Operati...</b>	
Bill	556099126	05/01/2020			10-5313 · Prof Services Accounting	-38.72
TOTAL						-38.72
<b>Bill Pmt -Check</b>	<b>696496</b>	<b>05/01/2020</b>	<b>ADP Fees</b>		<b>10-1003 · Cash, Bank Payroll Operati...</b>	
Bill	555967547	05/01/2020			10-5313 · Prof Services Accounting	-46.06
TOTAL						-46.06
<b>Bill Pmt -Check</b>	<b>ACH05152020</b>	<b>05/15/2020</b>	<b>ADP Fees</b>		<b>10-1003 · Cash, Bank Payroll Operati...</b>	
Bill	556820480	05/15/2020			10-5313 · Prof Services Accounting	-46.06
TOTAL						-46.06
<b>Bill Pmt -Check</b>	<b>ACH</b>	<b>05/29/2020</b>	<b>ADP Fees</b>		<b>10-1003 · Cash, Bank Payroll Operati...</b>	
Bill	557484196	05/29/2020			10-5313 · Prof Services Accounting	-46.06
TOTAL						-46.06
<b>Bill Pmt -Check</b>	<b>052920</b>	<b>05/29/2020</b>	<b>ADP Fees</b>		<b>10-1003 · Cash, Bank Payroll Operati...</b>	
Bill	5090717	05/29/2020			10-5313 · Prof Services Accounting	-38.72
TOTAL						-38.72
<b>Bill Pmt -Check</b>	<b>v964675</b>	<b>05/21/2020</b>	<b>Asquith Business Service</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	59	05/21/2020			10-5313 · Prof Services Accounting	-850.00
					10-5318 · EPA Target GR Acct & Office...	-262.50
TOTAL						-1,112.50
<b>Bill Pmt -Check</b>	<b>221699</b>	<b>05/07/2020</b>	<b>AT&amp;T CALNET 3</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	14652631	05/07/2020			10-5251 · Communications	-20.84
TOTAL						-20.84
<b>Bill Pmt -Check</b>	<b>222225</b>	<b>05/21/2020</b>	<b>AT&amp;T CALNET 3</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	14723421	05/21/2020			10-5251 · Communications	-20.77
Bill	14688524	05/21/2020			10-5251 · Communications	-38.85
Bill	14675163	05/21/2020			10-5251 · Communications	-40.02
TOTAL						-99.64
<b>Bill Pmt -Check</b>	<b>V964285</b>	<b>05/07/2020</b>	<b>B of A</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	05072020	05/07/2020			10-1003 · Cash, Bank Payroll Operating	-17,225.38
TOTAL						-17,225.38
<b>Bill Pmt -Check</b>	<b>v964572</b>	<b>05/21/2020</b>	<b>B of A</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	052120	05/21/2020			10-1003 · Cash, Bank Payroll Operating	-17,225.38
TOTAL						-17,225.38

## Northern Sierra Air Quality Management District Check Detail May 2020

Type	Num	Date	Name	Item	Account	Paid Amount
Bill Pmt -Check	909068	05/21/2020	CALPERS (Health)		10-1000 · Cash, Operating General F...	
Bill	1001565630	05/21/2020			10-5017 · PERS Retirees Health Plan	-1,539.12
					10-5018 · PERS Health Active Employee	-2,920.29
					10-2310 · Employee Part Health I	-1,441.87
					10-5313 · Prof Services Accounting	-15.94
TOTAL						-5,917.22
Bill Pmt -Check	909024	05/08/2020	CALPERS (Retirement)		10-1000 · Cash, Operating General F...	
Bill	1001556256	05/04/2020			10-5023 · PERS PEPRA -ER Contributi...	-566.31
					10-2317 · PEPPA Employee Deduction	-580.59
					10-2313 · PERS Survivor Benefits	-3.72
TOTAL						-1,150.62
Bill Pmt -Check	909022	05/08/2020	CALPERS (Retirement)		10-1000 · Cash, Operating General F...	
Bill	1001556254	05/04/2020			10-5020 · PERS Classic Retirement-ER ...	-1,202.61
					10-5021 · PERS ER- Paid Member Con...	-774.59
					10-2313 · PERS Survivor Benefits	-2.79
					10-2316 · PERS Service Credit	-35.15
TOTAL						-2,015.14
Bill Pmt -Check	909021	05/08/2020	CALPERS (Retirement)		10-1000 · Cash, Operating General F...	
Bill	1001556253	05/04/2020			10-5022 · PERS Classic UAL	-7,100.92
TOTAL						-7,100.92
Bill Pmt -Check	909025	05/08/2020	CALPERS (Retirement)		10-1000 · Cash, Operating General F...	
Bill	1001556257	05/04/2020			10-5024 · PERS PEPRA UAL	-68.53
TOTAL						-68.53
Bill Pmt -Check	909069	05/21/2020	CALPERS (Retirement)		10-1000 · Cash, Operating General F...	
Bill	1001565631	05/21/2020			10-5020 · PERS Classic Retirement-ER ...	-1,202.61
					10-5021 · PERS ER- Paid Member Con...	-774.59
					10-2313 · PERS Survivor Benefits	-2.79
					10-2316 · PERS Service Credit	-35.15
TOTAL						-2,015.14
Bill Pmt -Check	909071	05/21/2020	CALPERS (Retirement)		10-1000 · Cash, Operating General F...	
Bill	1001565633	05/21/2020			10-5023 · PERS PEPRA -ER Contributi...	-566.31
					10-2317 · PEPPA Employee Deduction	-580.59
					10-2313 · PERS Survivor Benefits	-3.72
TOTAL						-1,150.62
Bill Pmt -Check	909023	05/08/2020	CALPERS 457 PLAN		10-1000 · Cash, Operating General F...	
Bill	1001556255	05/04/2020			10-2305 · Deferred Compensation Pay...	-1,300.00
TOTAL						-1,300.00
Bill Pmt -Check	909070	05/21/2020	CALPERS 457 PLAN		10-1000 · Cash, Operating General F...	
Bill	1001565632	05/21/2020			10-2305 · Deferred Compensation Pay...	-1,300.00
TOTAL						-1,300.00
Bill Pmt -Check	221697	05/07/2020	CAPCOA Annual Membe...		10-1000 · Cash, Operating General F...	
Bill	1324	05/07/2020			10-5205 · Memberships	-850.00
TOTAL						-850.00

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**Northern Sierra Air Quality Management District  
Check Detail  
May 2020**

