

**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**

**March 26, 2018**

**1:00 p.m.**

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING

March 26, 2018

1:00 p.m.

**This meeting will be held by videoconference/teleconference at the following locations:**

**(Site A) VIDEOCONFERENCE/TELEPHONE CONFERENCE**

Northern Sierra Air Quality Management District (Headquarters)  
200 Litton Drive, Conference Room 316  
Grass Valley, California

**(Site B) VIDEOCONFERENCE/TELEPHONE CONFERENCE**

Northern Sierra Air Quality Management District (Northern Office)  
257 E. Sierra Street, Unit E  
Portola, California

**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.**

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**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 – January 22, 2018

**IV. Administrative Report**

**A.** Public Hearing for the Proposed Adoption of Reasonably Available Control Technology (RACT) State Implementation Plan (SIP) Revision for Western Nevada County 8-Hour Ozone Nonattainment Area

**B.** End of Year Report for FY2016/2017

**C.** Solicitation for Application to Receive Funding From the Carl Moyer Memorial Program (Fiscal Year 2017/2018 - Year 20) Funds

**D.** Portola Lease Amendment

**E.** Proposal and Approval of County Contribution for FY 18/19

**F.** Appointment of Basin Control Council Board Member and Alternate

**G. Carl Moyer Policy and Guidelines****V. Director's Report**

- A.** Status on Portola PM2.5 Nonattainment Area
- B.** Goals and Objectives - 2018
- C.** District Accomplishments - 2017
- D.** Approval of Revision to Portola PM Emission Control Plan
- E.** Support letter for approval of Southern California Public Power Authority renewable power contract with ARP-Loyalton Cogen LLC
- F.** Little Hoover Commission Report on Forest Health
- G.** Sierra Club California Launches Advertising Campaign

**VI. Closed Session**

- A. Closed Session Item** - Performance Evaluation of the Air Pollution Control Officer, Gretchen Bennitt (Government Code Section 54957).

**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** – April 23, 2018 – Videoconference/Telephone

**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 Bennitt, Air Pollution Control Officer

**Date:** March 26, 2018

**Agenda Item: III.A**

**Agenda Description:** Approval of regular meeting minutes – January 22, 2018

**Issues:**

The Minutes are attached for Board review/comment/approval.

**Requested Action:**

1. Approval of Regular meeting minutes from January 22, 2018

DISTRICT HEADQUARTERS

200 Litton Drive, Suite 320  
Mailing Address:  
Grass Valley, CA 95945  
(530) 274-9360 / FAX: (530) 274-7546  
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**MINUTES**

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING**

**January 22, 2018**

**1:00 p.m.**

**(Site A) VIDEOCONFERENCE/TELEPHONE CONFERENCE**

**Northern Sierra Air Quality Management District (Headquarters)**

**200 Litton Drive, Conference Room 316**

**Grass Valley, California**

**AND**

**(Site B) VIDEOCONFERENCE/TELEPHONE CONFERENCE**

**Northern Sierra Air Quality Management District (Northern Office)**

**257 E. Sierra Street, Unit E**

**AND**

**Portola, California**

**(Site C) TELEPHONE CONFERENCE**

**10879A Donner Pass Road, CONFERENCE ROOM**

**Truckee, California**

**Members Present:**

**Supervisor Roen  
Supervisor Huebner  
Supervisor Sanchez  
Supervisor Thrall  
Supervisor Scofield  
Supervisor Anderson**

**Members Absent:**

**none**

**I. Standing Orders:**

**Call to Order. Roll Call and Determination of Quorum.**

Chair Roen proceeded to chair the meeting and called the meeting to order at 1:00 P.M. A quorum was confirmed. Julie Ruiz, Air Pollution Control Specialist II; Gretchen Bennett, APCO; Joe Fish, Deputy APCO and Sam Longmire, Air Pollution Control Specialist III 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 Roen called for public comment at all sites. There was no public comment at any site.

**III. Administrative Report**

**A. Election of Chair and Vice-Chair for 2018**

In accordance with District Policy # 4040, the Board Chair and Vice Chair rotate from county to county on an annual basis. The Board Chair and Vice Chair are from the same county. It is Plumas County's turn.

Supervisor Thrall discussed that her and Supervisor Sanchez had discussed this and Supervisor Sanchez was willing to Chair. Supervisor Huebner made a motion to nominate Supervisor Sanchez for Board Chair for 2016 and Supervisor Thrall for Vice Chair for 2018. Supervisor Scofield seconded the motion. The motion was unanimously approved upon a roll call vote.

**B. Approval of Calendar for 2018**

Ms. Bennitt passed out a modification to the 2018 calendar. Supervisor Roen made a motion to approve the minutes. Supervisor Thrall seconded the motion. The motion was unanimously approved upon a roll call vote.

**C. Approval of regular meeting minutes – October 23, 2017**

Supervisor Huebner made a motion to approve the regular meeting minutes – November 23, 2015. Supervisor Roen made a motion to approve the minutes. Supervisor Thrall seconded the motion. The motion was unanimously approved upon a roll call vote.

**D. Approval of Subvention Request to CARB for FY 17/18**

The District applied for a total amount of \$103,200 Basic Subvention and \$37,343 Supplemental Subvention.

Supervisor Huebner made a motion to approve the FY 2017-2018 Subvention Request. Supervisor Anderson seconded the motion. The motion was unanimously approved upon a roll call vote.

**E. Authorization for Signing Nevada County Auditor Controller's Warrant Request Signatures for 2018**

Supervisor Scofield made a motion to approve the Nevada County Auditor Controller's Warrant Request Signature for 2018. Supervisor Huebner seconded the motion. The motion was unanimously approved with a roll call vote.

**F. Proposed Adoption of Revisions to Carl Moyer Guidelines**

Staff presented modifications to the District's Carl Moyer Guidelines to the Board. The Board discussed a few options to be added; 1. De-personalize the guidelines; 2. Document and justify the "first come, first serve"; 3. Consider a % different than the 50% which was proposed.

Supervisor Roen discussed that if the % is too low, then there was no incentive to purchase a newer, more expensive vehicle. He continued to discuss that the new lower emission diesel vehicles are much more expensive than vehicles a few years ago. If the % is too low, a buyer would more likely purchase a used higher emission vehicle at much lower cost than a new, more expensive vehicle.

The Board agreed that Supervisor Roen could continue discussions with staff to determine what the % should be in the guidance.

The Board also requested that staff distribute the current list of applicants to the Board.

#### **IV. Director's Report**

##### **A. Status on Portola PM2.5 Nonattainment Area**

Julie Ruiz updated the Board on the Portola Woodstove Changeout Program. She reported that as of January 1, 197 wood stoves had been changed out. She discussed that the goal for next year was to change out 150 stoves. She also discussed the recent modifications to the program that EPA had approved.

##### **B. The State of California Department of Justice Office of the Attorney General and the Fair Political Practices Commission Ethics Training**

Ms. Bennitt reminded the Board members to fulfill this (every other year) requirement.

##### **C. Conflict of Interest Forms for the Fair Political Practices Commission (FPPC) are DUE MARCH 15<sup>th</sup>**

Ms. Bennitt reminded the Board to fulfill this annual requirement.

##### **D. The Environmental Protection Agency's Approval of Enforceable Commitments for Portola PM2.5 State Implementation Plan**

Ms. Bennitt updated the Board on EPA's Approval of Enforceable Commitments

##### **E. Federal 8-Hour Ozone Standard Update: Western Nevada County**

Sam Longmire led a discussion and answered questions from the Board pertaining to Western Nevada County's Federal 8-hour ozone nonattainment status.

#### **V. 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.**

Chair Anderson called for any concerns of the Board at all sites. There were no concerns at any site.

#### **VI. Schedule next Meeting – February 26, 2018 via video and/or teleconference**

#### **VII. Adjournment.**

The meeting was adjourned at 2:46 p.m.



**To:** Northern Sierra Air Quality Management District Board of Directors  
**From:** Gretchen Bennitt, Air Pollution Control Officer  
**Date:** March 26, 2018

**Agenda Item: IV.A**

**Agenda Description:** Public Hearing for the Proposed Adoption of Reasonably Available Control Technology (RACT) State Implementation Plan (SIP) Revision for Western Nevada County 8-Hour Ozone Nonattainment Area

**Issues:**

The Northern Sierra Air Quality Management District proposes to adopt a "negative declaration" stating that Reasonably Available Control Technology rules and documents adopted for the 1997 ozone NAAQS are adequate for the 2008 ozone NAAQS, and that EPA's Control Techniques Guidelines for the Oil and Natural Gas Industry (for production and pre-distribution equipment) does not apply to any sources in the western Nevada County ozone non-attainment area.

**Requested Action:**

1. Open the meeting for a public hearing to accept comments on the proposed revision to the western Nevada County 8-Hour Ozone SIP.
2. Consider adoption of the proposed revision to the western Nevada County 8-Hour Ozone SIP by authorizing the Chair to sign Resolution # 2018-01.

**ROLL CALL VOTE REQUESTED**

**Attachments:**

1. Reasonably Available Control Technology (RACT) State Implementation Plan (SIP) Revision for Western Nevada County 8-Hour Ozone Nonattainment Area.
2. Resolution # 2018-01

DISTRICT HEADQUARTERS  
200 Litten Drive, Suite 320  
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**REASONABLY AVAILABLE CONTROL TECHNOLOGY (RACT)  
STATE IMPLEMENTATION PLAN (SIP) REVISION  
FOR  
WESTERN NEVADA COUNTY  
8-HOUR OZONE NONATTAINMENT AREA**

**EVALUATION OF ADEQUACY FOR 2008 OZONE  
NATIONAL AMBIENT AIR QUALITY STANDARDS  
AND  
NEGATIVE DECLARATION FOR CONTROL  
TECHNIQUES GUIDELINES ISSUED IN 2016**

Submitted In Partial Fulfillment of Requirements under the Federal Clean Air Act

**Date for Public Hearing:** November 27, 2017 (alternatively January 22, 2018 in case of November meeting cancellation)

**Date for Rule Adoption:** Same as Public Hearing (Unless comments received necessitate modification)

Prepared by Samuel F. Longmire, Air Pollution Control Specialist

## EXECUTIVE SUMMARY

This submission addresses Reasonably Available Control Technology (RACT) nonattainment requirements for the 2008 federal ozone standard. The Northern Sierra Air Quality Management District (NSAQMD) has evaluated RACT and Control Techniques Guidelines (CTGs) applicability for all of its stationary sources. In the time that has passed since the NSAQMD's previous RACT rule adoptions and negative declarations, there have been no changes in the nonattainment boundary, and no sources that could potentially exceed the CTGs' de minimis thresholds have become established or increased production in the area.

The NSAQMD has evaluated the 2016 Oil and Natural Gas Industry CTG for applicability, as discussed herein, and has determined that it does not apply to sources located in the nonattainment area. This document is termed a "Negative Declaration," and it provides supporting evidence for the NSAQMD's determination. It also includes a commitment to implement RACT in the event that a source to which a CTG applies is identified in the nonattainment area in the future. A Negative Declaration revises a nonattainment area's State Implementation Plan (SIP), and must be approved by the governing body of the agency with jurisdiction over stationary sources of air pollution in the nonattainment area, following a public notice and a public hearing, pursuant to Section 110(a) of the Clean Air Act.

## INTRODUCTION

The Northern Sierra Air Quality Management District includes the rural California counties of Plumas, Sierra and Nevada. Western Nevada County is predominantly rural, with two small cities (Grass Valley, pop. approx. 13,000; and Nevada City, pop. approx. 3,200). The nonattainment area ranges from rolling foothills in the west to mountains rising above 9,000 feet in the east.

Western Nevada County was designated in 2004 by EPA as a Nonattainment Area for the national 1997 8-hour ozone air quality standard, pursuant to the federal Clean Air Act (CAA). In 2012, the area was designated Marginal Nonattainment for the 2008 8-hour ozone standard of 0.075 ppm. Effective June, 2016, Western Nevada County was bumped up to a Moderate Nonattainment area for the 2008 standard, and anticipates having to bump up again to Serious (based on preliminary 2017 monitoring data). This submission addresses requirements for the 2008 ozone standard.

Most of western Nevada County's ozone comes from the Sacramento nonattainment area. There are no major sources in the nonattainment area. The largest stationary source of ozone precursors in western Nevada County (population approximately 78,000) is currently a gas station that emits well under 2 tons of precursors per year.

The CAA requires certain categories of sources (specified in Section 183(e)) in ozone nonattainment areas to implement rules meeting RACT requirements for inclusion in California's SIP. RACT is defined as the lowest emission limitation that a particular source is capable of meeting by the application of control technology (i.e., devices, systems, process modification, or other apparatus or techniques that reduce air pollution) that is reasonably available, considering technological and economic feasibility. The RACT requirement is meant to ensure that ozone nonattainment areas are taking reasonable steps to minimize emissions of ozone precursors, which are oxides of nitrogen (NO<sub>x</sub>) and volatile organic compounds (VOCs). In order to assist areas in identifying and implementing RACT, EPA issues CTGs for specific source categories. These are considered to be RACT, and each nonattainment area must implement measures laid out in a CTG, or the equivalent, if there are sources in the area to which that CTG applies. Failure to adopt rules fully satisfying RACT can result in federal sanctions including withholding of federal highway funds and increased emission offset requirements for establishing or expanding major emission sources.

For the 1997 ozone standard, the NSAQMD adopted several RACT rules and otherwise implemented all of the measures EPA identified as RACT via issuance of CTGs through 2008 that apply to existing sources in the nonattainment area, and has submitted Negative Declarations for all CTGs through 2008 that do not apply to sources in the area. No additional CTGs were issued from 2009 through 2015. This submission verifies that the previously submitted negative declarations are still applicable and establishes that there are no sources in the nonattainment area that are subject to the 2016 CTG titled *Control Techniques Guidelines for the Oil and Natural Gas Industry*.

### **APPLICABILITY ANALYSIS: CTG FOR THE OIL AND NATURAL GAS INDUSTRY**

All of the nonattainment area's piped natural gas is supplied by PG&E. There are no natural gas processing plants or well sites in the nonattainment area. Also, there are no oil wells or pipelines in the nonattainment area, and no place where rail tank cars are loaded or unloaded, and no ports.

The CTG states on page 3-5, "This CTG covers select sources of VOC emissions in the onshore production and processing segments of the oil and natural gas industry (i.e., pneumatic controllers, pneumatic pumps, compressors, equipment leaks, fugitive emissions) and storage vessel VOC emissions in all segments (except distribution) of the oil and natural gas industry." There are no oil or natural gas production or processing facilities in western Nevada County. There also are no pre-distribution processes involving storage tanks or vessels in the area. All oil and natural gas industry activity in the nonattainment area is part of the distribution process. This information was verified through e-mail correspondence with PG&E that included PG&E employees Rick Stewart, Ted Robinson (Senior Environmental Field Specialist), Rhonda Shiffman and Gary Ma.

### **NEGATIVE DECLARATION -- STATEMENT OF ADOPTION**

By adoption of this document, the Northern Sierra Air Quality Management District Board of Directors declares that, to the best of its knowledge and following a publicly noticed public hearing, there are no existing or anticipated sources in the Western Nevada County federal ozone Nonattainment Area to which the *Control Techniques Guidelines for the Oil and Natural Gas Industry* or any CTGs for which RACT negative declarations were previously adopted apply.

By adoption of this document, the Northern Sierra Air Quality Management District Board of Directors further declares that RACT will be adopted and implemented, consistent with legal requirements, for all new and existing sources subsequently identified in the Western Nevada County Nonattainment Area to which the subject CTG may apply in the future.

The following table lists all of the CTGs for which the District has previously adopted RACT rules or Negative Declarations, along with relevant notes. For most categories, the de minimis level of emissions is 15 pounds per day of ozone precursors.

**Summary Table of NSAQMD's Previous RACT Actions and Negative Declarations** (approvals published in the Federal Register at 74 FR 56120, 77 FR 23130, 77 FR 47536, 78 FR 897 and 80 FR 19544)

<b>CTG Titles and References</b>	<b>Determinations and Actions</b>
1. Design Criteria for Stage I Vapor Control Systems - Gasoline Service Stations, November 1975. [EPA never assigned a document number to this CTG.]	These criteria are incorporated into State regulations for Stage I vapor recovery. The District revised Rule 214 to specify associated RACT requirements.
2. Control of Volatile Organic Emissions from Existing Stationary Sources, Volume I: Control Methods for Surface Coating Operations, EPA-450/2-76-028, November 1976. [This document is a compilation of control techniques.]	This does not define RACT for a specific source category, so it was not implemented as RACT. Individual District operating permits specify control techniques for sources in this category.
3. Control of Volatile Organic Emissions from Existing Stationary Sources, Volume II: Surface Coating of Cans, Coils, Paper, Fabrics, Automobiles, and Light-Duty Trucks, EPA-450/2-77-008, May 1977.	There are no existing or anticipated sources in these categories in the non-attainment area.
4. Control of Volatile Organic Emissions from Solvent Metal Cleaning, EPA-450/2-77-022, November 1977.	The only source type in the non-attainment area that is covered by this CTG is cold cleaners. These are exempt from RACT in the non-attainment area because it is rural (pop. <200,000), pursuant to the EPA memo, "Clarification of Degreasing Regulation Requirements" (September 7, 1978). Thus, RACT was not implemented. Nonetheless, the District went beyond RACT by implementing Rule 229 to address emissions from these types of sources.
5. Control of Refinery Vacuum Producing Systems, Wastewater Separators, and Process Unit Turnarounds, EPA-450/2-77-025, October 1977.	There are no existing or anticipated sources in this category in the non-attainment area.
6. Control of Hydrocarbons from Tank Truck Gasoline Loading Terminals, EPA-450/2-77-026, December 1977.	There are no existing or anticipated sources in this category in the non-attainment area.
7. Control of Volatile Organic Emissions from Existing Stationary Sources, Volume III: Surface Coating of Metal Furniture, EPA-450/2-77-032, December 1977.	There are no existing or anticipated sources in this category that exceed de minimis levels in the non-attainment area.

8. Control of Volatile Organic Emissions from Existing Stationary Sources, Volume IV: Surface Coating for Insulation of Magnet Wire, EPA-450/2-77-033, December 1977.	There are no existing or anticipated sources in this category in the non-attainment area.
9. Control of Volatile Organic Emissions from Existing Stationary Sources, Volume V: Surface Coating of Large Appliances, EPA-450/2-77-034, December 1977.	There are no existing or anticipated sources in this category in the non-attainment area.
10. Control of Volatile Organic Emissions from Bulk Gasoline Plants, EPA-450/2-77-035, December 1977.	Per California Air Resources Board analysis, the District's current rules 219 and 220 meet RACT for this source category.
11. Control of Volatile Organic Emissions from Storage of Petroleum Liquids in Fixed Roof Tanks, EPA-450/2-77-036, December 1977.	The District revised Rule 213 to implement RACT for this source category.
12. Control of Volatile Organic Compounds from Use of Cutback Asphalt, EPA-450/2-77-037, December 1977.	The District adopted Rule 227 to implement RACT for this source category.
13. Control Techniques for Volatile Organic Emissions from Stationary Sources, EPA-450/2-78-022, May 1978.	This does not define RACT for a specific source category, so it was not implemented as RACT. Individual District operating permits specify control techniques for sources in this category.
14. Control of Volatile Organic Emissions from Existing Stationary Sources, Volume VI: Surface Coating of Miscellaneous Metal Parts and Products, EPA-450/2-78-015, June 1978.	The District adopted Rule 228 to implement RACT for this source category.
15. Control of Volatile Organic Emissions from Existing Stationary Sources, Volume VII: Factory Surface Coating of Flat Wood Paneling, EPA-450/2-78-032, June 1978.	There are no existing or anticipated sources in this category in the non-attainment area.
16. Control of Volatile Organic Compound Leaks from Petroleum Refinery Equipment, EPA-450/2-78-036, June 1978.	There are no existing or anticipated sources in this category in the non-attainment area.
17. Control of Volatile Organic Emissions from Manufacture of Synthesized Pharmaceutical Products, 450/2-78-029, December 1978.	There are no existing or anticipated sources in this category in the non-attainment area.
18. Control of Volatile Organic Emissions from Manufacture of Pneumatic Rubber Tires, EPA-450/2-78-030, December 1978.	There are no existing or anticipated sources in this category in the non-attainment area.
19. Control of Volatile Organic Emissions from Existing Stationary Sources, Volume VIII: Graphic Arts - Rotogravure and Flexography, EPA-450/2-78-033, December 1978.	There are no existing or anticipated sources in these categories that exceed de minimis levels in the non-attainment area.

20. Control of Volatile Organic Emissions from Petroleum Liquid Storage in External Floating Roof Tanks, EPA-450/2-78-047, December 1978.	There are no existing or anticipated sources in this category in the non-attainment area.
21. Control of Volatile Organic Emissions from Perchloroethylene Dry Cleaning Systems, EPA-450/2-78-050, December 1978.	No longer a required RACT analysis category, since PERC has been exempted as a VOC.
22. Control of Volatile Organic Compound Leaks from Gasoline Tank Trucks and Vapor Collection Systems, EPA-450/2-78-051, December 1978.	The District revised Rule 214 to implement RACT for this source category. Existing Rule 218 also applies to tank trucks.
23. Fugitive Emission Sources of Organic Compounds – Additional Information on Emissions, Emission Reductions, and Costs, EPA-450/3-82-010, April 1982.	This does not define RACT for a specific source category, so it was not implemented as RACT.
24. Control of Volatile Organic Compound Emissions from Large Petroleum Dry Cleaners, EPA-450/3-82-009, September 1982.	There are no existing or anticipated sources in this category that exceed de minimis levels in the non-attainment area.
25. Control of Volatile Organic Compound Emissions from Manufacture of High-Density Polyethylene, Polypropylene, and Polystyrene Resins, EPA-450/3-83-008, November 1983.	There are no existing or anticipated sources in these categories in the non-attainment area.
26. Control of Volatile Organic Compound Equipment Leaks from Natural Gas/Gasoline Processing Plants, EPA-450/2-83-007, December 1983.	There are no existing or anticipated sources in these categories in the non-attainment area.
27. Control of Volatile Organic Compound Fugitive Emissions from Synthetic Organic Chemical Polymer and Resin Manufacturing Equipment, EPA-450/3-83-006, March 1984.	There are no existing or anticipated sources in these categories in the non-attainment area.
28. Control of Volatile Organic Compound Emissions from Air Oxidation Processes in Synthetic Organic Chemical Manufacturing Industry, EPA-450/3-84-015, December 1984.	There are no existing or anticipated sources in this category in the non-attainment area.
29. Control of Volatile Organic Compound Emissions from Reactor Processes and Distillation Operations in Synthetic Organic Chemical Manufacturing Industry, EPA 450/4-91-031, August 1993.	There are no existing or anticipated sources in this category in the non-attainment area.
30. Control of Volatile Organic Compound Emissions from Wood Furniture Manufacturing Operations, EPA-453/R-96-007, April 1996.	There are no existing or anticipated sources in this category that exceed de minimis levels in the non-attainment area.
31. Control Techniques Guidelines for Shipbuilding and Ship Repair Operations (Surface Coating), EPA 453/R-94-032, August 1996.	There are no existing or anticipated sources in this category in the non-attainment area.
32. Aerospace (CTG & MACT), EPA-453/R-97-004, December 1997.	There are no existing or anticipated sources in this category in the non-attainment area.

33. Control Techniques Guidelines for Industrial Cleaning Solvents, EPA-453/R-06-001, September 2006.	There are no existing or anticipated sources in this category that exceed de minimis levels in the non-attainment area.
34. Control Techniques Guidelines for Offset Lithographic Printing and Letterpress Printing, EPA-453/R-06-002, September 2006.	There are no existing or anticipated sources in this category that exceed de minimis levels in the non-attainment area.
35. Control Techniques Guidelines for Flexible Package Printing, EPA-453/R-06-003, September 2006.	There are no existing or anticipated sources in this category that exceed de minimis levels in the non-attainment area.
36. Control Techniques Guidelines for Flat Wood Paneling Coatings, EPA-453/R-06-004, September 2006.	There are no existing or anticipated sources in this category in the non-attainment area.
37. Control Techniques Guidelines for Paper, Film, and Foil Coatings, EPA 453/R-07-003, September 2007.	There are no existing or anticipated sources in this category in the non-attainment area.
38. Control Techniques Guidelines for Large Appliance Coatings, EPA 453/R-07-004, September 2007.	There are no existing or anticipated sources in this category in the non-attainment area.
39. Control Techniques Guidelines for Metal Furniture Coatings, EPA 453/R-07-005, September 2007.	There are no existing or anticipated sources in this category that exceed de minimis levels in the non-attainment area.
40. Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings, EPA 453/R-08-003, September 2008.	The District adopted Rule 228 to implement RACT for this source category.
41. Control Techniques Guidelines for Fiberglass Boat Manufacturing Materials, EPA 453/R-08-004, September 2008.	There are no existing or anticipated sources in this category that exceed de minimis levels in the non-attainment area.
42. Control Techniques Guidelines for Miscellaneous Industrial Adhesives, EPA 453/R-08-005, September 2008.	There are no existing or anticipated sources in this category that exceed de minimis levels in the non-attainment area.
43. Control Techniques Guidelines for Automobile and Light-Duty Truck Assembly Coatings, EPA 453/R-08-006 (and Protocol for Determining the Daily Volatile Organic Compound Emission Rate of Automobile and Light-Duty Truck Primer-Surfacer and Topcoat Operations, EPA 453/R-08-002), September 2008.	There are no existing or anticipated sources in this category that exceed de minimis levels in the non-attainment area.

[End of document]



**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT  
RESOLUTION #2018-01**

**In the Matter of** proposed adoption of an evaluation of adequacy of Reasonably Available Control Technology (RACT) for the 2008 ozone standard and Negative Declarations for Control Techniques Guidelines (CTGs) covering bulk gasoline plants, the oil and natural gas industry, storage of petroleum products in fixed-roof tanks and other CTGs for the Western Nevada County Federal Ozone Nonattainment Area in partial fulfillment of requirements under the federal Clean Air Act as amended in 1990:

**Whereas**, the federal Clean Air Act requires major sources of ozone precursor pollutants, and certain categories of non-major sources, in ozone nonattainment areas to implement control methods considered to meet RACT; and

**Whereas**, the Northern Sierra Air Quality Management District (NSAQMD) has determined that there are no existing or anticipated major stationary sources (sources that emit or have the potential to emit 50 tons or more per year) of NO<sub>x</sub> or VOCs in the Western Nevada County Ozone Nonattainment Area; and

**Whereas**, the NSAQMD declares, to the best of its knowledge and following a publicly noticed public hearing, that there are no existing or anticipated sources in the Western Nevada County federal ozone Nonattainment Area to which the *Control Techniques Guidelines for the Oil and Natural Gas Industry* (EPA-453/B-16-001 2016/10); *Control of Volatile Organic Emissions from Bulk Gasoline Plants* (EPA-450/2-77-035 1977/12) or *Control of Volatile Organic Emissions from Storage of Petroleum Liquids in Fixed-Roof Tanks* (EPA-450/2-77-036 1977/12) apply; and

**Whereas**, the NSAQMD declares, to the best of its knowledge and following a publicly noticed public hearing, that RACT requirements relative to the 2008 Ozone NAAQS are satisfied by existing Rules 214 (for *Design Criteria for Stage I Vapor Control Systems - Gasoline Service Stations*, November 1975 and *Control of Volatile Organic Compound Leaks from Gasoline Tank Trucks and Vapor Collection Systems*, EPA-450/2-78-051, December 1978), 215 (for *Technical Guidance – Stage II Vapor Recovery Systems for Control of Vehicle Refueling Emissions at Gasoline Dispensing Facilities*, EPA-450/3-91-022a&b, November 1991), 227 (for *Control of Volatile Organic Compounds from Use of Cutback Asphalt*, EPA-450/2-77-037, December 1977) and 228 (for *Control of Volatile Organic Emissions from Existing Stationary Sources, Volume VI: Surface Coating of Miscellaneous Metal Parts and Products*, EPA-450/2-78-015, June 1978 and *Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings*, EPA 453/R-08-003, September 2008); and

**Whereas**, the NSAQMD declares, to the best of its knowledge and following a publicly noticed public hearing, that there are no sources in the Western Nevada County Ozone Nonattainment Area subject to the CTGs listed as negative declarations in the accompanying RACT SIP Revision. The District further declares that all negative declarations listed are current, adequate and applicable for the 2008 Ozone NAAQS.

**Whereas**, the NSAQMD declares that RACT shall be implemented, consistent with legal requirements, for any new or discovered major sources of ozone precursors and any sources which are determined to be subject to any of the CTGs for which negative declarations are now being or have been adopted in the Western Nevada County Ozone Nonattainment Area.

**Whereas**, Section 15308 of the CEQA Guidelines provide that actions taken by regulatory agencies as

authorized by state law to assure the maintenance, restoration, or enhancement of the environment where the regulatory process involves procedures for protection of the environment, are categorically exempt from CEQA review (Class 8 Categorical Exemption), and

**Whereas**, the accompanying RACT SIP Revision has undergone a 30-day public review period, and a public hearing has been held providing for and considering all written and oral comments and testimony submitted during the public review period and at said hearing,

**Now, therefore, be it resolved and ordered** by the Northern Sierra Air Quality Management District Board of Directors that the *Reasonably Available Control Technology (RACT) State Implementation Plan (SIP) Revision for the Western Nevada County 8-Hour Ozone Nonattainment Area: Evaluation of Adequacy for 2008 Ozone National Ambient Air Quality Standards and Negative Declarations for Control Techniques Guidelines for Bulk Gasoline Plants; the Oil and Natural Gas Industry; Storage of Petroleum Products in fixed-Roof Tanks; and other CTGs* is hereby adopted.

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 March 26, 2018 by the following roll call vote:

Ayes:

Noes:

Absent:

Abstaining:

Approve: \_\_\_\_\_  
Chair, NSAQMD Board of Directors

Attest: \_\_\_\_\_  
Gretchen Bennitt, Air Pollution Control Officer and Clerk of the Board

**To:** Northern Sierra Air Quality Management District Board of Directors  
**From:** Gretchen Bennitt, Air Pollution Control Officer  
**Date:** March 26, 2018

**Agenda Item: IV.B**

**Agenda Description:** End of Year Budget Reports for FY 2016/2017

**Issues:**

**OPERATING BUDGET**

**Overall**

In prior years, unaudited actuals were represented on a cash basis. GASB 68 requires modified accruals. For instance, income earned and expenses incurred is required by GASB 68, rather than cash paid or received (as reported in prior years). For FY 16/17, the unaudited actuals were prepared on a modified accrual, thus some accounts reflect more or less revenues or expenditures. The year-end report for FY 16/17 reflects a one-time "catch-up" for past years' financials.

**Revenue**

*Overall Operational Revenue were \$49,090 more than predicted.*

***Revenue Earned exceeding Revenue Budgeted:***

Account # 401-100-07 (Prescribed Burning Fees) were \$9,310 more than budgeted. This account line item needs to be increased to accurately reflect 12 months of fees. For FY 18/19, the amount budgeted will be \$22,000.

Account # 420-100-99 (AB2766 DMV Fees) were \$68,649 more than budgeted. The prior year (15/16) revenue in the amount \$59,000 (for April, May, and June) is reflected through a modified accrual in the 16/17 financial – representing 15 months, rather than 12. This is a one time "catch-up" in accruals for this account. Subsequent year end amounts for this account will reflect 12 months, or approximately \$320,000.

Account # 420-100-11 (EPA Target, Admin) were \$25,552 more than budgeted. The prior year 15/16 revenue in the amount of \$21,000 (April, May and June) is reflected through a modified accrual in the 16/17 financial. This is a one time "catch-up" in accruals for this account. Subsequent year end amounts for this account will be reflect 12 months, or \$51,000.

Account # 421-100-16 (Sale of Asset) were \$3,000 more than budgeted. This is because the District sold one of its trucks for \$3,000.