Type	Num	Date	Name	Item	Account	Paid Amount
<b>Bill Pmt -Check</b>	<b>V964299</b>	<b>05/07/2020</b>	<b>English Mountain Ranch</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	8738	05/07/2020			10-5255 · Utilities, Grass Valley	-16.29
Bill	8737	05/07/2020			10-5255 · Utilities, Grass Valley	-59.62
TOTAL						-75.91
<b>Bill Pmt -Check</b>	<b>v964593</b>	<b>05/21/2020</b>	<b>English Mountain Ranch</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	060120	05/21/2020			10-5253 · Rent, Grass Valley	-2,485.00
					10-5257 · Rent PM2.5 Grass Valley	-958.00
TOTAL						-3,443.00
<b>Bill Pmt -Check</b>	<b>222220</b>	<b>05/21/2020</b>	<b>Intermountain Disposal, I...</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	178035	05/21/2020			10-5256 · Utilities, Portola	-14.56
TOTAL						-14.56
<b>Bill Pmt -Check</b>	<b>222218</b>	<b>05/21/2020</b>	<b>Janice Buck /Sierra Boos...</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	253	05/21/2020			10-5259 · Legal Notices, Publi	-63.25
TOTAL						-63.25
<b>Bill Pmt -Check</b>	<b>222219</b>	<b>05/21/2020</b>	<b>Kleinhans, Ursula M.</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	060120	05/21/2020			10-5254 · Rent, Portola	-533.00
TOTAL						-533.00
<b>Bill Pmt -Check</b>	<b>222219</b>	<b>05/21/2020</b>	<b>Kleinhans, Ursula M.</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	060120	05/21/2020			10-5254 · Rent, Portola	-0.53
TOTAL						-0.53
<b>Bill Pmt -Check</b>	<b>202846</b>	<b>05/18/2020</b>	<b>Nevada County County C...</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	05182020	05/18/2020			10-5311 · Professional Serv - Legal	-225.69
TOTAL						-225.69
<b>Bill Pmt -Check</b>	<b>221700</b>	<b>05/07/2020</b>	<b>Quincy Hot Spot</b>		<b>20-1000 · Cash, Restricted Fund</b>	
Bill	s38712-1	05/07/2020			20-5413 · H&S Mitigation Agree - Restrict	-900.00
					20-5410 · EPA 2015 Target Grant	-600.00
TOTAL						-1,500.00
<b>Bill Pmt -Check</b>	<b>222168</b>	<b>05/21/2020</b>	<b>Quincy Hot Spot</b>		<b>20-1000 · Cash, Restricted Fund</b>	
Bill	39412-1	05/21/2020			20-5413 · H&S Mitigation Agree - Restrict	-900.00
					20-5410 · EPA 2015 Target Grant	-3,481.80
TOTAL						-4,381.80
<b>Bill Pmt -Check</b>	<b>V964334</b>	<b>05/07/2020</b>	<b>Ruiz, Julie</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	042220	05/07/2020			10-5201 · PM2.5 Expenditure	-147.20
TOTAL						-147.20
<b>Bill Pmt -Check</b>	<b>222223</b>	<b>05/21/2020</b>	<b>Singleton Auman PC</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	53104	05/21/2020			10-5314 · Profes Serv - Financial Auditor	-2,000.00
TOTAL						-2,000.00

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**Northern Sierra Air Quality Management District**  
**Check Detail**  
**May 2020**

Type	Num	Date	Name	Item	Account	Paid Amount
<b>Bill Pmt -Check</b>	<b>222180</b>	<b>05/21/2020</b>	<b>Supervisor Anderson</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	041620051820	05/21/2020			10-5315 · Profes Services Board	-200.00
TOTAL						-200.00
<b>Bill Pmt -Check</b>	<b>222177</b>	<b>05/21/2020</b>	<b>Supervisor Huebner</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	051820	05/21/2020			10-5315 · Profes Services Board	-200.00
					10-5354 · Private Car Mileage	-68.43
TOTAL						-268.43
<b>Bill Pmt -Check</b>	<b>222221</b>	<b>05/21/2020</b>	<b>Supervisor Paul Roen</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	041620051820	05/21/2020			10-5315 · Profes Services Board	-200.00
TOTAL						-200.00
<b>Bill Pmt -Check</b>	<b>222239</b>	<b>05/21/2020</b>	<b>Supervisor Scofield</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	041620051820	05/21/2020			10-5315 · Profes Services Board	-200.00
TOTAL						-200.00
<b>Bill Pmt -Check</b>	<b>222181</b>	<b>05/21/2020</b>	<b>Supervisor Simpson</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	041620051820	05/21/2020			10-5315 · Profes Services Board	-200.00
TOTAL						-200.00
<b>Bill Pmt -Check</b>	<b>222176</b>	<b>05/21/2020</b>	<b>Supervisor Thrall</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	051820	05/21/2020			10-5315 · Profes Services Board	-100.00
TOTAL						-100.00
<b>Bill Pmt -Check</b>	<b>222163</b>	<b>05/21/2020</b>	<b>The Union</b>		<b>10-1000 · Cash, Operating General F...</b>	
Bill	i00575771	05/21/2020			10-5259 · Legal Notices, Publi	-103.97
TOTAL						-103.97

**To:** Northern Sierra Air Quality Management District Board of Directors

**From:** Gretchen Bennett, Air Pollution Control Officer

**Date:** June 22, 2020

**Agenda Item: IV.A**

**Agenda Description:** Public Hearing for District's FY 2020-2021 Capital and Operating Budget

**Issues:**

Due to unprecedented economic and health impacts from COVID-19, the District is presenting this preliminary budget with the full intention of amending it in Fall 2020, once the state and federal budgets have been adopted. At this time, the District is compiling its revenues on the California Governors' revised budget numbers from May 2020. The District understands that revenues are not only dependent upon the legislature adopting the Governor's revised budget, but revenues will be dependent upon a multitude of economic factors which could be highly unpredictable this fiscal year.

**Reserves (Fund Balance Accounts)**

Prudent fiscal management requires careful budgeting and stringent budget control to avoid over-expenditure. Successfully staying under budget for all budget line items means that fund balances (in the form of reserves) will occur at year-end. Such fund balances are saved in reserves for various uses, such as equipment replacements, litigation, contingencies, leave liability, etc. It is prudent that the reserves are placed in earmarked and encumbered fund balances. The Board approves the fund balances with the adoption of the budget. Program needs justify budgeting expenditures that sometimes exceed expected revenue on a short-term basis. Spending down reserves is then prudent, rather than increasing fees sporadically, as long as short-term short-falls don't place the District in a precarious fiscal position. Timely program cuts or revenue adjustments would eventually be needed to prevent over-erosion of reserves. The rule of thumb is to keep at least 6 months worth of expenses in reserves.

Total monthly expense is estimated to be \$87,000/month, based upon average monthly expenditures. Three months equals \$522,000. For this fiscal year, it is projected that Revenue will exceed Expenditures by \$156,956. This amount is projected to increase the Reserves (fund balance amounts) by \$156,956.

The District has committed to adding \$50,000 annually to the District's Other Post-Employment Benefits (OPEB) account. This account will increase by \$50,000 annually as required by GASB45. GASB 45 determines the annual OPEB financial obligations based upon the current number of eligible employees and retirees. The net OPEB obligation at the end of the year 2019 was determined to be \$867,094. The District's financial auditor recommended and the Board of Directors agreed that the District expend at least \$50,000/annually and add it to the Fund Balance specific to account until the obligation is fulfilled. During the May 20, 2019 Board meeting, the Board directed the District to expend

more than the recommended \$50,000, if budget allowed. Staff has recommended increasing the OPEB amount by \$100,000 during FY 20/21, bringing the total OPEB amount to \$400,000. This expense of \$50,000 will be repeated annually until the District's annually determined OPEB obligation is met.

### **Operating Budget**

Overall, Revenues exceed Expenditures by \$223,267. There is an increase of \$153,063 of predicted revenue from last year's budget. The most significant increase is the administrative funding for the FARMER program (\$104,037) and to the Prescribed Fire grant (\$131,752) to run the District's prescribed fire program. There was a notable decrease of \$15,000 to the Title V Fees line item, due to one Title V source shutting down.