Account# 421-100-50 (Interest Earned) was \$20,362 more than budgeted. The prior year (15/16) revenue in the amount of \$5,000 is reflected through a modified accrual in

the 16/17 financial. Operating fund interest earned during FY 16/17 was \$6,500. Restricted fund interest during FY 16/17 was \$10,000 and was transferred to operating. These amounts were underestimated due to unanticipated interest rate increases. Subsequent year amount will be budgeted at \$13,000.

***Revenue Earned less than Expected:***

Account # 401-100-02 (Permit to Operate) fees were \$10,285 less than expected. This is due to approximately \$11,000 in fees attributed to FY 15/16.

Account # 401-100-00 (Title V) fees were \$10,131 less than expected. Although fees were received from all three Title V sources (SPI- Quincy, SPI-Loyalton and Collins Pine), SPI-Quincy had a lower production year and proportionate lower fees.

Account # 420-100-05 (Carl Moyer Admin) was \$20,000 less than budgeted. The FY 16/17 payment was received May 2016 (FY 15/16) and revenue was recorded in the same year. Subsequent year amounts will be budgeted at \$25,000.

**Expenditures Earned less/more than Expected:**

Account # 501-100-00 (Permanent Salaries) was \$10,394 less than expected due to the disability of one employee in April 2017. However, account # 504-100-01 (part-time office temp) showed an increase of \$5,132.

Account # 522-100-01 (Rent) was \$2,000 less than budgeted because one month of rent for the Grass Valley office was expended in 17/18.

Account # 528-100-00 (Liability Insurance) was approximately twice what was budgeted. This was because the payment for 15/16 was paid in 16/17.

**RESTRICTED BUDGET**

The Air District administers quite a few grant programs. During FY 16/17, a total of \$837,411 was disbursed through the following grant programs;

1. AB2766 DMV Surcharge (\$121,623 disbursed)
2. Carl Moyer Heavy Duty Diesel (\$247,345 disbursed)
3. H&S Mitigation (Portola wood stove changeout) (\$105,300 disbursed)
4. EPA Target Grant (Portola wood stove changeout) (268,142 disbursed).

**Requested Action:**

1. **Adopt end of year reports with a roll call vote**

**Attachments:**

1. Final Operating Budget FY 16/17 – Qtr 4, 6/30/17
2. Northern Sierra AQMD Restricted Fund Report, External Grants, FY 16-17, Final Numbers, June, FY 16-17

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT**  
**Final Operating Budget**  
**FY16/17 - Qtr 4, 6/30/17**

Resource Report	
Operating (6774) End Balance, Qtr 4	573,531
Operating (Payoff) End Balance, Qtr 4	84,772
Operating (Gov Pay) End Balance, Qtr 4	19,947
<b>All Operating Accounts Total</b>	<b>678,250</b>

Revenue			
Account #	Description	Budgeted FY 16/17	Actual to Date
401-100-02	Fees, Permit to Oper	34,000	23,715
401-100-04	Fees, Vapor Recovery	19,000	20,023
401-100-05	Fees, Variance Application	500	-
401-100-06	Fees, Source Test	2,000	1,836
401-100-07	Fees, Prescribed Burning	13,000	22,310
401-100-08	Fees, Woodstove Inspections	1,500	1,795
401-100-10	Fees, Title V	65,000	54,869
401-100-13	Fees, Fire Dept Response	1,500	-
405-100-01	Penalties, Permitted Source	35,000	5,000
405-100-02	Penalties, Open Burning	2,500	200
420-100-01	Gov't Funding, State Subvention	137,600	137,600
420-100-02	Gov't Funding, Subvention Supplemental	3,500	3,431
420-100-03	Gov't Funding, County Contrib	58,565	58,565
420-100-04	Gov't Funding, EPA PM2.5	52,000	52,000
420-100-06	Gov Funding EPA Special 103 Grant	7,000	7,000
420-100-07	Gov't Funding, PERP Pass thru	20,000	17,760
420-100-88	Gov't Funding, AB 923 Operating	2,500	3,224
420-100-99	Govt. Funding, AB 2766 DMV Fees	320,000	388,649
420-100-05	Carl Moyer, Admin Fee	25,000	5,000
420-100-09	TIMBER, Admin Fee	-	-
421-100-11	EPA Target	51,000	76,552
420-100-12	H&S Mitigation Admin Fee	-	-
421-100-16	Other Income, Sale of Asset	-	3,000
421-100-17	Other Income, Rules, Copies, Subscr.	100	-
421-100-18	Other Income, Refunds	-	1,001
421-100-21	PERS Employee Paid Contribution	1,500	-
421-100-50	Other Income, Interest	1,500	21,826
421-100-51	Other Income, Interest, Restricted	2,000	-
<b>Revenue Total: \$</b>		<b>856,265</b>	<b>905,355</b>

Expenditures		Salaries and Benefits (Object Level)	
Account #	Description	Budgeted FY 16/17	Actual to Date
501-100-00	Permanent Salaries	380,194	369,800
502-100-00	Overtime	1,000	-
504-100-01	Part-Time Office Temp	7,500	12,632
510-100-02	Medicare/FICA	5,500	5,198
510-100-03	EDD Unemp/Training Tax (510-100-11 CA State Unemployment)	2,000	560
510-100-04	Workers' Comp Insurance	6,000	7,176
510-100-05	PERS Retirement	61,342	62,083
510-100-12	PERS Unfunded Accrued Liability	48,202	53,774
510-100-10	PERS Employee Paid Contribution	(3,300)	(4,469)
510-100-08	PERS Health Employee Portion	(10,000)	(11,287)
510-100-06	PERS Health Insurance Active Employees	39,000	41,983
510-100-13	PERS Health Insurance Retired Employees	21,000	23,673
510-100-07	Dental/Vision Care	6,250	5,881
<b>Salaries and Benefits Total: \$</b>		<b>564,688</b>	<b>567,004</b>

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NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT  
Final Operating Budget  
FY16/17 - Qtr 4, 6/30/17

Expenditures		Services and Supplies (Object Level)	
Account #	Description	Budgeted FY 16/17	Actual to Date
520-100-01	Communications	18,000	19,600
520-100-03	Information Technology	-	1,661
520-100-04	PEA Monitoring Expenses, including rent and utilities, see also 420-100-04	15,000	11,509
521-100-03	Maintenance: Office Equipment	500	-
521-100-02	Maintenance: Vehicles	3,000	7,434
522-100-01	Rent, Structures	32,040	30,270
522-100-02	Utilities: District Offices	3,500	3,332
523-100-01	Office Supplies	5,000	7,323
523-100-02	References, Subscriptions	450	822
523-100-03	Postage, Shipping	1,200	923
524-100-00	Memberships	3,000	4,908
525-100-01	Prof Services: Legal	6,000	3,461
525-100-03	Prof Services: Bookkeeping (ADP, internal audit)	18,000	16,933
525-100-04	Prof Services: County Auditor/CASB 45/CASB 6B	4,000	2,108
525-100-05	Prof Services: Board	5,000	6,669
526-100-00	Liability Insurance	8,000	16,355
529-100-00	Legal Notices, Public	500	679
535-100-01	Training, Tuition	1,500	1,065
535-100-02	Travel	3,000	6,319
535-100-03	Gasoline	5,000	3,353
535-100-04	Private car mileage	500	514
555-100-97	Misc, Refunds	-	(2)
<b>Services and Supplies Total:</b>		<b>\$ 133,190</b>	<b>145,242</b>

Expenditures		Pass-thru Funds / Internal Programs / Contributions to Other Agencies (Object Level)	
Account #	Description	Budgeted FY 16/17	Actual to Date
540-100-02	Alternate Commute Program	750	14
540-100-05	Public Education Program	2,000	-
545-100-01	ARB: AB 2588 Fees	770	140
545-100-06	Fire Dept Response Reimbursement	1,500	-
<b>Contribution to Other Agencies / Internal Grants Total:</b>		<b>\$ 5,020</b>	<b>154</b>

Expenditures		Fixed Asset Purchases (Object Level)	
Account #	Description	Budgeted FY 16/17	Actual to Date
560-100-01	Office Equipment (2 computers @\$3,000)	6,000	-
560-100-05	EPA Special 103 Grant - website upgrade, video cam, BAM tape, conference	7,000	7,037
560-100-04	Vehicle	30,000	32,466
560-100-02	Field Equipment (fixed assets - over \$1,000)	1,000	-
<b>Fixed Asset Purchases Total:</b>		<b>\$ 44,000</b>	<b>39,503</b>

Budget Summary		Revenue & Expenditures	
		Budgeted FY 16/17	Actual to Date
<b>Revenue</b>			
<b>Revenue Total:</b>		<b>\$ 856,265</b>	<b>905,355</b>
<b>Expenditures</b>			
Salaries and Benefits (Object Level)		564,688	567,004
Services and Supplies (Object Level)		133,190	145,242
Pass-thru Funds / Internal Programs / Contributions to Other Agencies (Object Level)		5,020	154
Fixed Asset Purchases (Object Level)		44,000	39,503
<b>Expenditure Total:</b>		<b>\$ 746,898</b>	<b>751,903</b>

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Northern Sierra AQMD Restricted Fund Report

\$\$ Already Disbursed by Grantee

\$\$ Already Disbursed by Fund Source

Participant's Name and Agreement Number	Amount Disbursed	Date of Disbursement	Account	AB2766	Carl Meyer	WCO	AB 923	TIMBER	H&S Mitigation
Quincy Hot Spot	\$ 3,500.00	Jul 07, 2016	2016-002	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	Jul 08, 2016	2016-020	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,885.30	July 18, 2016	2016-001	\$ 2,985.30					\$ 900.00
Wolf Creek Woodstoves	\$ 3,494.08	July 18, 2016	2016-023	\$ 2,594.08					\$ 900.00
Wolf Creek Woodstoves	\$ 3,891.41	July 18, 2016	2016-029	\$ 2,991.41					\$ 900.00
Quincy Hot Spot	\$ 3,465.94	August 1, 2016	2016-040	\$ 2,565.94					\$ 900.00
Wolf Creek Woodstoves	\$ 3,484.21	August 8, 2016	2016-035	\$ 2,584.21					\$ 900.00
Wolf Creek Woodstoves	\$ 3,488.07	August 8, 2016	2016-045	\$ 2,588.07					\$ 900.00
Wolf Creek Woodstoves	\$ 3,499.30	August 8, 2016	2016-058	\$ 2,599.30					\$ 900.00
Wolf Creek Woodstoves	\$ 3,480.04	August 10, 2016	2016-018	\$ 2,580.04					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	August 10, 2016	2016-036	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 1,500.00	August 10, 2016	2016-044	\$ 600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,488.19	August 10, 2016	2016-047	\$ 2,588.19					\$ 900.00
Wolf Creek Woodstoves	\$ 3,457.44	August 18, 2016	2016-046	\$ 2,557.44					\$ 900.00
Wolf Creek Woodstoves	\$ 3,513.60	August 25, 2016	2016-016	\$ 2,613.60					\$ 900.00
Wolf Creek Woodstoves	\$ 3,496.76	August 25, 2016	2016-032	\$ 2,596.76					\$ 900.00
Quincy Hot Spot	\$ 1,500.00	August 25, 2016	2016-038	\$ 600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,256.05	August 25, 2016	2016-062	\$ 2,366.05					\$ 900.00
Wolf Creek Woodstoves	\$ 1,500.00	August 25, 2016	2016-064	\$ 600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,497.68	August 25, 2016	2016-074	\$ 2,597.68					\$ 900.00
Quincy Hot Spot	\$ 1,500.00	August 31, 2016	2016-008	\$ 600.00					\$ 900.00
Quincy Hot Spot	\$ 3,499.84	September 1, 2016	2016-041	\$ 2,599.84					\$ 900.00
Quincy Hot Spot	\$ 3,500.00	September 1, 2016	2016-051	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,478.83	September 1, 2016	2016-061	\$ 2,578.83					\$ 900.00
Wolf Creek Woodstoves	\$ 3,498.42	September 1, 2016	2016-071	\$ 2,598.42					\$ 900.00
Quincy Hot Spot	\$ 1,500.00	September 8, 2016	2016-007	\$ 600.00					\$ 900.00
Quincy Hot Spot	\$ 3,012.65	September 8, 2016	2016-017	\$ 2,112.65					\$ 900.00
Quincy Hot Spot	\$ 3,275.84	September 12, 2016	2016-033	\$ 2,375.84					\$ 900.00
Wolf Creek Woodstoves	\$ 3,499.72	September 12, 2016	2016-049	\$ 2,599.72					\$ 900.00

Northern Sierra AQMD Restricted Fund Report

\$\$ Already Disbursed by Grantee

\$\$ Already Disbursed by Fund Source

Participant's Name and Agreement Number	Amount Disbursed	Date of Disbursement	Account	AB2766	Carl Meyer	WCO	AB 923	TIMBER	HAS Mitigation
Wolf Creek Woodstoves	\$ 3,373.12	September 12, 2016	2016-039	\$ 2,473.12					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	September 12, 2016	2016-067	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 1,500.00	September 12, 2016	2016-079	\$ 600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,451.45	September 14, 2016	2016-056	\$ 2,511.45					\$ 900.00
Quincy Hot Spot	\$ 3,500.00	September 19, 2016	2016-003	\$ 2,600.00					\$ 900.00
Quincy Hot Spot	\$ 3,840.41	September 19, 2016	2016-039	\$ 2,940.41					\$ 900.00
Wolf Creek Woodstoves	\$ 3,159.71	September 19, 2016	2016-076	\$ 2,259.71					\$ 900.00
Wolf Creek Woodstoves	\$ 1,500.00	September 21, 2016	2016-075	\$ 600.00					\$ 900.00
Quincy Hot Spot	\$ 3,501.29	September 21, 2016	2016-072	\$ 2,601.29					\$ 900.00
Wolf Creek Woodstoves	\$ 3,467.88	September 21, 2016	2016-084	\$ 2,567.88					\$ 900.00
Wolf Creek Woodstoves	\$ 3,491.00	September 26, 2016	2016-082	\$ 2,591.00					\$ 900.00
Quincy Hot Spot	\$ 3,000.00	October 3, 2016	2016-053	\$ 2,100.00					\$ 900.00
Wolf Creek Woodstoves	\$ 1,500.00	October 3, 2016	2016-065	\$ 600.00					\$ 900.00
Quincy Hot Spot	\$ 3,334.20	October 3, 2016	2016-069	\$ 2,434.20					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	October 6, 2016	2016-022	\$ 2,600.00					\$ 900.00
Quincy Hot Spot	\$ 196.00	October 6, 2016	2016-052	\$ 196.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	October 6, 2016	2016-095	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,509.32	October 6, 2016	2016-102	\$ 2,609.32					\$ 900.00
Wolf Creek Woodstoves	\$ 4,500.00	October 27, 2016	2016-031	\$ 3,600.00					\$ 900.00
Quincy Hot Spot	\$ 3,499.38	October 27, 2016	2016-055	\$ 2,599.38					\$ 900.00
Quincy Hot Spot	\$ 3,500.00	October 27, 2016	2016-089	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,498.03	October 27, 2016	2016-101	\$ 2,598.03					\$ 900.00
Wolf Creek Woodstoves	\$ 2,795.21	October 28, 2016	2016-030	\$ 1,895.21					\$ 900.00
Wolf Creek Woodstoves	\$ 1,500.00	October 28, 2016	2016-037	\$ 600.00					\$ 900.00
Quincy Hot Spot	\$ 3,498.98	October 28, 2016	2016-043	\$ 2,598.98					\$ 900.00
Wolf Creek Woodstoves	\$ 3,471.32	October 28, 2016	2016-054	\$ 2,571.32					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	October 28, 2016	2016-078	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,839.30	October 28, 2016	2016-091	\$ 2,939.30					\$ 900.00
Wolf Creek Woodstoves	\$ 3,499.76	October 28, 2016	2016-103	\$ 2,599.76					\$ 900.00
Wolf Creek Woodstoves	\$ 3,938.49	November 7, 2016	2016-068	\$ 3,038.49					\$ 900.00
Quincy Hot Spot	\$ 3,495.37	November 7, 2016	2016-085	\$ 2,595.37					\$ 900.00
Wolf Creek Woodstoves	\$ 3,678.37	November 7, 2016	2016-096	\$ 2,778.37					\$ 900.00
Wolf Creek Woodstoves	\$ 3,474.18	November 7, 2016	2016-106	\$ 2,574.18					\$ 900.00



Northern Sierra AQMD Restricted Fund Report

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\$\$ Already Disbursed by Grantee				\$\$ Already Disbursed by Fund Source					
Participant's Name and Agreement Number	Amount Disbursed	Date of Disbursement	Account	AB2766	Carl Meyer	WCO	AB 923	TIMBER	HAS Mitigation
Wolf Creek Woodstoves	\$ 1,500.00	November 23, 2016	2016-075	\$ 600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,493.78	November 23, 2016	2016-087	\$ 2,593.78					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	November 23, 2016	2016-090	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 4,458.00	November 23, 2016	2016-094	\$ 3,558.00					\$ 900.00
Quincy Hot Spot	\$ 1,500.00	November 23, 2016	2016-111	\$ 600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,498.03	November 23, 2016	2016-118	\$ 600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,498.03	November 23, 2016	2016-121	\$ 2,598.03					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	December 1, 2016	2016-113	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,498.03	December 1, 2016	2016-115	\$ 2,598.03					\$ 900.00
Wolf Creek Woodstoves	\$ 3,428.59	December 1, 2016	2016-122	\$ 2,528.59					\$ 900.00
Wolf Creek Woodstoves	\$ 2,811.43	December 5, 2016	2016-075	\$ 2,811.43					\$ 900.00
Wolf Creek Woodstoves	\$ 3,000.00	December 5, 2016	2016-092	\$ 2,100.00					\$ 900.00
Quincy Hot Spot	\$ 3,000.00	December 5, 2016	2016-100	\$ 2,100.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	December 5, 2016	2016-112	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,750.83	December 19, 2016	2016-093	\$ 2,850.83					\$ 900.00
Quincy Hot Spot	\$ 3,500.00	December 19, 2016	2016-132	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,004.43	December 19, 2016	2016-134	\$ 2,104.43					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	December 22, 2016	2016-048	\$ 2,600.00					\$ 900.00
Quincy Hot Spot	\$ 3,405.35	December 27, 2016	2016-109	\$ 2,505.35					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	December 29, 2016	2016-066	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,499.75	December 29, 2016	2016-136	\$ 2,599.75					\$ 900.00
Wolf Creek Woodstoves	\$ 1,500.00	January 5, 2017	2016-105	\$ 600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	January 5, 2017	2016-128	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,499.19	January 5, 2017	2016-137	\$ 2,599.19					\$ 900.00
Wolf Creek Woodstoves	\$ 3,498.03	January 6, 2017	2016-130	\$ 2,598.03					\$ 900.00
Wolf Creek Woodstoves	\$ 3,000.00	January 6, 2017	2016-124	\$ 2,100.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,366.15	February 16, 2017	2016-088	\$ 2,466.15					\$ 900.00
Quincy Hot Spot	\$ 3,500.00	February 16, 2017	2016-070	\$ 2,600.00					\$ 900.00
Quincy Hot Spot	\$ 1,500.00	February 21, 2017	2016-133	\$ 600.00					\$ 900.00
Quincy Hot Spot	\$ 2,743.22	February 23, 2017	2016-135	\$ 1,843.22					\$ 900.00
Quincy Hot Spot	\$ 3,174.42	March 30, 2017	2016-107	\$ 2,274.42					\$ 900.00
Quincy Hot Spot	\$ 1,500.00	April 5, 2017	2016-149	\$ 600.00					\$ 900.00

DISBURSEMENT OF RESTRICTED FUNDS, FY 16-17

External Grants, FY 16-17, Final Numbers, June, FY 16-17

Northern Sierra AQMD Restricted Fund Report

\$\$ Already Disbursed by Grantee

\$\$ Already Disbursed by Fund Source

Participant Name and Agreement Number	Amount Disbursed	Date of Disbursement	Account	AB2765	Card Meyer	WCO	AB 923	TNABER	H&S Mitigation
Quincy Hot Spot	\$ 3,500.00	April 5, 2017	2016-139	\$ 2,600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,496.34	April 5, 2017	2017-003	\$ 2,596.34					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	April 5, 2017	2016-130	\$ 2,600.00					\$ 900.00
Quincy Hot Spot	\$ 4,500.00	April 7, 2017	2016-117	\$ 3,600.00					\$ 900.00
Quincy Hot Spot	\$ 4,500.00	April 21, 2017	2016-141	\$ 3,600.00					\$ 900.00
Quincy Hot Spot	\$ 4,508.18	April 21, 2017	2016-057	\$ 3,608.18					\$ 900.00
Quincy Hot Spot	\$ 1,500.00	April 21, 2017	2016-026	\$ 600.00					\$ 900.00
Quincy Hot Spot	\$ 1,500.00	April 21, 2017	2016-138	\$ 600.00					\$ 900.00
Quincy Hot Spot	\$ 3,185.70	April 21, 2017	2016-147	\$ 2,285.70					\$ 900.00
Quincy Hot Spot	\$ 3,432.51	April 21, 2017	2016-145	\$ 2,532.51					\$ 900.00
Quincy Hot Spot	\$ 3,601.91	April 21, 2017	2016-083	\$ 2,701.91					\$ 900.00
Quincy Hot Spot	\$ 4,011.99	April 21, 2017	2017-159	\$ 3,111.99					\$ 900.00
Wolf Creek Woodstoves	\$ 1,500.00	May 19, 2017	2016-148	\$ 600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 1,500.00	June 2, 2017	2017-165	\$ 600.00					\$ 900.00
Wolf Creek Woodstoves	\$ 1,500.00	June 2, 2017	2017-157	\$ 600.00					\$ 900.00
Quincy Hot Spot	\$ 4,337.82	June 2, 2017	2016-088	\$ 3,437.82					\$ 900.00
Quincy Hot Spot	\$ 3,499.32	June 2, 2017	2016-099	\$ 2,599.32					\$ 900.00
Quincy Hot Spot	\$ 4,400.00	June 2, 2017	2017-160	\$ 3,500.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,500.00	June 7, 2017	2017-168	\$ 2,600.00					\$ 900.00
Quincy Hot Spot	\$ 1,500.00	June 14, 2017	2016-104	\$ 600.00					\$ 900.00
Quincy Hot Spot	\$ 2,695.83	June 14, 2017	2016-126	\$ 1,795.83					\$ 900.00
Wolf Creek Woodstoves	\$ 4,400.00	June 14, 2017	2016-052	\$ 3,500.00					\$ 900.00
Wolf Creek Woodstoves	\$ 3,504.34	June 21, 2017	2017-155	\$ 2,604.34					\$ 900.00
Wolf Creek Woodstoves	\$ 3,495.99	June 21, 2017	2017-164	\$ 2,595.99					\$ 900.00
Wolf Creek Woodstoves	\$ 3,577.04	June 26, 2017	2017-172	\$ 2,677.04					\$ 900.00

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Northern Sierra AQMD Restricted Fund Report

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Participant's Name and Agreement Number		Amount Disbursed		Date of Disbursement		Account		AB2766		Carl Meyer		WCO		AB 923		TIMBER		HAS Mitigation	
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	76.50		Jul 07, 2016	580-200-93	\$	76.50											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	51.47		July 14, 2016	580-200-93	\$	51.47											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	8.16		July 14, 2016	580-200-93	\$	8.16											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	1,736.00		July 25, 2016	580-200-66	\$	1,736.00											
Ine Senior Citizens of Sierra County (AB 2015-07, \$5,240)		\$	55,000.00		July 26, 2016	580-200-98	\$												\$ 55,000.00
Mile Wood (TIMBER 201602, \$55,000)		\$	359.00		August 1, 2016	580-200-65	\$	359.00											
NSA QMID Video Conferencing (AB 2015-01, \$7,000)		\$	76.50		August 1, 2016	580-200-93	\$	76.50											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	37.73		August 8, 2016	580-200-93	\$	37.73											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	728.00		August 10, 2016	580-200-65	\$	728.00											
NSA QMID Video Conferencing (AB 2015-01, \$7,000)		\$	62,045.30		September 12, 2016	580-200-42	\$												\$ 62,045.30
Don Wallace / Wallace Ranches (CM 2016-07, \$62,045.30)		\$	2,672.45		September 19, 2016	580-200-73	\$	2,672.45											
Portola MOU (AB 2016-08, \$35,378)		\$	45,300.00		September 21, 2016	2016-06	\$												\$ 45,300.00
Dave Robert / Robert Ranch, Inc. (CM 2016-06, \$45,300)		\$	1,500.00		October 13, 2016	580-200-66	\$	1,500.00											
Ine Senior Citizens of Sierra County (AB 2015-07, \$5,240)		\$	40,000.00		October 28, 2016	580-200-97	\$												\$ 40,000.00
Daniel Craven (TIMBER 201601, \$40,000)		\$	140,000.00		November 7, 2016	580-200-75	\$												\$ 140,000.00
John Skaveris / Skaveris Logging (CM 2016-05, \$140,000)		\$	6.95		November 17, 2016	580-200-93	\$	6.95											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	74.66		December 27, 2016	580-200-93	\$	74.66											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	45.48		January 20, 2017	580-200-93	\$	45.48											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	718.00		February 16, 2017	580-200-65	\$	718.00											
NSA QMID Video Conferencing (AB 2015-01, \$7,000)		\$	30.50		March 2, 2017	580-200-93	\$	30.50											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	300.00		March 9, 2017	580-200-93	\$	300.00											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	38.06		March 9, 2017	580-200-93	\$	38.06											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	38.15		March 27, 2017	580-200-93	\$	38.15											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	3,670.74		March 27, 2017	580-200-73	\$	3,670.74											
Portola P&I Nonattainment Mitigation Fund (AB 2105-08, \$33,211)		\$	127.16		April 7, 2017	580-200-93	\$	127.16											
Portola P&I Nonattainment Mitigation Fund (AB 2015-08, \$33,211)		\$	28,500.00		April 7, 2017	580-200-67	\$	28,500.00											
Nevada County Public Works (AB 2015-04, \$30,000)		\$	182.00		April 21, 2017	580-200-66	\$	182.00											
Ine Senior Citizens of Sierra County (AB 2015-07, \$5,240)		\$	38,844.00		April 21, 2017	580-200-55	\$	38,844.00											
Tahoe Truckee Unified School District (AB 2016-04, \$38,844)		\$	490.79		May 5, 2017	580-200-93	\$	490.79											
Portola P&I Nonattainment Mitigation Fund (AB 2015-08, \$33,211)		\$	1,490.00		May 5, 2017	580-200-76	\$	1,490.00											
Ine Senior Citizens of Sierra County (AB 2016-03, \$5,670)		\$	359.00		May 5, 2017	580-200-65	\$	359.00											
NSA QMID Video Conferencing (AB 2015-01, \$7,000)		\$					\$												

DISBURSEMENT OF RESTRICTED FUNDS, FY 16-17

External Grants, FY 16-17, Final Numbers, June, FY 16-17

# Northern Sierra AQMD Restricted Fund Report

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\$\$ Already Disbursed by Grantee				\$\$ Already Disbursed by Fund Source						
Participant's Name and Agreement Number	Amount Disbursed	Date of Disbursement	Account	AB2766	Carl Meyer	WCO	AB 923	TAMBER	HAS Mitigation	
NSAQMD Video Conferencing (A.B. 2015-01, \$7,000)	\$ 223.00	May 9, 2017	580-200-65	\$ 223.00						
Tabeo Traveler Unified School District (A.B. 2016-04, \$38,844)	\$ 38,844.00	May 24, 2017	580-200-55	\$ 38,844.00						
Parole PNI Nonattainment Mitigation Fund (A.B. 2015-08, \$33,211)	\$ 100.00	June 2, 2017	580-200-93	\$ 100.00						
Parole PNI Nonattainment Mitigation Fund (A.B. 2015-08, \$33,211)	\$ 100.00	June 14, 2017	580-200-93	\$ 100.00						
Parole PNI Nonattainment Mitigation Fund (A.B. 2015-08, \$33,211)	\$ 195.15	June 14, 2017	580-200-93	\$ 195.15						
<i>Total Amount Disbursed for woodstores from A.B. 2766 fund:</i>				\$ 268,142.34						
<i>Total Amount Disbursed for Grants from A.B. 2766 fund:</i>				\$ 121,623.45						
<i>Total amount that has already been disbursed:</i>				\$ 837,411.09	\$ 389,765.79	\$ 247,345.30	\$ -	\$ -	\$ 95,000.00	\$ 105,300.00

Northern Sierra AQMD Restricted Fund Report

Participant's Name and Agreement Number	Encumbered \$ Not Yet Disbursed by Grantee			Encumbered \$ Not Yet Disbursed by Fund Source						
	Remaining Disbursement	Approved Expiration Date	Account	AB2766	Carl Moyer	WCO	AB 923	TIMBER	H&S Mitigation	
NetCo Libran System, Chicago Park, Kissel (A B 2014-09, \$33,455)	\$ 21,207.00	December 31: 2016	580-200-10	\$ 21,207.00						
NSA AQMD Video Conferencing (A B 2015-01, \$7,000)	\$ (111.58)	n/a	580-200-65	\$ 470.42						
NetCo CDA & ICS (A B 2015-02, \$45,000)	\$ 2,250.00	December 31: 2016	580-200-69	\$ 2,250.00						
Nevada County Public Works (A B 2015-04, \$20,000)	\$ 1,500.00	December 31: 2016	580-200-67	\$ 1,500.00						
Nevada County Library (A B 2015-05, \$25,000)	\$ 25,000.00	December 31: 2016	580-200-70	\$ 25,000.00						
Nevada County Library (A B 2015-06, \$15,500)	\$ 11,566.40	December 31: 2016	580-200-71	\$ 11,566.40						
Nevada County Library (A B 2016-03, \$20,600)	\$ 20,600.00	December 31: 2017	580-200-52	\$ 20,600.00						
Hansen Bros. Enterprises (A B 2016-03, \$35,700)	\$ 35,700.00	December 31: 2017	580-200-54	\$ 35,700.00						
Superior Court of California (A B 2016-05, \$40,000)	\$ 40,000.00	December 31: 2017	580-200-51	\$ 40,000.00						
Town of Truckee (A B 2016-06, \$60,787)	\$ 60,787.00	December 31: 2017	580-200-63	\$ 60,787.00						
Ike Senior Citizens of Sierra County (A B 2016-01, \$5,670)	\$ 4,180.00	December 31: 2017	580-200-76	\$ 4,180.00						
Portada PNI Nostalgia/amen Mitigation Fund (A B 2105-08, \$33,211)	\$ 21,211.73	December 31: 2016	580-200-93	\$ 21,211.73						
Portada NIOU (A B 2016-08, \$5,470.33)	\$ 29,034.81	December 31: 2017	580-200-73	\$ 29,034.81						
City of Portada Woodstone Changeover Program	\$ 5,470.33	n/a	588-200-72	\$ 5,470.33						
H & S Mitigation Fund	\$ 245,212.78	n/a	581-200-01	\$ 245,212.78						
<i>Total amount that is encumbered but not yet disbursed:</i>				\$ 523,608.47	\$ 273,507.36	\$ -	\$ 5,470.33	\$ -	\$ -	\$ 245,212.78

Revenue to date Received during FY 16-17 for each fund: \$ 400,089.56 \$ 940.47 \$ 56.23 \$ 49,796.75 \$ 4,207.18 \$ 3,113.00

"Remaining Balance" aka Unencumbered Revenue to date during FY 16-17 for each fund: \$ 112,397.54 \$ 4,598.65 \$ - \$ 134,107.55 \$ 24,592.87

EPA Target Grant Revenue (to be transferred into Nevada County AB2766): \$ 95,498.93

AB2766	Carl Moyer	WCO	AB 923	TIMBER	H&S Mitigation
\$ 273,507.36	\$ -	\$ 5,470.33	\$ -	\$ -	\$ 245,212.78

**To:** Northern Sierra Air Quality Management District Board of Directors  
**From:** Gretchen Bennett, Air Pollution Control Officer  
**Date:** March 26, 2018

**Agenda Item: IV.C**

**Agenda Description:** Solicitation for Application to Receive Funding From the Carl Moyer Memorial Program (Fiscal Year 2017/2018 - Year 20) Funds

**Issues:**

The California Air Resources Board (CARB) has allocated funding for a grant award of \$200,000 to the Northern Sierra Air Quality Management District for the Carl Moyer Memorial Air Quality Standards Attainment Program. These funds will be utilized to reduce emissions from heavy duty diesel engines throughout the entire district. CARB has requested that in order to receive the funds, the District must submit a signed resolution and application by February 28, 2018.