There is an estimated increase of total expenditures from the previous fiscal year of \$120,894. The increase is primarily due to an increase of \$51,184 in the Salaries and Benefits object level. This increase demonstrates the first fiscal year where the District has 7 full time employees. Last fiscal year, two new air pollution specialists were added, but they were hired approximately half way through the year. This budget reflects the increase associated with the costs for 7 employees based on a full year. Other increases are related to the increase in staffing – an increase of \$4,000 in office supplies and non-capitalized office equipment, a \$2,700 increase in liability insurances, and a \$1,500 increase in private car mileage. Two key pieces of equipment have reached the end of their shelf life and need to be replaced – the Xerox Copy/Scanner machine and the Ford Escape. The District estimates a new copier will be around \$10,000 and a new vehicle will be around \$30,000. Last, the rent for the Grass Valley office went up substantially; an increase of \$4,560 for the main office and a new rent was required for the outside roof space of \$7,000. It should be noted that this was the first rent increase in over 15 years.

### **Restricted Budget**

The Restricted Grants Budget is solely for pass-through grants from the State of California or the Federal Government (U.S. Environmental Protection Agency) to reduce air pollution emissions in areas where public health is most impacted. The District will be administering this budget through a variety of grant programs, incentives, rebates and public education in cooperation with other local agencies and businesses.

### **Requested Action:**

1. Open a public hearing to receive comments on the District's Preliminary FY 2020-2021 Budget
2. Provide direction to staff on Preliminary FY 2020-2021 Budget

### **Attachments:**

1. District's Preliminary FY 2020-2021 Budget

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DISTRICT HEADQUARTERS

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**FISCAL YEAR 2020/2021  
CAPITAL BUDGET  
Preliminary**

**June 22, 2020**



## **EXECUTIVE SUMMARY**

Due to unprecedented economic and health impacts from COVID-19, the District is presenting this preliminary budget with the full intention of amending it in Fall 2020, once the state and federal budgets have been adopted. At this time, the District is compiling its revenues on the California Governors' revised budget numbers from May 2020. The District understands that revenues are not only dependent upon the legislature adopting the Governor's revised budget, but revenues will be dependent upon a multitude of economic factors which could be highly unpredictable this fiscal year.

The District's Capital Budget is comprised of two major components - 1) the Restricted Grants Budget and the 2) Operating Budget. Each budget has two separate fund accounts to facilitate the tracking of funds in both budgets and to allow the public better comprehension of the District's overall capital budget. A line-item spreadsheet of both the Restricted and Operating Budgets follows.

## **RESTRICTED GRANTS BUDGET**

The Restricted Grants Budget is solely for pass-through grants from the State of California or the Federal Government (U.S. Environmental Protection Agency) to reduce air pollution emissions in areas where public health is most impacted. The District will be administering this budget through a variety of grant programs, incentives, rebates and public education in cooperation with other local agencies and businesses. For a detailed breakdown of all line items for the Restricted Grant Budget, please refer to the restricted budget spreadsheet.

### **AB2766 Grant Programs**

The District administers the State's AB2766 DMV surcharge grant money to worthwhile projects throughout all three counties of the District. This funding comes from a DMV surcharge fee for each registered vehicle in each county. Nevada and Plumas County charge a fee of \$4/vehicle. Sierra County charges a fee of \$2/vehicle.

Project proponents go through a sometimes competitive process to request full or partial sponsorship for projects which reduce vehicle emissions. The only county that will be participating in the competitive AB2766 process during FY 20/21 is Sierra County. In April 2020, the Board approved that Nevada County's AB2766 amount of \$182,153 be encumbered for a green waste removal project through the Nevada County OES. Additionally, in January 2020, the Board approved that Plumas County's AB2766 amount of \$34,934 be encumbered for and EPA Target Grant Match for the Portola PM Nonattainment area.

The final grant approvals for Sierra County will be made in September or October 2020. After the Board allocates funds for individual AB projects in Sierra County, any funds which are not allocated to a project go into each county's AB 2766 total allocation account as carryover. These amounts will be added back in to each county's AB allocation in time for the following year's Board approval of projects.

In addition to the FY 2020/21 AB projects, there is \$453,178 expected to be expended for various encumbered projects. These funds are earmarked in the Restricted Grants Fund Balance.

### **AB923 DMV Surcharge Fees and Programs**

AB923 is only implemented in Plumas County. This funding comes from a DMV surcharge fee of \$2 per each vehicle registered in the county. The District receives 6.25% as an administrative fee. This year, the District expects to receive approximately \$50,000, \$3,125 is utilized for administrative funding. This funding is to be utilized for replacing old diesel school buses per the state's Lower Emission School Bus program or for reducing heavy duty diesel emissions, similar to the Carl Moyer program. Recently the state has approved that this funding can also be utilized for infrastructure for alternatively fueled, low emission school busses. The current fund balance of AB923 funding is \$270,279 providing a total of \$320,279 available for expenditure during FY 2020/2021.

### **Carl Moyer Heavy Duty Diesel Emission Reduction Program**

The District administers the State's Carl Moyer Heavy Duty Diesel Program throughout all three counties in the District. This program is intended to provide incentives to owners of heavy duty diesel engines to retrofit these engines to lower emitting models. This is easily one of the most cost-effective and pollution reducing programs that the State sponsors and the District administers.

For fiscal year 2020/2021, the District expects to receive revenue of Carl Moyer funding of \$200,000. The District receives 12.5% administrative fee, leaving \$175,000 for the grant program and \$25,000 administrative fee which is revenue for the internal operating budget. The current fund balance amount of Carl Moyer funding is \$203,173. An estimate of \$7,000 is expected to be earned on the interest, which goes back into the program. This provides a total \$378,173 available for expenditure during FY 2020/2021.

### **EPA's Targeted Air Shed Grant**

The Air District was approved for a \$2.48 million grant from the U.S. Environmental Protection Agency (U.S. EPA) to reduce air pollution from residential woodstoves. The grant is part of the U.S. EPA's 2015 Targeted Air Shed Grant Program intended to improve air quality in areas of the U.S. with the highest levels of pollution.

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In January 2015, the U.S. EPA designated the City of Portola and surrounding parts of Plumas County as a federal nonattainment area for the annual PM2.5 health-based standard. PM2.5 is the fine particle pollution found in smoke. Studies indicate that the main source of smoke in Portola is from residential woodstoves and fireplaces.

U.S. EPA grant funds are administered by the Air District and the California Air Resources Board for a five-year voluntary residential wood stove replacement program to encourage owners to replace older wood stoves with cleaner burning devices and significantly improve air quality and public health in the Portola area.

This will be a five year program (2016-2021) based upon a reimbursement basis from EPA. Estimates were based upon how much would be spent and reimbursed for each of the five years. The amount of \$1,992,000 for woodstove replacements in the nonattainment area is not to be exceeded over five years. The district estimates that approximately \$398,400 per year will be expended to replace stoves in the nonattainment area. The District estimates approximately \$75,000 per year will be reimbursed for administrative uses annually.

Recently, EPA approved an amendment to this grant, extending the grant an additional two years and adding a new administrative position – the Burnwise Coordinator, which will provide \$49,698 to the administrative, or operating budget.