**Requested Action:**

If deemed appropriate, approve the FY 2017-2018 Application for Carl Moyer Program Funds (Year 20). And authorize the Chair to sign Resolution 2018-02.

**ROLL CALL VOTE REQUESTED**

**Attachments:**

1. Resolution # 2018-02
2. Application to Receive Funding from the Carl Moyer Memorial Air Quality Standards Attainment Program Fiscal Year 2017/2018 (Year 20) funds

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT  
RESOLUTION #2018-02**

**In the Matter of Accepting FY 2017-18 CARL MOYER MEMORIAL AIR QUALITY STANDARDS ATTAINMENT PROGRAM (HEAVY-DUTY LOW EMISSION VEHICLE INCENTIVE PROGRAM) FUNDS**

**Whereas**, California Health and Safety Code section 44275-44299.2 authorize the California Air Resources Board (ARB) to allocate Carl Moyer Program (CMP) funds to local air districts to provide financial incentives to both the public and private sectors to implement eligible projects to reduce emissions from on-road, marine, locomotive, agricultural and off-road engines;

**Whereas**, the Northern Sierra Air Quality Management District (District) has successfully implemented Carl Moyer Program projects in past years to reduce emissions and improve air quality in the Mountain Counties Air Basin and seeks to continue to reduce emissions from diesel engines through clean air projects;

**Whereas**, the District may be invited to accept Carl Moyer Program funds from other districts through an inter-district transfer;

**Whereas**, the District is applying for funding from the ARB "Carl Moyer Memorial Air Quality Standards Attainment Program", twentieth round of funding (FY 2017-18),

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Sierra Air Quality Management District does hereby approve the District's continued participation in the Carl Moyer Program, and the acceptance of funds allocated and awarded to the District for eligible projects and program administration each year, in accordance with the terms and conditions of CMP grant agreements; and

**BE IT FURTHER RESOLVED** that the Northern Sierra Air Quality Management District will comply with Carl Moyer Program requirements as specified in 44275 through 33299.2 of the Health and Safety Code, the applicable CMP guidelines, and the District's CMP Policies and Procedures;

**BE IT FURTHER RESOLVED** that the Executive Officer is authorized to execute on behalf of the District grant agreements with ARB, 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 March 26, 2018, by the following roll call vote:

- Ayes:
- Noes:
- Absent:
- Abstaining:

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

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

**Attachment 2**  
**CARL MOYER PROGRAM**  
**FISCAL YEAR 2017-2018 (YEAR 20) APPLICATION**  
*Application must be received by CARB by February 29, 2018*

**1. APPLICANT DISTRICT**

District Name Northern Sierra Air Quality Management District  
 Street Address 200 Litton Drive, Suite 320  
 City/Zip Code Grass Valley, 95945  
 Contact Person Gretchen Bennitt  
 Phone 530 274 - 9360 E-mail Address gretchen@myairdistrict.com

**2. CARL MOYER PROGRAM FUNDING REQUEST**

*Check one box and enter amount, if applicable.* District requests:

Tentative allocation ("Total Allocation" amount from Attachment 1), or greater amount shown below if available:

\$ \_\_\_\_\_

Minimum allocation of \$200,000 (no match required).

Minimum allocation and authorizes the funds be designated to the Rural District Assistance Program (RAP) for these years. **(Please circle years that apply.)**

Current Year 20    Year 21    Year 22    Year 23    Year 24

Tentative allocation and authorizes the funds be designated to a lead air district for these years. **(Please circle years that apply.)**

Current Year 20    Year 21    Year 22    Year 23    Year 24

**(Please specify lead district.)** \_\_\_\_\_

No Carl Moyer Program funds. District declines all funding for Year 20.

**3. DISTRICT MATCHING FUNDS (15% of Funding Request, for applications over \$200,000)**

**Total District Match:** \$ \_\_\_\_\_

**Specify match funding by source and amount:**

_____	\$ _____
Source of Funding	
_____	\$ _____
Source of Funding	
_____	\$ _____
Source of Funding	

**(a) Match Funds Subtotal:** \$ \_\_\_\_\_

**(b) Estimated In-kind Administration:** \$ \_\_\_\_\_  
*(Up to 15% of Total District Match)*



**4. PROGRAM ADMINISTRATION**

*Check box and enter percentage if District requests a program administration grant percentage lower than the 6.25% or 12.5% allowed under statute (H&SC § 44299.1).*

The District requests program administration funds be included in this grant at \_\_\_\_\_ percent of the total grant, a lower portion than allowed by statute.

**5. BOARD RESOLUTION**

*Check one box and complete the date if applicable.*

This application has been duly approved and authorized by the District governing board, as specified in the attached resolution.

This application is scheduled to go before the District board on Feb 26, 2018  
Date

**6. DISTRICT CONTACT INFORMATION** *Please complete items (a)- (d):*

(a) District Air Pollution Control Officer	Phone	Email Address
Gretchen Bennitt	530 274-9360	Gretchen@myairdistrict.com

(b) District Carl Moyer Program Manager	Phone	Email Address
Joe Fish	530 274-9360 X 103	joe@myairdistrict.com

(c) District Mailing Address:

200 Litton Drive, Suite 320  
 Grass Valley, CA 95945

(d) District Phone number:  
 (530) 274-9360

**7. DISTRICT APCO/EO APPROVED SIGNATURE**

To the best of my knowledge and belief, the information in this application is true and correct. Unless my district has declined or designated these grant funds, an up-to-date Carl Moyer Program District Policies and Procedures Manual, based on current Carl Moyer Program Guidelines, is maintained at the District's office.

Gretchen Bennitt  
 Signature of Air Pollution Control Officer

2/9/18  
 Date

**Please e-mail signed application by February 29, 2018 to:**  
Sibyl.Britton@arb.ca.gov.

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

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

**Date:** March 26, 2018

**Agenda Item: IV.D**

**Agenda Description:** Portola Lease Amendment

**Issues:**

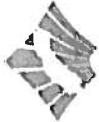
The District has discussed with the landlord of the Portola office that they would like to continue in the offices for another five years. Included is a copy of the original lease and the proposed amendment for the next five years. The original lease and the amendment were reviewed by County Counsel and met with approval.

**Requested Action:** Review amendment and authorize Chair to sign amendment

***ROLL CALL VOTE REQUESTED***

**Attachments:**

1. Commercial Lease Agreement between Northern Sierra Air Quality Management District and Ursula Kleinhans Trust for Suite E, 257 Sierra Street, Portola, Ca 96122
2. Amendment to Lease



COMMERCIAL LEASE AGREEMENT  
(C.A.R. Form CL, Revised 11/11)

Date (For reference only) December 14, 2012

Ursula M. Kleinhaus Trust ("Landlord") and  
Northern Sierra Air Quality Management District ("Tenant") agree as follows.

1. **PROPERTY:** Landlord rents to Tenant and Tenant rents from Landlord, the real property and improvements described as Suite E, 257 East Sierra Street, Paradise, CA 95122 ("Premises"), which comprise approximately 21,000 % of the total square footage of rentable space in the entire property. See exhibit A for a further description of the Premises.

2. **TERM:** The term begins on (date) February 1, 2013 ("Commencement Date").  
(Check A or B):

- A. Lease:** and shall terminate on (date) January 31, 2018 at 5:00  AM  PM. Any holding over after the term of this agreement expires, with Landlord's consent, shall create a month-to-month tenancy that either party may terminate as specified in paragraph 2B. Rent shall be at a rate equal to the rent for the immediately preceding month, payable in advance. All other terms and conditions of this agreement shall remain in full force and effect.
- B. Month-to-month:** and continues as a month-to-month tenancy. Either party may terminate the tenancy by giving written notice to the other at least 30 days prior to the intended termination date, subject to any applicable laws. Such notice may be given on any date.
- C. RENEWAL OR EXTENSION TERMS:** See attached addendum Addendum

3. **BASE RENT:**

A. Tenant agrees to pay Base Rent at the rate of (CHECK ONE ONLY):

- (1) \$ \_\_\_\_\_ per month, for the term of the agreement.
- (2) \$ 450.00 per month, for the first 12 months of the agreement. Commencing with the 13th month, and upon expiration of each 12 months thereafter, rent shall be adjusted according to any increase in the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers ("CPI") for California (the city nearest the location of the Premises), based on the following formula: Base Rent will be multiplied by the most current CPI preceding the first calendar month during which the adjustment is to take effect, and divided by the most recent CPI preceding the Commencement Date. In no event shall any adjusted Base Rent be less than the Base Rent for the month immediately preceding the adjustment. If the CPI is no longer published, then the adjustment to Base Rent shall be based on an alternate index that most closely reflects the CPI.
- (3) \$ \_\_\_\_\_ per month for the period commencing \_\_\_\_\_ and ending \_\_\_\_\_ and \$ \_\_\_\_\_ per month for the period commencing \_\_\_\_\_ and ending \_\_\_\_\_ and \$ \_\_\_\_\_ per month for the period commencing \_\_\_\_\_ and ending \_\_\_\_\_.
- (4) In accordance with the attached rent schedule.
- (5) Other: See Paragraph 39 and Addendum

B. Base Rent is payable in advance on the 1st (or  \_\_\_\_\_) day of each calendar month, and is delinquent on the next day.

C. If the Commencement Date falls on any day other than the first day of the month, Base Rent for the first calendar month shall be prorated based on a 30-day period. If Tenant has paid one full month's Base Rent in advance of Commencement Date, Base Rent for the second calendar month shall be prorated based on a 30-day period.

4. **RENT:**

A. Definition: ("Rent") shall mean all monetary obligations of Tenant to Landlord under the terms of this agreement, except security deposit.

B. Payment: Rent shall be paid to (Name) Ursula M. Kleinhaus Trust at (address) 578 Sutton Way, #356, Grass Valley, CA 95945, or at any other location specified by Landlord in writing to Tenant.

C. Timing: Base Rent shall be paid as specified in paragraph 3. All other Rent shall be paid within 30 days after Tenant is billed by Landlord.

5. **EARLY POSSESSION:** Tenant is entitled to possession of the Premises on January 1, 2013

If Tenant is in possession prior to the Commencement Date, during this time (i) Tenant is not obligated to pay Base Rent, and (ii) Tenant  is not obligated to pay Rent other than Base Rent. Whether or not Tenant is obligated to pay Rent prior to Commencement Date, Tenant is obligated to comply with all other terms of this agreement.

6. **SECURITY DEPOSIT:**

A. Tenant agrees to pay Landlord \$ 500.00 as a security deposit. Tenant agrees not to hold Broker responsible for its return. (IF CHECKED:)  If Base Rent increases during the term of this agreement, Tenant agrees to increase security deposit by the same proportion as the increase in Base Rent.

B. All or any portion of the security deposit may be used, as reasonably necessary, to: (i) cure Tenant's default in payment of Rent, late charges, non-sufficient funds ("NSF") fees, or other sums due; (ii) repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; (iii) broom clean the Premises, if necessary, upon termination of tenancy; and (iv) cover any other unfulfilled obligation of Tenant. **SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT.** If all or any portion of the security deposit is used during tenancy, Tenant agrees to reinstate the total security deposit within 5 days after written notice is delivered to Tenant. Within 30 days after Landlord receives possession of the Premises, Landlord shall: (i) furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition, and (ii) return any remaining portion of security deposit to Tenant. However, if the Landlord's only claim upon the security deposit is for unpaid Rent, then the remaining portion of the security deposit, after deduction of unpaid Rent, shall be returned within 14 days after the Landlord receives possession.

C. No interest will be paid on security deposit, unless required by local ordinance.

Landlord's initials (ROK) (\_\_\_\_\_)

Tenant's initials (TKS) (\_\_\_\_\_)

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

CL REVISED 11/11 (PAGE 1 of 6)

COMMERCIAL LEASE AGREEMENT (CL PAGE 1 OF 6)

Agent: Andy Otto Phone: (530)687-1163 Fax: (530)648-2800 Prepared using zipForm® software  
Broker: Coldwell Banker NO. CA-DPR 12068 Donner Pass Rd. Truckee, CA 96161

Premises: Suite E, 257 East Sierra Street, Portola, CA 96122

Date December 14, 2012

7. PAYMENTS:

	TOTAL DUE	PAYMENT RECEIVED	BALANCE DUE	DUE DATE
A. Rent: From <u>Feb. 1, 2013</u> To <u>2/28/13</u> Date Date	\$ <u>450.00</u>	\$ _____	\$ <u>450.00</u>	<u>01/01/2013</u>
B. Security Deposit	\$ <u>500.00</u>	\$ _____	\$ <u>500.00</u>	<u>01/01/2013</u>
C. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
D. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
E. Total:	\$ <u>950.00</u>	\$ _____	\$ <u>950.00</u>	_____

8. PARKING: Tenant is entitled to \_\_\_\_\_ unreserved and 1 reserved vehicle parking spaces. The right to parking  is  is not included in the Base Rent charged pursuant to paragraph 3. If not included in the Base Rent, the parking rental fee shall be an additional \$ \_\_\_\_\_ per month. Parking space(s) are to be used for parking operable motor vehicles, except for trailers, boats, campers, buses or trucks (other than pick-up trucks). Tenant shall park in assigned space(s) only. Parking space(s) are to be kept clean. Vehicles leaking oil, gas or other motor vehicle fluids shall not be parked in parking spaces or on the Premises. Mechanical work or storage of inoperable vehicles is not allowed in parking space(s) or elsewhere on the Premises. No overnight parking is permitted.

9. ADDITIONAL STORAGE: Storage is permitted as follows: \_\_\_\_\_ The right to additional storage space  is  is not included in the Base Rent charged pursuant to paragraph 3. If not included in Base Rent, storage space shall be an additional \$ \_\_\_\_\_ per month. Tenant shall store only personal property that Tenant owns, and shall not store property that is claimed by another, or in which another has any right, title, or interest. Tenant shall not store any improperly packaged food or perishable goods, flammable materials, explosives, or other dangerous or hazardous material. Tenant shall pay for, and be responsible for, the clean-up of any contamination caused by Tenant's use of the storage area.

10. LATE CHARGE; INTEREST; NSF CHECKS: Tenant acknowledges that either late payment of Rent or issuance of a NSF check may cause Landlord to incur costs and expenses, the exact amount of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of Rent due from Tenant is not received by Landlord within 5 calendar days after date due, or if a check is returned NSF, Tenant shall pay to Landlord, respectively, \$ \_\_\_\_\_ as late charge, plus 10% interest per annum on the delinquent amount and \$25.00 as a NSF fee, any of which shall be deemed additional Rent. Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs Landlord may incur by reason of Tenant's late or NSF payment. Any late charge, delinquent interest, or NSF fee due shall be paid with the current installment of Rent. Landlord's acceptance of any late charge or NSF fee shall not constitute a waiver as to any default of Tenant. Landlord's right to collect a Late Charge or NSF fee shall not be deemed an extension of the date Rent is due under paragraph 4, or prevent Landlord from exercising any other rights and remedies under this agreement, and as provided by law.

11. CONDITION OF PREMISES: Tenant has examined the Premises and acknowledges that Premise is clean and in operative condition, with the following exceptions: NONE Items listed as exceptions shall be dealt with in the following manner: \_\_\_\_\_

12. ZONING AND LAND USE: Tenant accepts the Premises subject to all local, state and federal laws, regulations and ordinances ("Laws"). Landlord makes no representation or warranty that Premises are now or in the future will be suitable for Tenant's use. Tenant has made its own investigation regarding all applicable Laws.

13. TENANT OPERATING EXPENSES: Tenant agrees to pay for all utilities and services directly billed to Tenant Includes telephone, electricity, propane gas, internet access, 24 hour reasonable snow removal (prorated).

14. PROPERTY OPERATING EXPENSES:  
A. Tenant agrees to pay its proportionate share of Landlord's estimated monthly property operating expenses, including but not limited to, common area maintenance, consolidated utility and service bills, insurance, and real estate taxes, based on the ratio of the square footage of the Premises to the total square footage of the rentable space in the entire property. \_\_\_\_\_

OR B.  (if checked) Paragraph 14 does not apply.

15. USE: The Premises are for the sole use as Office No other use is permitted without Landlord's prior written consent. If any use by Tenant causes an increase in the premium on Landlord's existing property insurance, Tenant shall pay for the increased cost. Tenant will comply with all Laws affecting its use of the Premises.

16. RULES/REGULATIONS: Tenant agrees to comply with all rules and regulations of Landlord (and, if applicable, Owner's Association) that are at any time posted on the Premises or delivered to Tenant. Tenant shall not, and shall ensure that guests and licensees of Tenant do not, disturb, annoy, endanger, or interfere with other tenants of the building or neighbors, or use the Premises for any unlawful purposes, including, but not limited to, using, manufacturing, selling, storing, or transporting illicit drugs or other contraband, or violate any law or ordinance, or committing a waste or nuisance on or about the Premises.

17. MAINTENANCE:  
A. Tenant  (if checked, Landlord) shall professionally maintain the Premises including heating, air conditioning, electrical, plumbing and water systems, if any, and keep glass, windows and doors in operable and safe condition. Unless Landlord is checked, if Tenant fails to maintain the Premises, Landlord may contract for or perform such maintenance, and charge Tenant for Landlord's cost.  
B. Landlord  (if checked, Tenant) shall maintain the roof, foundation, exterior walls, common areas and Landscaping.

Landlord's Initials ( RDK ) ( \_\_\_\_\_ )

Tenant's Initials ( TJB ) ( \_\_\_\_\_ )

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



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Premises: Suite E, 257 East Sierra Street, Portola, CA 96122

Date December 14, 2012

18. **ALTERATIONS:** Tenant shall not make any alterations in or about the Premises, including installation of trade fixtures and signs, without Landlord's prior written consent, which shall not be unreasonably withheld. Any alterations to the Premises shall be done according to Law and with required permits. Tenant shall give Landlord advance notice of the commencement date of any planned alteration, so that Landlord, at its option, may post a Notice of Non-Responsibility to prevent potential liens against Landlord's interest in the Premises. Landlord may also require Tenant to provide Landlord with lien releases from any contractor performing work on the Premises.
19. **GOVERNMENT IMPOSED ALTERATIONS:** Any alterations required by Law as a result of Tenant's use shall be Tenant's responsibility. Landlord shall be responsible for any other alterations required by Law.
20. **ENTRY:** Tenant shall make Premises available to Landlord or Landlord's agent for the purpose of entering to make inspections, necessary or agreed repairs, alterations, or improvements, or to supply necessary or agreed services, or to show Premises to prospective or actual purchasers, tenants, mortgagees, lenders, appraisers, or contractors. Landlord and Tenant agree that 24 hours notice (oral or written) shall be reasonable and sufficient notice. In an emergency, Landlord or Landlord's representative may enter Premises at any time without prior notice.
21. **SIGNS:** Tenant authorizes Landlord to place a FOR SALE sign on the Premises at any time, and a FOR LEASE sign on the Premises within the 90 (or  \_\_\_\_\_) day period preceding the termination of the agreement.
22. **SUBLETTING/ASSIGNMENT:** Tenant shall not sublet or encumber all or any part of Premises, or assign or transfer this agreement or any interest in it, without the prior written consent of Landlord, which shall not be unreasonably withheld. Unless such consent is obtained, any subletting, assignment, transfer, or encumbrance of the Premises, agreement, or tenancy, by voluntary act of Tenant, operation of law, or otherwise, shall be null and void, and, at the option of Landlord, terminate this agreement. Any proposed sublessee, assignee, or transferee shall submit to Landlord an application and credit information for Landlord's approval, and, if approved, sign a separate written agreement with Landlord and Tenant. Landlord's consent to any one sublease, assignment, or transfer, shall not be construed as consent to any subsequent sublease, assignment, or transfer, and does not release Tenant of Tenant's obligation under this agreement.
23. **POSSESSION:** If Landlord is unable to deliver possession of Premises on Commencement Date, such date shall be extended to the date on which possession is made available to Tenant. However, the expiration date shall remain the same as specified in paragraph 2. If Landlord is unable to deliver possession within 60 (or  \_\_\_\_\_) calendar days after the agreed Commencement Date, Tenant may terminate this agreement by giving written notice to Landlord, and shall be refunded all Rent and security deposit paid.
24. **TENANT'S OBLIGATIONS UPON VACATING PREMISES:** Upon termination of agreement, Tenant shall: (i) give Landlord all copies of all keys or opening devices to Premises, including any common areas; (ii) vacate Premises and surrender it to Landlord empty of all persons and personal property; (iii) vacate all parking and storage spaces; (iv) deliver Premises to Landlord in the same condition as referenced in paragraph 11; (v) clean Premises; (vi) give written notice to Landlord of Tenant's forwarding address; and (vii) \_\_\_\_\_

All improvements installed by Tenant, with or without Landlord's consent, become the property of Landlord upon termination. Landlord may nevertheless require Tenant to remove any such improvement that did not exist at the time possession was made available to Tenant.

25. **BREACH OF CONTRACT/EARLY TERMINATION:** In event Tenant, prior to expiration of this agreement, breaches any obligation in this agreement, abandons the premises, or gives notice of tenant's intent to terminate this tenancy prior to its expiration, in addition to any obligations established by paragraph 24, Tenant shall also be responsible for lost rent, rental commissions, advertising expenses, and painting costs necessary to ready Premises for re-rental. Landlord may also recover from Tenant: (i) the worth, at the time of award, of the unpaid Rent that had been earned at the time of termination; (ii) the worth, at the time of award, of the amount by which the unpaid Rent that would have been earned after expiration until the time of award exceeds the amount of such rental loss the Tenant proves could have been reasonably avoided; and (iii) the worth, at the time of award, of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided. Landlord may elect to continue the tenancy in effect for so long as Landlord does not terminate Tenant's right to possession, by either written notice of termination of possession or by re-letting the Premises to another who takes possession, and Landlord may enforce all Landlord's rights and remedies under this agreement, including the right to recover the Rent as it becomes due.
26. **DAMAGE TO PREMISES:** If, by no fault of Tenant, Premises are totally or partially damaged or destroyed by fire, earthquake, accident or other casualty, Landlord shall have the right to restore the Premises by repair or rebuilding. If Landlord elects to repair or rebuild, and is able to complete such restoration within 90 days from the date of damage, subject to the terms of this paragraph, this agreement shall remain in full force and effect. If Landlord is unable to restore the Premises within this time, or if Landlord elects not to restore, then either Landlord or Tenant may terminate this agreement by giving the other written notice. Rent shall be abated as of the date of damage. The abated amount shall be the current monthly Base Rent prorated on a 30-day basis. If this agreement is not terminated, and the damage is not repaired, then Rent shall be reduced based on the extent to which the damage interferes with Tenant's reasonable use of Premises. If damage occurs as a result of an act of Tenant or Tenant's guests, (i) only Landlord shall have the right, at Landlord's sole discretion, within 30 days after such total or partial destruction or damage to treat the lease as terminated by Tenant, and (ii) Landlord shall have the right to recover damages from Tenant.
27. **HAZARDOUS MATERIALS:** Tenant shall not use, store, generate, release or dispose of any hazardous material on the Premises or the property of which the Premises are part. However, Tenant is permitted to make use of such materials that are required to be used in the normal course of Tenant's business provided that Tenant complies with all applicable Laws related to the hazardous materials. Tenant is responsible for the cost of removal and remediation, or any clean-up of any contamination caused by Tenant.
28. **CONDEMNATION:** If all or part of the Premises is condemned for public use, either party may terminate this agreement as of the date possession is given to the condemner. All condemnation proceeds, exclusive of those allocated by the condemner to Tenant's relocation costs and trade fixtures, belong to Landlord.
29. **INSURANCE:** Tenant's personal property, fixtures, equipment, inventory and vehicles are not insured by Landlord against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. Tenant is to carry Tenant's own property insurance to protect Tenant from any such loss. In addition, Tenant shall carry liability insurance in an amount of not less than \$ 1,000,000.00. Tenant's liability insurance shall name Landlord and Landlord's agent as additional insured. Tenant, upon Landlord's request, shall provide Landlord with a certificate of insurance establishing Tenant's compliance. Landlord shall maintain liability insurance insuring Landlord, but not Tenant, in an amount of at least \$ \_\_\_\_\_, plus property insurance in an amount sufficient to cover the replacement cost of the property. Tenant is advised to carry business interruption insurance in an amount at least sufficient to cover Tenant's complete rental obligation to Landlord. Landlord is advised to obtain a policy of rental loss insurance. Both Landlord and Tenant release each other, and waive their respective rights to subrogation against each other, for loss or damage covered by insurance.

Landlord's Initials (RDK) (\_\_\_\_\_)

Tenant's Initials (JTB) (\_\_\_\_\_)

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



Premises: Suite E, 257 East Sierra Street, Portola, CA 96122

Date December 14, 2012

**30. TENANCY STATEMENT (ESTOPPEL CERTIFICATE):** Tenant shall execute and return a tenancy statement (estoppel certificate), delivered to Tenant by Landlord or Landlord's agent, within 3 days after its receipt. The tenancy statement shall acknowledge that this agreement is unmodified and in full force, or in full force as modified, and state the modifications. Failure to comply with this requirement: (i) shall be deemed Tenant's acknowledgment that the tenancy statement is true and correct, and may be relied upon by a prospective lender or purchaser; and (ii) may be treated by Landlord as a material breach of this agreement. Tenant shall also prepare, execute, and deliver to Landlord any financial statement (which will be held in confidence) reasonably requested by a prospective lender or buyer.

**31. LANDLORD'S TRANSFER:** Tenant agrees that the transferee of Landlord's interest shall be substituted as Landlord under this agreement. Landlord will be released of any further obligation to Tenant regarding the security deposit, only if the security deposit is returned to Tenant upon such transfer, or if the security deposit is actually transferred to the transferee. For all other obligations under this agreement, Landlord is released of any further liability to Tenant, upon Landlord's transfer.

**32. SUBORDINATION:** This agreement shall be subordinate to all existing liens and, at Landlord's option, the lien of any first deed of trust or first mortgage subsequently placed upon the real property of which the Premises are a part, and to any advances made on the security of the Premises, and to all renewals, modifications, consolidations, replacements, and extensions. However, as to the lien of any deed of trust or mortgage entered into after execution of this agreement, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant pays the Rent and observes and performs all of the provisions of this agreement, unless this agreement is otherwise terminated pursuant to its terms. If any mortgagee, trustee, or ground lessor elects to have this agreement placed in a security position prior to the lien of a mortgage, deed of trust, or ground lease, and gives written notice to Tenant, this agreement shall be deemed prior to that mortgage, deed of trust, or ground lease, or the date of recording.

**33. TENANT REPRESENTATIONS; CREDIT:** Tenant warrants that all statements in Tenant's financial documents and rental application are accurate. Tenant authorizes Landlord and Broker(s) to obtain Tenant's credit report at time of application and periodically during tenancy in connection with approval, modification, or enforcement of this agreement. Landlord may cancel this agreement: (i) before occupancy begins, upon disapproval of the credit report(s); or (ii) at any time, upon discovering that information in Tenant's application is false. A negative credit report reflecting on Tenant's record may be submitted to a credit reporting agency, if Tenant fails to pay Rent or comply with any other obligation under this agreement.

**34. DISPUTE RESOLUTION:**

**A. MEDIATION:** Tenant and Landlord agree to mediate any dispute or claim arising between them out of this agreement, or any resulting transaction, before resorting to arbitration or court action, subject to paragraph 34B(2) below. Paragraphs 34B(2) and (3) apply whether or not the arbitration provision is initiated. Mediation fees, if any, shall be divided equally among the parties involved. If for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

**B. ARBITRATION OF DISPUTES:** (1) Tenant and Landlord agree that any dispute or claim in Law or equity arising between them out of this agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraphs 34B(2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05.

**(2) EXCLUSIONS FROM MEDIATION AND ARBITRATION:** The following matters are excluded from Mediation and Arbitration hereunder: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code §2986; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court; and (v) an action for bodily injury or wrongful death, or for latent or patent defects to which Code of Civil Procedure §337.1 or §337.15 applies. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a violation of the mediation and arbitration provisions.

**(3) BROKERS:** Tenant and Landlord agree to mediate and arbitrate disputes or claims involving either or both Brokers, provided either or both Brokers shall have agreed to such mediation or arbitration, prior to, or within a reasonable time after the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the agreement.

**"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."**

**"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."**

Landlord's Initials RDK / \_\_\_\_\_ Tenant's Initials [Signature] / \_\_\_\_\_

Landlord's Initials ( RDK ) ( \_\_\_\_\_ )

Tenant's Initials ( [Signature] ) ( \_\_\_\_\_ )

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



Premises: Suite E, 257 East Sierra Street, Portola, CA 96122

Date December 14, 2012

36. **JOINT AND INDIVIDUAL OBLIGATIONS:** If there is more than one Tenant, each one shall be individually and completely responsible for the performance of all obligations of Tenant under this agreement, jointly with every other Tenant, and individually, whether or not in possession.

38. **NOTICE:** Notices may be served by mail, facsimile, or courier at the following address or location, or at any other location subsequently designated:  
Landlord: Ursula M. Kleinhans Trust Tenant: Northern Sierra Air Quality Mgmt District

Rolf D. Kleinhans, Trustee

257 E. Sierra Street, Suite E

578 Sutton Key, #356

Portola, CA 96122

Grass Valley, CA 95945

(530) 274-9360 x 102

(530) 559-5000

Notice is deemed effective upon the earliest of the following: (i) personal receipt by either party or their agent; (ii) written acknowledgement of notice; or (iii) 5 days after mailing notice to such location by first class mail, postage pre-paid.

37. **WAIVER:** The waiver of any breach shall not be construed as a continuing waiver of the same breach or a waiver of any subsequent breach.

38. **INDEMNIFICATION:** Tenant shall indemnify, defend and hold Landlord harmless from all claims, disputes, litigation, judgments and attorney fees arising out of Tenant's use of the Premises.

39. **OTHER TERMS AND CONDITIONS/SUPPLEMENTS:** See Addendum.

The following ATTACHED supplements/exhibits are incorporated in this agreement:  Option Agreement (C.A.B. Form OA)  
 Addendum, Exhibit A

40. **ATTORNEY FEES:** In any action or proceeding arising out of this agreement, the prevailing party between Landlord and Tenant shall be entitled to reasonable attorney fees and costs from the non-prevailing Landlord or Tenant, except as provided in paragraph 34A.

41. **ENTIRE CONTRACT:** Time is of the essence. All prior agreements between Landlord and Tenant are incorporated in this agreement, which constitutes the entire contract. It is intended as a final expression of the parties' agreement, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend that this agreement constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence whatsoever may be introduced in any judicial or other proceeding, if any, involving this agreement. Any provision of this agreement that is held to be invalid shall not affect the validity or enforceability of any other provision in this agreement. This agreement shall be binding upon, and inure to the benefit of, the heirs, assignees and successors to the parties.

42. **BROKERAGE:** Landlord and Tenant shall each pay to Broker(s) the fee agreed to, if any, in a separate written agreement. Neither Tenant nor Landlord has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as named in this agreement, in connection with any act relating to the Premises, including, but not limited to, inquiries, introductions, consultations, and negotiations leading to this agreement. Tenant and Landlord each agree to indemnify, defend and hold harmless the other, and the Brokers specified herein, and their agents, from and against any costs, expenses, or liability for compensation claimed inconsistent with the warranty and representation in this paragraph 42.