### **H&S Woodstove Mitigation Fund**

EPA had a settlement with H&S which required H&S to pay a local air district \$400,000 to be used for a woodstove changeout program in a federal nonattainment area. EPA referred H&S to Northern Sierra Air District. An agreement was approved and ratified by the Air District Board during a March 2016 Board meeting. The District had a one-time revenue of \$360,000 deposited into the District's restricted account. Additionally, the District received a one-time revenue of \$40,000 to be deposited into the District's operating budget during FY 2015/2016. Currently there is 21,600 remaining in this account, or enough to supplement the change out of approximately 24 stoves.

### **Voluntary Nox Reduction Measure (VNRM)**

The State California Air Resources Board has awarded various air districts a grant which shall be used to “voluntarily remediate potential past emissions through remedial measures supporting air district-level NOx mitigation projects targeting engines, such as the replacement of existing diesel engines with lox Nox engines.” The VNRM program is modeled on the criteria and requirements in the Moyer Guidelines. The District has earmarked \$70,212 of funds to be utilized for local projects.

### **FARMER Shared Pool**

California's state legislature allocated \$35 million to the California Air Resources Board

(CARB) from Fiscal Year 2017-2018 through Assembly Bill 134 and 109. CARB staff developed the Funding Agricultural Reduction Measure for Emission Reductions (FARMER) Program to meet the Legislature's objectives and help meet the State's criteria, toxic and greenhouse gas emission reduction goals. CARB created a Shared Allocation Pool of funding (\$5 million) that was specifically designated for 18 air districts with less than one percent of statewide agricultural equipment emission inventory to ensure farmers in those districts have the opportunity to access FARMER funding. The Shared Allocation Pool is managed by the Placer County Air Pollution Control District (Placer APCD) and the California Air Pollution Control Officers Association (CAPCOA) in accordance with the grant provisions outlined in the agreement between CARB and Placer APCD and provisions outlined in the subsequent agreement between CAPCOA and Placer APCD. Placer APCD will enter into independent contracts with Northern Sierra Air District. The District has \$119,340 in the FARMER fund balance. The District has recently been awarded an additional \$931,179 for projects. The District anticipates that \$1,050,519 will be expended on FARMER projects during FY 2020-2021.

### **AB617**

Assembly Bill 109 provides funding for the Community Air Protection Program. Assembly Bill 109 approved the Cap-and-Trade Expenditure Plan which appropriated approximately \$1.6 billion in discretionary funds. The Northern Sierra Air Quality Management District has been approved by the California Air Resources Board (CARB) for a grant under the Community Air Protection Program. The grant award is for expenses necessary for implementation of Assembly Bill 617. The District receives two separate AB617 grants; AB 617 Incentive Grants and AB 617 Implementation Grants. The AB 617 Incentive Grants require projects to be approved by the Board so as to receive public comments on the use of the funds. Funds can only be used in AB1550 areas. Recently, the Board received public comments on Year 2 of AB 617 Incentive funds. The Board approved that the funds should be used for Carl Moyer projects. The District will receive \$120,920 in project funds for FY 2020-21. The District will also receive \$17,274 administrative funds for FY 2020-21.

The District expects a revenue of \$16,015 of funds under the AB 617 Implementation Grant for Fiscal Year 2020-21. Since the District had received funds the prior two years, there is now a total of \$58,857 available for expenditure during FY 2020-21. There are no administrative funds provided to the District for this grant. The California Air Resources Board has given the approval to the District to utilize these funds for green waste removal within AB 1550 areas, specifically for the Portola PM nonattainment area.

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

Preliminary Restricted Budget  
Fiscal Year 2020 - 2021

<b>Restricted Budget, Fund Balance</b>			
Account #	Description	FY 2019-2020	FY 2020-2021
20-3901	Restricted Funds, AB2766 Encumbered	248,382	453,178
20-3902	Planned Expenditures, AB2766 Total Allocation - Nevada County	185,332	-
20-3903	Planned Expenditures, AB2766 Total Allocation - Plumas County	70,683	-
20-3904	Planned Expenditures, AB2766 Total Allocation - Sierra County	5,721	5,765
20-3906	Planned Expenditures, Carl Moyer	67,478	203,173
20-3908	Planned Expenditures, AB923	214,914	270,279
	Planned Expenditures, FARMER		119,340
20-3910	Planned Expenditures, H&S Mitigation	109,291	21,600
<b>Restricted Budget, Fund Balance Accounts Totals:</b>		<b>\$901,801</b>	<b>\$1,073,335</b>

<b>Restricted Budget, Revenue</b>			
Account #	Description	FY 2019-2020	FY 2020-2021
20-4500	Govt. Funding, AB 2766 DMV Fees (60% for District Admin)	240,000	240,000
20-4505	Govt. Funding, AB923 (6.25% for district admin)	50,000	50,000
20-4518	Govt. Funding, Carl Moyer HD Diesel (12.5% for district admin)	175,000	175,000
20-4535	Govt. Funding, WRP (~10% for district admin)	0	0
20-4536	WRP interest	1,000	0
20-4541	Nox Reduction Measure (NRM)	70,212	0
20-4542	FARMER Pooled Share	100,000	931,179
20-4543	Rural Assistance Program (RAP)	80,000	0
20-4538	AB 617 Implementation (20,183, 22,659, 16,015)	22,000	16,015
20-4539	AB 617 interest	100	850
20-4544	AB617 Incentives		120,920
20-4529	Govt. Funding, EPA Target Grant for Portola 2015	398,400	398,400
20-4540	Govt. Funding, EPA Target Grant for Portola 2018		tbd
20-4600	Other Income, Interest, Restricted (Carl Moyer)	5,000	7,000
<b>Restricted Budget, Revenue Total:</b>		<b>\$1,141,712</b>	<b>\$1,939,364</b>

<b>Restricted Budget, Expenditures</b>			
Account #	Description	FY 2019-2020	FY 2020-2021
20-5440	Portola PM Mitigation(AB2015-08, 33,211 plus 5499 transferred from 588-200-39	28,054	20,466
20-5442	Portola MOU (AB2016-08)	27,505	18,032
20-5402	Town of Truckee (AB 2018-04, \$39,542)	39,542	39,542
20-5402	Foster and Sons (AB 2018-05, \$26,457)	26,457	26,457
20-5402	Nevada County OES (AB 2021 - 10, \$182,153)		182,153
20-5402	EPA Target Grant 2018 Match (AB2021-11, 34,834)		34,834
20-5402	Hansen Bros. Enterprises )AB 2020-04, \$26,000)		26,000
20-5402	Sierra Commons (AB 2020-05, \$24,000)		22,063
20-5402	Sierra Commons (AB2020-06,\$26,000)		22,918
20-5402	Sierra Senior Services (AB 2020-07, \$37,800)		37,800
20-5402	Bear Yuba Land Trust (AB2020-09, \$15,000)		15,000
20-5404	Inc. Senior Citizens of Sierra County (AB 2020-01, \$5,721)		4,291
20-5403	Plumas County Public Works (AB 2020-03, \$3622)		3,622
20-5401	AB2766 Planned Expenditures for 2020	219,134	5,765
20-5406	Carl Moyer	176,223	378,173
20-5416	Farmer		1,050,519
20-5409	AB 923	220,800	320,279
20-5410	EPA Target Grant 2015	398,400	398,400
20-5414	WRP	292,500	
20-5417	Nox Reduction Measure (NRM)	-	70,212
20-5415	AB 617 Implementation (\$20,183, \$22,659, \$16,015)	20,183	58,857
20-5486	AB617 Incentive		120,920
20-5413	H&S Mitigation Fund	180,000	21,600
<b>Restricted Budget, Expenditures Totals:</b>		<b>1,628,798</b>	<b>\$ 2,877,903</b>

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## **OPERATING BUDGET**

The second major portion of the District's overall capital budget is the internal Operating Budget which is outlined in detail in the Operating Budget spreadsheet.

### **Operating Revenue**

Overall, Revenues exceed Expenditures by \$223,267. There is an increase of \$153,063 of predicted revenue from last year's budget. The most significant increase is the administrative funding for the FARMER program (\$104,037) and to the Prescribed Fire grant (\$131,752) to run the District's prescribed fire program. There was a notable decrease of \$15,000 to the Title V Fees line item, due to one Title V source shutting down.

AB 2766 revenue is 29% of total operating revenue. Last year, AB revenue was 33% of total revenue. This revenue is used internally for activities that are related to clean air planning and technical studies necessary to implement the California Clean Air Act, and these technical activities should be funded by AB 2766 funds proportionate to the relative contribution of mobile source emissions.

General Administration, the Planning Program, and the Air Monitoring Program don't have adequate fees to cover costs, and so are supported with State Subvention, county contributions, and miscellaneous revenue line items.

### **Operating Expenditures**

There is an estimated increase of total expenditures from the previous fiscal year of \$120,894. The increase is primarily due to an increase of \$51,184 in the Salaries and Benefits object level. This increase demonstrates the first fiscal year where the District has 7 full time employees. Last fiscal year, two new air pollution specialists were added, but they were hired approximately half way through the year. Other increases are related to the increase in staffing – an increase of \$4,000 in office supplies and non-capitalized office equipment, a \$2,700 increase in liability insurances, and a \$1,500 increase in private car mileage. Two key pieces of equipment have reached the end of their shelf life and need to be replaced – the Xerox Copy/Scanner machine and the Ford Escape. The District estimates a new copier will be around \$10,000 and a new vehicle will be around \$30,000. Last, the rent for the Grass Valley office went up substantially; an increase of \$4,560 for the main office and a new rent was required for the outside roof space of \$7,000. It should be noted that this was the first rent increase in over 15 years.

The District provides certain postretirement healthcare benefits, as established by Board Policy, to eligible employees through a single-employer plan governed by the

Public Employees' Medical & Hospital Care Act (PEMHCA) and administered by the District. Employees who retire from the District shall be eligible to be enrolled in a PERS-provided health insurance plan. If the retiree is enrolled in a PERS-provided health insurance plan, the District shall pay 100% of the first \$9,600 of the retiree's annual premium. Employees hired after July 1, 2014 shall still be eligible to be enrolled in a PERS-provided health insurance plan upon retirement, but the District shall pay 0% of the retiree's annual premium, upon retirement.

The District has two separate accounts to express health insurance expenditures. Account #10-5017 is for retired employees, and Account #10-5016 is for current employees. However, two current employees have elected not to utilize the PERS-provided health benefits plan. According to District Policy, in recognition of the subsequent cost savings to the District, the District will pay the employees 40% of the premium costs saved by the District, or \$3,840, whichever is less. Since there are three employees electing not to utilize the PERS provided plan, this total amount is \$11,520. This \$11,520 expenditure is not included in the Health Insurance expenditure, instead it is included in Account #10-5021 TaxMed.

### **Fund Balance Accounts (Reserves)**

Prudent fiscal management requires careful budgeting and stringent budget control to avoid over-expending. Successfully staying under budget for all budget line items means that fund balances (in the form of reserves) will occur at year-end. Such fund balances are saved in reserves for various uses, such as equipment replacements, litigation, contingencies, leave liability, etc. It is prudent that the reserves are placed in earmarked and encumbered fund balances. The Board approves the fund balances with the adoption of the budget. Program needs justify budgeting expenditures that sometimes exceed expected revenue on a short-term basis. Spending down reserves is then prudent, rather than increasing fees sporadically, as long as short-term short-falls don't place the District in a precarious fiscal position. Timely program cuts or revenue adjustments would eventually be needed to prevent over-erosion of reserves. The rule of thumb is to keep at least 6 months worth of expenses in reserves. Total monthly expense is estimated to be \$87,000/month, based upon average monthly expenditures. Three months equals \$522,000. For this fiscal year, it is projected that Revenue will exceed Expenditures by \$156,956. This amount is projected to increase the Reserves (fund balance amounts) by \$156,956.

The District has committed to adding \$50,000 annually to the District's Other Post-Employment Benefits (OPEB) account. This account will increase by \$50,000 annually as required by GASB45. GASB 45 determines the annual OPEB financial obligations based upon the current number of eligible employees and retirees. The net OPEB obligation at the end of the year 2019 was determined to be \$867,094. The District's financial auditor recommended and the Board of Directors agreed that the District expend at least \$50,000/annually and add it to the Fund Balance specific to account

until the obligation is fulfilled. During the May 20, 2019 Board meeting, the Board directed the District to expend more than the recommended \$50,000, if budget allowed. Staff has recommended increasing the OPEB amount by \$100,000 during FY 20/21, bringing the total OPEB amount to \$400,000. This expense of \$50,000 will be repeated annually until the District's annually determined OPEB obligation is met.

### **1. Equipment Replacements**

\$16,000 will be expended to purchase office equipment such as two new computers. The District keeps a list of equipment and their respective depreciation rates. The District's Xerox copier is over 6 years old and has had many breakdowns which significantly impacts office productivity.

\$30,000 will be expended to replace the District vehicle, the Ford Escape. This vehicle has had many issues during the last year, and vehicles are a key piece of equipment for District staff to respond to complaints, perform inspections, conduct air quality monitoring, and attend meetings and classes.

### **2. Air Monitoring Program**

The Air District receives \$59,500 from the Environmental Protection Agency for the continued operation of the District's Federal Reference Method (FRM) Network for particulate matter. The District will also continue to pay rent for its monitoring laboratory and purchase miscellaneous equipment to continue to run its existing air quality monitoring network.

### **3. Public Education**

The District will utilize \$5,000 to fund its public education program for FY 2020-2021. This includes purchasing ads for emission reductions, incentive and grant programs.

### **Summary**

Expected operating revenue exceeds expected operating expenditures by \$223,267. The funds received in previous years are encumbered in the District's fund balance accounts, and will be utilized to demonstrate a balanced budget in the final summary, if needed. Although the preliminary budget demonstrates an overall increase to the District's Fund Balance by revenues exceeding operating expenditures, this is crucial to the continuance of the Air District's services. This predicted increase in the fund balance will assist the District to continue its services in case of any unexpected decreases in revenue in the future.