43. **AGENCY CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction:  
Listing Agent: COLDWELL BANKER COMMERCIAL (Print Firm Name) is the agent of

(check one):  the Landlord exclusively; or  both the Tenant and Landlord.

Selling Agent: \_\_\_\_\_ (Print Firm Name) (if not same as Listing Agent) is the agent of

(check one):  the Tenant exclusively; or  the Landlord exclusively; or  both the Tenant and Landlord.

Real Estate Brokers are not parties to the agreement between Tenant and Landlord.

Landlord's Initials (RDK) (\_\_\_\_\_)

Tenant's Initials (TB) (\_\_\_\_\_)

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_





Premises: Suite E, 257 East Sierra Street, Portola, CA 96122 Date December 14, 2012

Landlord and Tenant acknowledge and agree that Brokers: (i) do not guarantee the condition of the Premises; (ii) cannot verify representations made by others; (iii) will not verify zoning and land use restrictions; (iv) cannot provide legal or tax advice; (v) will not provide other advice or information that exceeds the knowledge, education or experience required to obtain a real estate license. Furthermore, if Brokers are not also acting as Landlord in this agreement, Brokers: (vi) do not decide what rental rate a Tenant should pay or Landlord should accept; and (vii) do not decide upon the length or other terms of tenancy. Landlord and Tenant agree that they will seek legal, tax, insurance, and other desired assistance from appropriate professionals.

Tenant Gretchen Bennett Date 12-14-12

Gretchen Bennett, Exec Director  
(Print Name)  
Address 257 E. Sierra St., Sta. E City Portola State CA Zip 96122

Tenant \_\_\_\_\_ Date \_\_\_\_\_  
(Print Name) \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**GUARANTEE:** In consideration of the execution of this Agreement by and between Landlord and Tenant and for valuable consideration, receipt of which is hereby acknowledged, the undersigned ("Guarantor") does hereby: (i) guarantee unconditionally to Landlord and Landlord's agents, successors and assigns, the prompt payment of Rent or other sums that become due pursuant to this Agreement, including any and all court costs and attorney fees included in enforcing the Agreement; (ii) consent to any changes, modifications or alterations of any term in this Agreement agreed to by Landlord and Tenant; and (iii) waive any right to require Landlord and/or Landlord's agents to proceed against Tenant for any default occurring under this Agreement before seeking to enforce this Guarantee.

Guarantor (Print Name) \_\_\_\_\_ Date \_\_\_\_\_  
Guarantor \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Landlord agrees to rent the Premises on the above terms and conditions.

Landlord Rolf D. Kleinhans Date 12/14/2012  
(owner or agent with authority to enter into this agreement) Rolf D. Kleinhans, Trustee  
Address 578 Satcho Way, #356 City Grass Valley State CA Zip 95945

Landlord \_\_\_\_\_ Date \_\_\_\_\_  
(owner or agent with authority to enter into this agreement) \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Agency relationships are confirmed as above. Real estate brokers who are not also Landlord in this agreement are not a party to the agreement between Landlord and Tenant.

Real Estate Broker (Leasing Firm) \_\_\_\_\_ DRE Lic. # \_\_\_\_\_

By (Agent) \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Real Estate Broker (Listing Firm) COLDWELL BANKER COMMERCIAL DRE Lic. # 01908304

By (Agent) \_\_\_\_\_ DRE Lic. # 01076423 Date 12/14/2012  
Andy Otto  
Address 17400 Northwoods Blvd. City Truckee State CA Zip 96161  
Telephone (530) 587-1163 Fax (530) 548-2500 E-mail andyotto@telis.org

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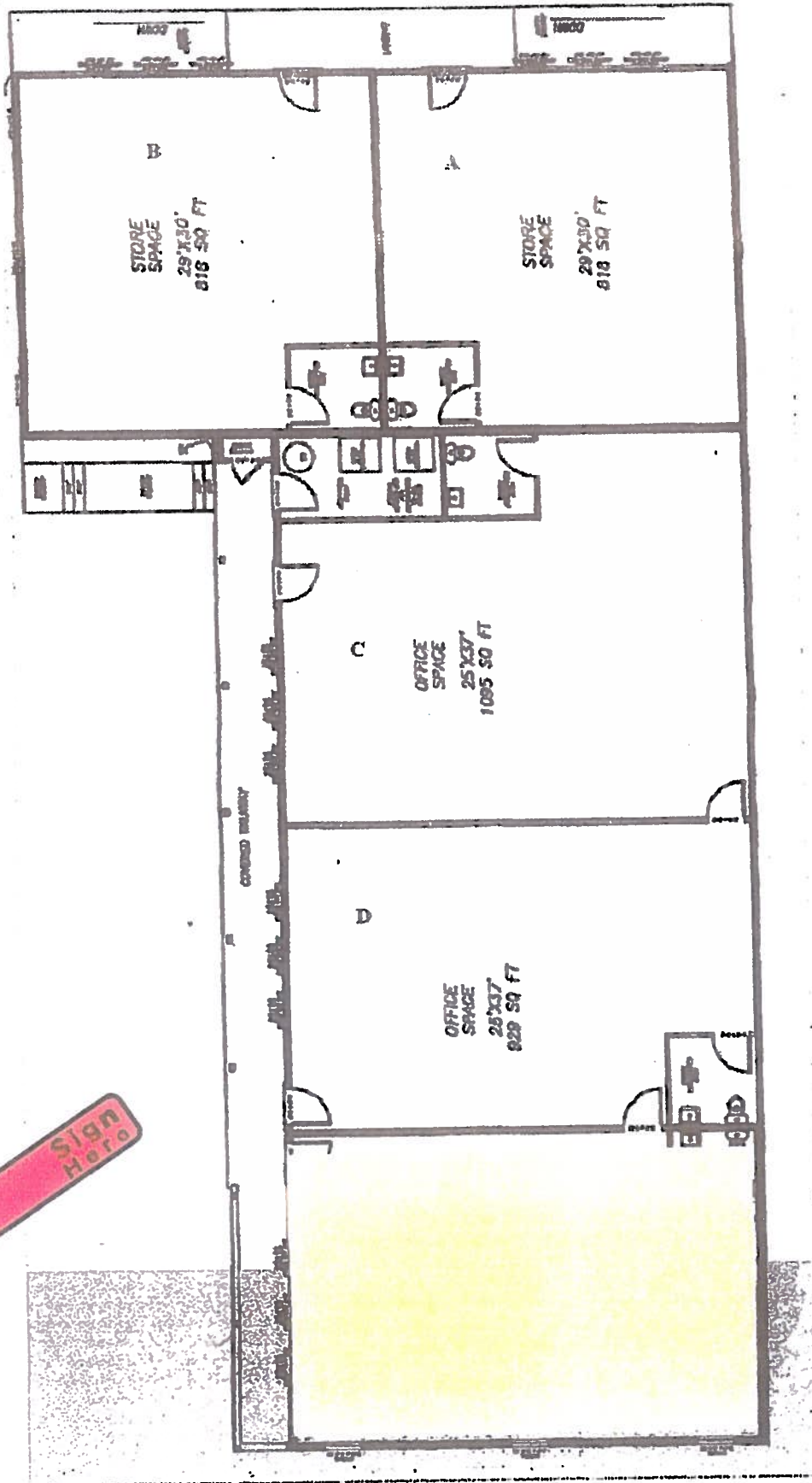
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Reviewed by [Signature] Date \_\_\_\_\_





Exhibit A



Initials:

JAS  
||  
||



## ADDENDUM NO. 1

The following terms and conditions of this addendum ("Addendum") are hereby incorporated in and made a part of the "Commercial Lease Agreement" dated \_\_\_\_\_, 2012 ("Agreement"), on the property commonly known as 257 East Sierra Street, Suite E, Portola, California, in which the Ursula M. Kleinhans Trust is referred to as Landlord and the Northern Sierra Air Quality Management District is referred to as Tenant. The Agreement and this Addendum shall be construed together and shall be collectively referred to herein as "the Lease." However, where the terms of this Addendum and the terms of the Agreement conflict, the terms of this Addendum shall in all instances prevail. Any defined term not otherwise defined herein shall have the meaning as ascribed to such term in the Agreement.

A. PROPERTY. Paragraph 1 of the Lease is hereby amended to add:

"The Premises shall consist of approximately 934 rentable square feet of office space, one reserved parking space and non-exclusive use of all unreserved parking spaces on the Property including at least one unreserved ADA compliant parking space."

B. PARKING. Paragraph 8 of the Lease is hereby amended to add:

"Tenant shall be entitled to non-exclusive use of all unreserved parking spaces in any parking areas located on the Premises and at least one unreserved ADA compliant parking space. Tenant is allowed to park one vehicle overnight in its reserved parking space. If there is a need for snow removal, the vehicle will be relocated every twelve hours after and during a snow event to allow for snow removal of the entire parking area. Any call backs necessary for removal of snow will be at tenant's expense."

C. OPTION TO RENEW. Tenant shall have the option to extend the Term ("Extension Option") for two (2) additional periods of five years ("Extension Period") by giving written notice to Landlord of the exercise of such Extension Option at least ninety (90) days, but not more than one hundred eighty (180) days, prior to the expiration of the Term of the Agreement. Upon the exercise of an Extension Option, the parties shall execute and acknowledge an instrument confirming the exercise of the Extension Option and such other documents as may be necessary to document and authorize the extension in accordance with Tenant's legal requirements. Terms and conditions of the renewal period shall remain the same as for the initial Term of the Lease, except for such modifications as may be mutually agreed upon by the parties.

D. TENANT SIGNAGE. Tenant shall be responsible for all signage expenses related to Tenant's use or occupancy of the Premises. Tenant shall submit sign designs to Landlord for written approval, which approval shall not be unreasonably withheld or delayed. Signage shall meet required governmental regulations and ordinances, and Tenant will obtain all necessary approvals and pay all necessary fees prior to installing such signage. Nothing in this provision obligates Tenant to use any particular signage or to have signage.

E. EARLY TERMINATION. Paragraph 25 of the Agreement is hereby replaced to read as follows:

TBA

"A. Early Termination for Non-Appropriation of Funds. Tenant shall have the right to terminate this Lease with respect to all or part of the Premises upon ninety (90) days prior written notice to Landlord ("Termination Notice") on the happening of any one or more of the following events: (a) if, during its annual budget process, the Tenant's Board of Directors fails to appropriate sufficient funds for the rental of all or a portion of the Premises covered by this Lease; (b) the State of California ("State") or Tenant's Board of Directors discontinues, in whole or in part, the program or agency for which the Premises were leased; or (c) the funding, whether County, State or Federal, for the program or agency for which the Premises were leased is substantially reduced or withdrawn, or if distribution of State or Federal funds to the District is suspended or delayed for any reason for a period of 6 months or longer.

B. Incidental Damages. Tenant shall not be liable for loss of brokerage fees or commissions or any other incidental damages as a result of any termination of this Agreement."

F. DAMAGE TO PREMISES: Paragraph 26 of the Agreement is hereby replaced to read as follows:

"A. If the Premises are totally destroyed by fire or other casualty, either party may terminate this Lease immediately by giving notice to the other party.

B. In the event of minor damage to any part of the Premises, and if such damage does not render the Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord.

C. If Tenant remains in possession of the Premises though partially destroyed, then during restoration the rent for said Premises shall be reduced by the same ratio as the usable square feet Tenant is precluded from occupying bears to the total usable square feet in the Premises. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

D. Landlord and Tenant each hereby waive any right of recovery against the other due to loss of or damage to the property of either Landlord or Tenant when such loss of or damage to property arises out of acts of God or any other property perils whether or not such perils have been insured, self-insured, or non-insured."

G. LIABILITY INSURANCE. Paragraph 29 of the Agreement is hereby replaced to read as follows:

TJK

"A. Landlord and Tenant shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities, personal and real properties of each with respect to the Premises, with the premiums thereon fully paid on or before the due date. Such insurance shall afford minimum protection of not less than \$1,000,000 combined single limit coverage for bodily injury, property damage or a combination thereof. Tenant and Landlord shall promptly provide proof of such insurance to the other, evidenced by a certificate of insurance with properly executed endorsements attached.

B. Tenant shall promptly provide Landlord with an endorsement naming Landlord as an additional insured under its policy, and Landlord shall request Landlord's insurance provider to provide Tenant with an endorsement naming Tenant as an additional insured under its policy. All insurance policies shall provide for thirty (30) days written notice to both parties of any termination or change in coverage, protection, or reduction in coverage limits (except ten (10) days notice for non-payment of premium).

C. All policies of insurance required by this Lease shall remain in full force and effect throughout the life of this Lease and shall be payable on a "per occurrence" basis unless both parties specifically consent to "claims made" coverage. Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by County, its officers, agents and/or employees, shall be excess only and not contributing with insurance required or provided under this agreement. The policies of insurance required by this Agreement shall be issued by companies with a Best's Rating of B+ or higher (B+, B++, A-, A, A+ or A++), or a Best's Financial Performance Rating (FPR) of 6 or higher (6, 7, 8 or 9) according to the current Best's Key Rating Guide, or shall be issued by companies approved by Tenant's Risk Manager. In the event the Best's Rating or Best's FPR shall fall below the rating required by this paragraph, the party obtaining said insurance shall be required to forthwith secure alternate policies which comply with the rating required by this paragraph, or be in material breach of this Agreement. Failure to provide and maintain the insurance policies (including Best's ratings), endorsements, or certificates of insurance required by this Agreement shall constitute a material breach of this Agreement."

H. TENANCY STATEMENT (ESTOPPEL CERTIFICATE). Paragraph 30 of the Agreement is hereby replaced to read as follows:

"Tenant shall execute and return a tenancy statement (estoppel certificate), delivered to Tenant by Landlord or Landlord's agent, within ten (10) business days after receipt of a request for such statement (estoppel certificate). The tenancy statement shall acknowledge that this Agreement is unmodified and in full force, or in full force as modified, and state the modifications. Failure to comply with this requirement shall be deemed Tenant's acknowledgment that the tenancy statement is true and correct."

I. TENANT REPRESENTATIONS; CREDIT. Paragraph 33 of the Agreement is hereby deleted.

TW

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J. DISPUTE RESOLUTION. Paragraph 34 of the Agreement is hereby deleted.

K. INDEMNIFICATION. Paragraph 38 of the Agreement is hereby replaced to read as follows:

"Landlord and Tenant, and their respective officers, agents, brokers, subcontractors and employees shall indemnify, defend, and hold each other harmless from and against all claims, liabilities, losses, injuries or damages (including all attorneys' fees and costs) arising out of, or in any way connected with, performance of their respective obligations under this Agreement, excepting any loss, injury or damage caused solely by the gross negligence or willful misconduct of the other. This Paragraph 38 shall survive termination or expiration of this Agreement."

L. LATE CHARGE; INTEREST; NSF CHECKS. Paragraph 10 of the Agreement is hereby replaced to read as follows:

"Tenant acknowledges that either late payment of Rent or issuance of a NSF check may cause Landlord to incur costs and expenses, the exact amounts of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of Rent due from Tenant is not received by Landlord within **30 calendar days** after date due, or if a check is returned NSF, Tenant shall pay to Landlord \$35 as a late charge, plus 10% interest per annum on the delinquent amount, and \$25 as a NSF fee, any of which shall be deemed additional Rent. Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs Landlord may incur by Landlord's acceptance of any late charge or NSF fee shall not constitute a waiver as to any default of Tenant. Landlord's right to collect a Late Charge or NSF fee shall not be deemed an extension of the date Rent is due under paragraph 4, or prevent Landlord from exercising any other rights and remedies under this agreement, and as provided by law."

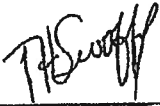
The foregoing terms and conditions are hereby agreed to and are effective as of the date first set forth above, and the undersigned acknowledge receipt of a copy of this Addendum No. 1.