**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT**  
**Preliminary Operating Budget**  
**Fiscal Year 2020 - 2021**

<b>Resource Report</b>	
04/01/20	1,146,299

<b>Fund Balance Accounts</b>		<i>(Used to track earmarked or encumbered funds)</i>	
Account #	Description	FY 2019-2020	FY 2020-2021
10-3901	General Fund, Undesignated	-	-
10-3903	Other Post-Employment Benefits	300,000	400,000
10-3904	Equipment Replacements / Depreciation	154,000	150,000
10-3905	Leave Liability	55,000	75,000
10-3906	Air Monitoring Program	100,000	180,000
10-3907	Public Education Program	5,000	10,000
10-3908	Contingency, Leashold Improvements	120,888	80,000
10-3909	Contingency, Emergency Funds	223,942	200,000
10-3910	Contingency, Litigation	190,000	50,000
<b>Fund Balance Accounts Totals</b>		<b>1,148,830</b>	<b>1,145,000</b>

<b>Revenue</b>		FY 2019-2020	FY 2020-2021
Account #	Description		
10-4002	Fees, Permit to Operate	30,000	30,000
10-4004	Fees, Vapor Recovery	20,000	20,000
10-4005	Fees, Variance Application	500	3,000
10-4006	Fees, Source Test	2,000	9,000
10-4007	Fees, Prescribed Burning	25,000	25,000
10-4008	Fees, Woodstove Inspections	2,000	1,500
10-4010	Fees, Title V, Fed Op Permit	65,000	50,000
10-4013	Fees, Fire Dept Response	1,500	1,500
10-4100	Penalties, Permitted Source	10,000	10,000
10-4101	Penalties, Open Burning	2,500	2,500
10-4201	Gov't Funding, State Subvention	137,600	137,600
10-4202	Gov't Funding, Subvention Supplemental	3,500	3,500
10-4203	Gov't Funding, County Contribution	62,669	62,669
10-4204	Gov't Funding, EPA Monitoring	59,500	59,500
10-4205	Gov't Funding, EPA Monitoring Supplemental	-	-
10-4206	Gov't Funding, AB 2766 DMV Fees	360,000	360,000
10-4207	Gov't Funding, PERP Pass thru	18,000	23,000
10-4208	Gov't Funding, AB 923 Operating	3,125	3,125
10-4209	Gov't Funding, EPA Target 2015	75,000	75,000
10-4214	Gov't Funding, EPA Target 2015 Burnwise Coordinator	49,698	49,698
10-4211	Gov't Funding, AB 197	8,583	8,583
10-4224	AB 617 Incentive (administrative)		17,274
10-4213	Rx Fire Funding, Staff	79,000	131,752
10-4212	Rx Fire Funding, Monitoring	20,000	20,000
10-4215	Carl Moyer, Admin Fee	25,000	25,000
10-4222	Farmer Pooled Share	15,000	104,037
10-4223	RAP, Carl Moyer Rural Assistance admin	7,000	7,000
10-4303	Other Income, Rules, Copies, Subscr.	100	100
10-4310	Other Income, Interest Earned	20,000	15,000
<b>Revenue Total:</b>		<b>\$ 1,102,275</b>	<b>1,255,338</b>

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**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT**  
**Preliminary Operating Budget**  
**Fiscal Year 2020 - 2021**

<b>Expenditures</b>		<b>Salaries and Benefits (Object Level)</b>	
Account #	Description	FY 2019-	
		2020	FY 2020-2021
10-5002	Permanent Salaries	486,054	511,789
10-5021	TaxMed (elect not to utilize the District-provided health insur	7,680	11,520
10-5003	Overtime	1,000	1,000
10-5011	Medicare/FICA	7,159	7,588
10-5013	CA State Unemployment	784	784
10-5015	Workers' Comp Insurance	6,567	6,806
10-5016	PERS Health Insurance Active Employees	48,000	38,400
10-5017	PERS Health Insurance Retired Employees	18,951	18,469
10-5019	Dental/Vision Care	8,750	8,750
10-5020/5023	PERS Retirement (ER & EE Paid)	63,297	72,023
10-5022/5024	PERS Unfunded Accrued Liability	73,545	95,842
<b>Salaries and Benefits Total:</b>		<b>\$ 721,787</b>	<b>772,971</b>

<b>Expenditures</b>		<b>Services and Supplies (Object Level)</b>	
Account #	Description	FY 2019-	
		2020	FY 2020-2021
10-5201	PM Monitoring Expenses (supplies)	15,000	17,000
10-5202	Office Supplies	4,000	8,000
10-5203	References, Subscriptions	1,500	500
10-5204	Postage, Shipping	1,000	1,000
10-5205	Memberships	3,000	3,000
10-5207	Office Equipment - non capitalized		3,300
10-5206	Ozone Monitoring Expenses	5,000	1,000
10-5251	Communications	15,000	15,000
10-5253	Rent, Structures, Grass Valley, including PM2.5	26,640	31,200
10-5254	Rent, Structures - Portola	6,228	6,500
10-5255	Utilities, Grass Valley	2,700	2,700
10-5256	Utilities, Portola	1,200	2,500
10-5257	Rent, PM2.5	7,272	15,100
10-5258	Liability Insurance	8,000	10,700
10-5259	Legal Notices, Public	500	1,000
10-5301	Information Technology	7,000	7,000
10-5303	Maintenance: Office Equipment	500	500
10-5305	Maintenance: Vehicles	3,000	3,000
10-5311	Profession Services: Legal	6,000	6,000
10-5312	Profession Services: Office Assistance	1,200	1,200
10-5313	Profession Services: Accounting (Nevada County, Accountant, and ADP)	33,000	33,000
10-5314	Profession Services: Financial Auditor	12,000	12,750
10-5315	Profession Services: Board - Directors and Variance	5,000	5,000
10-5351	Training, Tuition	1,500	1,500
10-5352	Travel	3,000	3,000
10-5353	Gasoline	5,000	5,000
10-5354	Private Car Mileage	500	2,000
10-5390	Miscellaneous	1,000	1,000
<b>Services and Supplies Total:</b>		<b>\$ 175,740</b>	<b>\$ 199,450</b>

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**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT**  
**Preliminary Operating Budget**  
**Fiscal Year 2020 - 2021**

<b>Expenditures - Pass-thru Funds / Internal Programs / Contributions to Other Agencies (Object Level)</b>			
Account #	Description	FY 2019-2020	FY 2020-2021
10-5402	Alternate Commute Program	750	750
10-5404	ARB: AB 2588 Fees	1,400	1,400
10-5405	Public Education Program	5,000	5,000
10-5406	Fire Dept Response Reimbursement	1,500	1,500
<b>Contribution to Other Agencies / Internal Grants Total:</b>		<b>\$ 8,650</b>	<b>\$ 8,650.00</b>

<b>Expenditures - Fixed Asset Purchases (Object Level)</b>			
Account #	Description	FY 2019-2020	FY 2020-2021
10-5601	Office Equipmen (3 computers at \$2,000 each)	4,000	16,000
10-5602	Field Equipment (fixed assets over \$5,000)	1,000	5,000
	Vehicle	0	30,000
10-5605	EPA Supplemental Monitoring	0	-
<b>Fixed Asset Purchases Total:</b>		<b>\$ 5,000</b>	<b>51,000</b>

<b>Budget Summary</b>		<b>Available Funding &amp; Expenditures</b>	
		FY 2019-2020	FY 2020-2021
<b>Available Funding</b>			
Fund Balance Total ( <i>encumbered &amp; earmarked reserves</i> )		1,148,830	1,145,000
Petty Cash		75	75
Revenue		1,102,275	1,255,338
<b>Available Funding Total:</b>		<b>2,251,180</b>	<b>2,400,413</b>
Salaries and Benefits (Object Level)		721,787	772,971
Services and Supplies (Object Level)		175,740	199,450
Pass-thru Funds / Internal Programs / Contributions to Other Agencies (Object Level)		8,650	8,650
Fixed Asset Purchases (Object Level)		5,000	51,000
<b>Expenditure Total:</b>		<b>\$ 911,177</b>	<b>1,032,071</b>

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**To:** Northern Sierra Air Quality Management District Board of Directors  
**From:** Gretchen Bennett, Air Pollution Control Officer  
**Date:** June 22, 2020

**Agenda Item: IV.B**

**Agenda Description:** Amendment to FARMER Contract between Placer Air District and Northern Sierra Air Quality Management District

**Issues:**

In March 2019, the Northern Sierra Air Quality Management District Board of Directors approved the District's participation in the FARMER program, and the acceptance of funds allocated and awarded to the District for eligible projects and program administration, in accordance with the terms and conditions Contract #2020-016 between the Placer County Air Pollution Control District and the Northern Sierra Air Quality Management District.

Placer has informed the Air District that an amendment to the FARMER Contract is needed to reflect the FY 2018-2019 FARMER program requirements. The attached amendment fulfills these requirements.

**Requested Action:**

1. Approve and authorize the Air Pollution Control Officer to sign the Amendment to Contract # 2020-016.
2. Authorize the Chair to sign Resolution 2020-05.

**Attachments:**

1. Amendment No. 1 to Contract # 2020-016
2. Resolution # 2020-05

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CONTRACT AMENDMENT NO. 1

**Contract No.** 2020-016

**Contract Description:** **MOU Between the Placer County Air Pollution Control District and the Northern Sierra Air Quality District for the FARMER Program**

**AMENDMENT NO. 1**  
**FY 2017-18 FARMER Contract Updates to Reflect FY 2018-19 FARMER Program Requirements**

- Remove CAPCOA from the application submittal and reporting processes.
- Add requirement for participating districts to submit semi-annual reports for projects funded through the FY 2018-19 Program.
- Remove requirement for participating districts to mail original copies of project applications with wet signatures to Placer County APCD.

This agreement, made at Auburn, California, by and between Placer County Air Pollution Control District (PCAPCD) and Northern Sierra Air Quality District (DISTRICT), is hereby amended as follows (deletions in strike-through, additions in underline):

**SECTION I. 3.:**

**Section I** Terms and Conditions

3. Submittal of Applications. The District will provide Placer APCD ~~CAPCOA~~ with application(s) for consideration for funding. Regardless of source of application (Moyer RAP, District submitted, new submission), equipment quotes may be no more than 6 months old at time of application. Equipment quotes may be updated at the request of the District, or the applicant ~~or CAPCOA~~ if a substantial change...

**SECTION I. 8.:**

**Section I** Terms and Conditions

8. Program Reporting Requirements. Participating Districts are required to provide Placer APCD with quarterly updates on all projects funded through the FY 2017-18 FARMER Program and semi-annual updates on all projects funded through the FY 2018-19 FARMER Program. Reports will be completed using CARB's reporting template. ~~CAPCOA and Placer APCD will collaborate to create a reporting template for participating Districts, which should include the implementation status of any FARMER projects awarded funding, along with any implementation costs. These Quarterly updates will be facilitated by CAPCOA at least 45 days prior to Placer APCD's quarterly reporting deadline to CARB, and semi-annual reports will be submitted directly to Placer APCD.~~

**SECTION I. 13.:**

**Section I** Terms and Conditions

13. Availability of Documentation. All documentation, records, and referenced materials must be made available for review during monitoring visits and audits

CONTRACT AMENDMENT NO. 1

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by CARB, Placer APCD, or their designee. These records must be retained for the life of the projects funded under this grant. ~~Participating Districts must mail original copies of project applications with "wet" signatures in blue ink to the Placer APCD Liaison.~~ Requests for payment must be made consistent with FARMER Guidelines and this PPM and include all documentation required by ~~CAPCOA and Placer APCD...~~

All other terms and conditions of this agreement shall remain in full force and affect.

**PLACER COUNTY AIR POLLUTION CONTROL DISTRICT:**

By: \_\_\_\_\_ Date \_\_\_\_\_  
Erik C. White  
Air Pollution Control Officer

**DISTRICT:**

By: \_\_\_\_\_ Date June 22, 2020  
Name: Gretchen Bennitt  
Title: Air Pollution Control Officer  
District: Northern Sierra Air Quality

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT  
RESOLUTION #2020-05**

**In the Matter of Granting Authority to the Northern Sierra Air District to Accept Funds for Implementing FARMER Shared Pool from Placer Air Pollution Control District**

**Whereas**, California's state legislature allocated \$132 million to the California Air Resources Board (CARB) from Fiscal Year 2018-2019 and CARB staff developed the Funding Agricultural Reduction Measure for Emission Reductions (FARMER) Program to meet the Legislatures objectives and help meet the State's criteria, toxic and greenhouse gas emission reduction goals; and

**Whereas**, the Shared Allocation Pool is specifically designated for 18 Air Districts with less than one percent of the statewide agricultural equipment emissions inventory, to ensure farmers in those Districts have the opportunity to access FARMER funding and to streamline the implementation of the FARMER program; and

**Whereas**, the Shared Allocation Pool will be managed by the Placer County Air Pollution Control District (Placer APCD) in accordance with the grant provisions outlined in the agreement between CARB and Placer APCD; and

**Whereas**, Placer APCD will enter into independent contracts with participating Districts; and

**Whereas**, the Northern Sierra Air Quality Management District would like to participate within the FARMER program.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Sierra Air Quality Management District Board of Directors does hereby approve the District's participation in the FARMER program, and the acceptance of funds allocated and awarded to the District for eligible projects and program administration, in accordance with the terms and conditions of the memorandum of understanding between the Placer County Air Pollution Control District and the Northern Sierra Air Quality Management District FARMER program for Fiscal Year 2018-2019 appropriation.

**BE IT FURTHER RESOLVED** that the Northern Sierra Air Quality Management District will comply with the FARMER Shared Allocation Pool Policies and Procedures.

**BE IT FURTHER RESOLVED** that the Executive Officer is authorized to execute on behalf of the District to accept funds from Placer Air Pollution Control District for use within the FARMER program and all other necessary documents to implement and carry out the purposes of this resolution.

On a motion by Supervisor \_\_\_\_\_ and seconded by Supervisor \_\_\_\_\_, the foregoing resolution was approved and adopted by the Board of Directors of the Northern Sierra Air Quality Management District at a regular meeting held on June 22, 2020, by the following roll call vote:

Ayes:  
Noes:  
Absent:  
Abstaining:

Approve: \_\_\_\_\_  
Chair of Board

Attest: \_\_\_\_\_  
Clerk of the Board/APCO

**To:** Northern Sierra Air Quality Management District Board of Directors  
**From:** Gretchen Bennitt, Air Pollution Control Officer  
**Date:** June 22, 2020

**Agenda Item: IV.C**

**Agenda Description:** Ratify Amendment #1 for Prescribed Burn Reporting and Monitoring Support Program Agreement

**Issues:**

SB 856 appropriated \$2 million dollars to CARB for local air districts to support the implementation of SB 901 and SB 1260 by implementing their smoke management programs, including training, travel, deployment of air monitors, and public outreach.

CARB originally granted \$79,526 for the Northern Sierra Air Quality Management District to implement their smoke management program for this purpose under Grant G18-PBRM-18. Funds were to be utilized by June 30, 2021. CARB has offered the District an amendment to this grant, increasing the funding amount to \$211,226 and extended the fund use timeline to June 30, 2022.

The Amendment was delivered to the District on June 3, 2020 and was requested to be signed and returned as quickly as possible. Chair Huebner authorized the Executive Director to sign the amendment for the agreement between CARB and the District. The Executive Director has included a copy of the signed agreement for the Board to review and ratify.

**Requested Action:**

1. Ratify the signed amendment to the agreement between CARB and the Air District for administering a prescribed fire program.

**ROLL CALL VOTE REQUESTED**

**Attachments:**

1. Signed Agreement between the District and CARB

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# GRANT AGREEMENT COVER SHEET

GRANT NUMBER  
**G18-PBRM-18 Amendment 1**

NAME OF GRANT PROGRAM <b>Prescribed Burn Reporting and Monitoring Support Program</b>	
GRANTEE NAME <b>Northern Sierra Air Quality Management District</b>	
TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER <b>68-0124279</b>	TOTAL GRANT AMOUNT NOT TO EXCEED <del>\$79,526</del> <b><u>\$211,226.00</u></b>
FISCAL GRANT TERM FROM: June 1, 2019	TO: June 30, <del>2021</del> <b><u>2022</u></b>
PROJECT PERFORMANCE PERIOD OF GRANT AGREEMENT FROM: June 1, 2019	TO: June 30, <del>2021</del> <b><u>2022</u></b>

This legally binding Grant Agreement, including this cover sheet and Exhibits attached hereto and incorporated by reference herein, is made and executed between the State of California, **California** Air Resources Board (CARB) and Northern Sierra Air Quality Management District (the "Grantee"). The parties mutually agree to amend this Grant Agreement. Amendments are shown as deletions in ~~strike through~~ and as additions in **bold and underlined** text. All other terms and conditions remain the same.

- Exhibit A – Grant Agreement Provisions
- Attachment I – Work Tasks and Project Elements
- Exhibit B – Work Statement
- Attachment I – Budget Summary
  - Attachment II – Project Schedule

Grant is contingent on CARB receipt of a Board Resolution or Minute Order prior to funds being disbursed to Grantee.

**The purpose of Amendment 1 is to extend the time of the project and to add additional funding.**

This Agreement is of no force or effect until signed by both parties. Grantee shall not commence performance until it receives written approval from CARB.

The undersigned certify under penalty of perjury that they are duly authorized to bind the parties to this Grant Agreement.

STATE AGENCY NAME <b>California Air Resources Board</b>		GRANTEE'S NAME (PRINT OR TYPE) <b>Northern Sierra Air Quality Management District</b>	
SIGNATURE OF ARB'S AUTHORIZED SIGNATORY:		SIGNATURE OF GRANTEE (AS AUTHORIZED IN RESOLUTION, LETTER OF COMMITMENT, OR LETTER OF DESIGNATION) <i>Shelley Bennett</i>	
TITLE <b>Branch Chief</b>	DATE	TITLE <b>APCO</b>	DATE <b>6-8-20</b>
STATE AGENCY ADDRESS <b>1001 I Street, Sacramento, CA 95814</b>		GRANTEE'S ADDRESS (INCLUDE STREET, CITY, STATE AND ZIP CODE) <b>200 Litton Drive, Suite 230, Grass Valley, CA 95945</b>	

### CERTIFICATION OF FUNDING

AMOUNT ENCUMBERED BY THIS AGREEMENT <b>\$131,700.00</b>	PROGRAM <b>3510000L32 <u>3510000L32</u></b>	PROJECT <b><u>3900BURN</u></b>	ACTIVITY <b><u>3228BURN19PBRM</u></b>
PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT <b>\$79,526.00</b>	FUND TITLE <b>Greenhouse Gas Reduction Fund</b>		FUND NO. <b>3228</b>
TOTAL AMOUNT ENCUMBERED TO DATE <b>\$211,226.00</b>	(OPTIONAL USE)	FISCAL SUPPLIER ID <b>95483</b>	CHAPTER <b>30</b> <b><u>23</u></b>
STATUTE <b>2018</b> <b><u>2019</u></b>	APPR REF <b>601</b> <b><u>101</u></b>	ACCOUNT/ALT ACCOUNT <b>5432000</b> <b><u>5432000</u></b>	REPORTING STRUCTURE <b>39007100</b> <b><u>39007100</u></b>
SERVICE LOCATION <b>54201</b> <b><u>54202</u></b>	FISCAL YEAR (ENY) <b>2018 (\$79,526)</b> <b><u>2019 (\$131,700)</u></b>		

I hereby certify that the California Air Resources Board Budget Office acknowledges that budgeted funds are available for the period and purpose of the expenditure stated above.

SIGNATURE OF CALIFORNIA AIR RESOURCES BOARD BUDGET OFFICE: <i>M. Sanchez</i>	DATE <b>5/29/2020</b>
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I hereby certify that the California Air Resources Board Legal Office has reviewed this Grant Agreement.

SIGNATURE OF CALIFORNIA AIR RESOURCES BOARD LEGAL OFFICE: <i>April M. Lopez</i>	DATE <b>6/1/20</b>
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**To:** Northern Sierra Air Quality Management District Board of Directors

**From:** Gretchen Bennitt, Air Pollution Control Officer

**Date:** June 22, 2020

**Agenda Item: IV.D**

**Agenda Description:** Service Agreement between NSAQMD and Integrity Heating

**Issues:**

One of the programs for the Portola PM nonattainment area is a pilot Heat Pump project. Julie Ruiz has been working with District counsel to develop an agreement between the NSAQMD and Integrity Heating, a local supplier of Heat Pumps.

**Requested Action:** Authorize the APCO to sign the agreement with Integrity Heating.

**ROLL CALL VOTE REQUESTED**

**Attachments:**

1. Agreement between NSAQMD and Integrity Heating – not available at time of Board Packet Printing – it will be made available prior to Board meeting.

**To:** Northern Sierra Air Quality Management District Board of Directors

**From:** Gretchen Bennett, Air Pollution Control Officer

**Date:** June 22, 2020

**Agenda Item:** ~~V~~.A

**Agenda Description:** Status on Portola Federal PM2.5 (smoke) Nonattainment Area

**Issues:**

The EPA officially designated the Greater Portola area in Plumas County as a federal PM2.5 nonattainment area on April 15, 2015. The District submitted a required State Implementation Plan (SIP) to the California Air Resources Board (CARB) which contained rules and regulations which will demonstrate attainment of the air quality standard by December 31, 2021. The CARB Board approved the District's SIP and submitted it to the Environmental Protection Agency on February 16, 2017. The EPA proposed approval of the Portola Plan on December 18, 2018.

In order to reach the attainment of the PM2.5 standard, the District is implementing many different emission reducing strategies – a woodstove changeout program, a voluntary woodburning curtailment program, in 2021 – a mandatory woodburning curtailment program, and many other programs associated with public education.

Staff will give an update on items of note within the last month.

**Requested Action:** None, informational only

**Attachments:**  
none