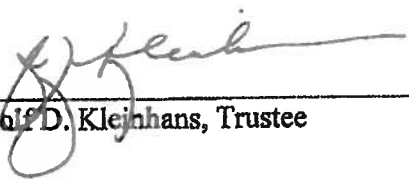
Date: \_\_\_\_\_

Date: 12/14/2012

TENANT: Northern Sierra Air Quality  
Management District

LANDLORD: Ursula M. Kleinhans Trust

By:   
Terrell Swofford, Chair  
Northern Sierra Air Quality Management  
District

By:   
Rolf D. Kleinhans, Trustee



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
12/17/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> RICHARD K STOCKTON, CLU, ChFC, AGENT 65 WEST MAIN STREET PO BOX 259 QUINCY, CA 95971	<b>CONTACT NAME:</b> LINDA PITLOCK <b>PHONE:</b> (916) No. (Ext): 530-283-9565 <b>FAX:</b> (916) No.: 530-283-9143 <b>E-MAIL:</b> LINDA.M.PITLOCK@STATEFARM.COM
	<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A: State Farm General Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:
<b>INSURED</b> URSULA KLEINHANS 590 E MAGNOLIA AVE PORTOLA CA 96122-6701	

**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

INBR LTR	TYPE OF INSURANCE	ADD. (INSUR) INBR. NO. 2	POLICY NUMBER	POLICY EFF. (MM/DD/YYYY)	POLICY EXP. (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO. <input type="checkbox"/> LOC	Y	90-BM-W650-4 G	08/17/2012	08/17/2013	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMPIOP AGG \$ 4,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A			WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

BUSINESS - OFFICE  
257 E SIERRA STREET; PORTOLA CA 96122

### CERTIFICATE HOLDER

NORTHERN SIERRA AIR QUALITY MANAGEMENT  
DISTRICT ATTN: GRETCHEN BENNITT  
PO BOX 2509  
GRASS VALLEY, CA 95945

### CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Linda Marie Pitlock*

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Issue Date  
02/01/2013

NON-MEMBER'S CERTIFICATE OF COVERAGE

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This is to certify that coverages listed below have been issued to the Member named below for the period indicated. This certificate is not an insurance policy or an agreement of coverage and does not amend, extend or alter the coverage afforded by the agreements listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the coverage described herein is subject to all the terms, exclusions, and conditions of the specific coverage document.

This certificate of coverage evidences the limits of liability in effect at the inception of the agreements shown; limits shown may have been reduced by paid claims. This certificate is issued as a matter of information only and confers no rights upon the certificate holder.

**Participating Member:**  
Northern Sierra Air Quality Management District  
Post Office Box 2509  
Grass Valley, CA 95945-2509

**Member Number:**  
BOP-6977

**Entity Affording Coverage:**  
Special District Risk Management Authority  
1112 'I' Street, Suite 300  
Sacramento, California 95814  
800.537.7790 www.sdrma.org

Type of Coverage	Policy Number	Effective Date	Expiration Date	Limits
<input checked="" type="checkbox"/> General Liability Personal Injury and Property Damage	LCA-SDRMA-201213	02/01/2013	07/01/2013	Per Occurrence \$1,000,000

**Description:** All listed coverages in effect only for the time period specified.  
Ursula M. Kleinhans Trust is named as an additional covered party with respect to the lease agreement for premises located at 257 East Sierra Street, Suite E in Portola, California.

**Cancellation:** Should any of the above-described policies be cancelled before the expiration dates thereof, the issuing company will endeavor to mail 30 days written notice to the above-named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the company.

<b>Certificate Dates</b>	<b>Effective Date</b> 02/01/2013	<b>Expiration Date</b> 07/01/2013	<b>Certificate Type:</b> <input checked="" type="checkbox"/> Additional Covered Party <input type="checkbox"/> Evidence of Coverage	<input type="checkbox"/> Loss Payee
--------------------------	-------------------------------------	--------------------------------------	---	-------------------------------------

**CERTIFICATE HOLDER**  
Ursula M. Kleinhans Trust  
c/o Roll D. Kleinhans, Trustee  
578 Sutton Way, #356  
Grass Valley, CA 95945

*Gregory S. Hall*  
Gregory S. Hall - Chief Executive Officer



AMENDMENT OF EXISTING AGREEMENT TERMS No. ONE

(C.A.R. Form AEA, 12/17)

This is a proposal to amend ("Amendment") the terms and conditions of the following existing Agreement: [ ] Purchase Agreement, [ ] Residential Lease or Month-to-Month Rental Agreement, [X] Other Commercial Lease Agreement ("Agreement"), dated December 14, 2012, on property known as 257 East Sierra Street, Suite E, Portola, CA 96122

in which Northern Sierra Air Quality Management District is referred to as ("Buyer/Tenant") and Ursula M. Kleinhans Trust is referred to as ("Seller/Landlord").

- 1. Renewal Term Commencement Date: February 1, 2018
2. Renewal Term Termination Date: January 31, 2023, 5:00 PM.
3. Monthly base rent for first year of renewal term to be \$500.00 per month.
4. Annual CPI adjustment per Paragraph 3.A.(2). of the Commercial Lease Agreement.

2. OFFER/EXPIRATION: [ ] Buyer/Tenant, [X] Seller/Landlord proposes this Amendment Of Existing Agreement Terms (i) which may be withdrawn by the party initiating this proposed Amendment at any time prior to acceptance, and (ii) shall be deemed revoked unless by 5:00 pm on the third day after it is signed by the initiating party (or by 5:00 [ ] AM [X] PM on [ ] date) this proposed Amendment is Signed by the other party and a Copy of this Amendment is Delivered to the initiating party.

[ ] Buyer/Tenant, [X] Seller/Landlord Ursula M. Kleinhans Trust Date
[ ] Buyer/Tenant, [X] Seller/Landlord Date

3. ACCEPTANCE: The foregoing terms and conditions amending the existing Agreement are hereby agreed to, and the undersigned acknowledge receipt of a copy of this Amendment Of Existing Agreement Terms. Upon acceptance, this Amendment shall be deemed an incorporated addendum to the Agreement.

[X] Buyer/Tenant, [ ] Seller/Landlord Northern Sierra Air Quality Management Date
[X] Buyer/Tenant, [ ] Seller/Landlord Date

REJECTION OF AMENDMENT: ( ) ( ). This amendment was rejected by Buyer/Tenant/Seller/Landlord on (date). Buyer/Tenant/Seller/Landlord Initials

/ Confirmation Of Acceptance: A copy of Signed Acceptance was personally received by initiating party or its authorized agent on (date)

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AEA 12/17 (PAGE 1 OF 1)

AMENDMENT OF EXISTING AGREEMENT TERMS (AEA PAGE 1 OF 1)





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

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

**Date:** March 26, 2018

**Agenda Item: IV.E**

**Agenda Description:** Proposal and Approval of County Contribution for FY 18/19

**Issues:**

The District's three-county agreement states that the annual county contribution for each member county shall be calculated using any one of the following three methods:

- A. Annual Contribution = the immediately previous fiscal year's annual contribution \* (1 + CPI).
- B. Annual Contribution = County Population \* \$0.48
- C. Annual Contribution = the immediately previous fiscal year's annual contribution.

The attached table clarifies what the actual amount per county would be depending upon the method adopted by the Board.

Last year, the Board adopted Method A, which resulted in an increase in county contribution from the immediate fiscal year's annual contribution.

**Requested Action:**

- 1. Propose and Adopt a County Contribution for FY 2018-2019

**ROLL CALL VOTE REQUESTED**

**Attachments:**

- 1. Proposed County Contribution Values for FY 2018-2019

## Proposed County Contribution Values for FY 18-19

### CPI Adjustment Factor: **2.87%**

The CPI adjustment factor is for the immediately previous full calendar year as determined by the following web page: [www.dir.ca.gov/dlsr/CPI/EntireCCPI.PDF](http://www.dir.ca.gov/dlsr/CPI/EntireCCPI.PDF)

#### Method A - Previous Fiscal Year's Contribution \* (1 + CPI Adjustment Factor)

	FY 17-18	FY 18-19	<i>Increase over last year's contribution</i>	<i>Decrease from last year's contribution</i>
Nevada	\$ 48,838.90	\$ 50,240.58	\$ 1,401.68	
Plumas	\$ 9,893.48	\$ 10,177.43	\$ 283.94	
Sierra	\$ 1,602.18	\$ 1,648.17	\$ 45.98	
<b>Totals</b>	<b>\$ 60,334.57</b>	<b>\$ 62,066.17</b>	<b>\$ 1,731.60</b>	<b>\$ -</b>

#### Method B - County Population in most recent decennial census \* \$0.48

	FY 17-18	FY 18-19	<i>Increase over last year's contribution</i>	<i>Decrease from last year's contribution</i>
Nevada (2010 pop.: 98,764)	\$ 47,406.72	\$ 47,406.72		\$ 1,432.18
Plumas (2010 pop.: 20,007)	\$ 9,603.36	\$ 9,603.36		\$ 290.12
Sierra (2010 pop.: 3,240)	\$ 1,555.20	\$ 1,555.20		\$ 46.98
<b>Totals</b>	<b>\$ 58,565.28</b>	<b>\$ 58,565.28</b>	<b>\$ -</b>	<b>\$ 1,769.29</b>

#### Method C - Previous Fiscal Year's Contribution

	FY 17-18	FY 18-19	<i>Increase over last year's contribution</i>	<i>Decrease from last year's contribution</i>
Nevada	\$ 48,838.90	\$ 48,838.90		
Plumas	\$ 9,893.48	\$ 9,893.48		
Sierra	\$ 1,602.18	\$ 1,602.18		
<b>Totals</b>	<b>\$ 60,334.57</b>	<b>\$ 60,334.57</b>	<b>\$ -</b>	<b>\$ -</b>

Contribution remains the same as last fiscal year.

**CALIFORNIA CONSUMER PRICE INDEX (1955-2017)**

**ALL ITEMS (1982-1984=100)**

<b>Year</b>	<b>Month</b>	<b>All Urban Consumers</b>	<b>Urban Wage Earners and Clerical Workers</b>
<b>2017</b>	<b>Annual</b>	<b>262.802</b>	<b>253.244</b>
2017	December	265.652	256.131
2017	October	265.472	255.682
2017	August	263.473	253.874
2017	June	262.286	252.839
2017	April	261.850	252.316
2017	February	260.111	250.485
<b>2016</b>	<b>Annual</b>	<b>255.303</b>	<b>246.184</b>
2016	December	256.953	247.411
2016	October	257.836	248.408
2016	August	R/256.097	R/246.735
2016	June	R/255.576	R/246.505
2016	April	254.134	245.321
2016	February	252.649	243.748
<b>2015</b>	<b>Annual</b>	<b>249.666</b>	<b>241.635</b>
2015	December	250.711	242.222
2015	October	251.255	242.884
2015	August	251.253	243.753
2015	June	250.404	242.680
2015	April	248.637	240.661
2015	February	246.218	237.836
<b>2014</b>	<b>Annual</b>	<b>246.055</b>	<b>238.960</b>
2014	December	244.812	236.733
2014	October	247.481	240.082
2014	August	247.259	240.289
2014	June	247.228	240.612
2014	April	245.900	239.144
2014	February	244.037	237.021
<b>2013</b>	<b>Annual</b>	<b>241.623</b>	<b>234.947</b>
2013	December	241.526	234.654
2013	October	242.633	235.783
2013	August	241.967	235.196
2013	June	241.926	235.333
2013	April	241.399	234.695
2013	February	241.242	234.887
<b>2012</b>	<b>Annual</b>	<b>238.155</b>	<b>231.610</b>
2012	December	237.705	230.922
2012	October	241.537	235.382
2012	August	239.034	232.427
2012	June	237.781	231.042
2012	April	238.090	231.722
2012	February	235.828	229.430
<b>2011</b>	<b>Annual</b>	<b>232.930</b>	<b>226.364</b>

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

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

**Date:** March 26, 2018

**Agenda Item: IV.F**

**Agenda Description:** Appointment of Basin Control Council Board Member and Alternate

**Issues:** The Placer County Air District Clerk of the Board is responsible for the filing of FPPC forms for the Mountain Counties Air Basin (MCAB) members this year. She has informed me that FPPC requires copies of Board minutes which annually appoint (and re-appoint) a MCAB Basin Control Council Primary Board member and an alternate. Supervisor Lee Adams has acted as the Air District's Council Board member since 2010. Supervisor Adams has agreed to continue to be the MCAB Primary Board member, if appointed. The District has not officially appointed an alternate member in the past.

**Requested Action:** Appoint a Primary and Alternate Board member to the Mountain Counties Air Basin Control Council.

**Attachments:** None.

**To:** Northern Sierra Air Quality Management District Board of Directors  
**From:** Gretchen Bennitt, Air Pollution Control Officer  
**Date:** March 26, 2018

**Agenda Item: IV.G**

**Issues:** Currently, the District receives up to \$175,000 per year to allocate on Carl Moyer Heavy Duty Diesel projects. The funding schedule currently in place funds each project up to 80% of the project cost on a first-come, first-serve basis. In many cases, this allows only one or two projects per year. In a June 2017 Board meeting, the Board expressed a desire to determine a new procedure which would allow more projects to be funded.

During the August 2017 Air District Board meeting, staff presented options to the Board and the Board gave the following direction to staff:

1. Only 1 project should be allowed per applicant/per year.
2. No applicant shall be funded in consecutive Carl Moyer grant cycle years.
3. The amount per project should be below 80% per project.
4. Develop a guideline which will maximize the emission reductions and maximize the number of projects.

The first two items were voted on by Board members and they were unanimously passed.

During the January 2018 Board meeting, staff presented a modified policy and the Board reviewed and had the following additional requests:

1. De-personalize the name holders.
2. Supervisor Roen agreed to work with staff on an appropriate threshold for each project.
3. Have a procedure written out that assures that when applicants contact the District the date and time they contact the District is recorded to ensure "first-come, first-serve".

Supervisor Roen contacted staff and it was agreed that the appropriate threshold for each project and is proposing 70% for consideration of the Board today.

District staff (Joe Fish) has modified the Guidelines with all of the above items and has presented this today for the Board discussion and approval. Modifications are on page 2 of the guidelines and presented in double-underlined format.

**Requested Action:**

1. Discuss modifications, allow public input and approve proposed modification of "Policies and Procedures for Administration of the Carl Moyer Memorial Air Quality Standards Attainment Program - Year 20 (Carl Moyer Program).

**ROLL CALL VOTE REQUESTED**

**Attachments:**

1. Policies and Procedures for Administration of the Carl Moyer Memorial Air Quality Standards Attainment Program - Year 20 (Carl Moyer Program)

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## **Northern Sierra Air Quality Management District**

### **Policies and Procedures for Administration Of the Carl Moyer Memorial Air Quality Standards Attainment Program - Year 20 (Carl Moyer Program)**

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## **I. Background**

The Carl Moyer Program (CMP) was established in 1998, as a grant program to fund the incremental cost of cleaner-than-required heavy-duty engines. Originally targeted to reducing oxides of nitrogen (NOx) emissions, the program now includes reduction of particulate matter (PM) emissions and reduction of reactive organic gases (ROG). Legislative modifications enacted in 2004 expanded the program to include projects that reduce emissions from agricultural sources, light-duty vehicles, and on-road fleet modernization eligible for CMP funding.

The CMP is implemented as a partnership between the California Air Resources Board (ARB) and local air districts (districts). ARB provides overall administration and guidance for the program, with funding and implementation of projects conducted by the districts. The approved latest CMP Guidelines, published by ARB and released in 2017 provide the minimum requirements under which the Carl Moyer Program is administered by ARB and the districts. The CMP Guidelines are based on requirements specified in the state Health and Safety Code, Chapter 9. The Guidelines are updated, when necessary, to reflect significant additions or changes to the program. In addition, ARB staff issues Technical Advisories to provide further clarification on specific areas, and to reflect changes in regulations.

The CMP Guidelines require that each participating district establish Policies and Procedures for administration of the CMP. This document contains Policies and Procedures intended to provide an explanation of district policies with regard to local implementation of the CMP. It also contains procedures for the Northern Sierra Air Quality Management District (NSAQMD) day-to-day operation of the Program in order to meet the requirements of the Health and Safety Code, CMP Guidelines, ARB Technical Advisories, and District policies and procedures. These Policies and Procedures are for the CMP 2017 Guidelines which the NSAQMD will use once the District receives Carl Moyer Year (CMY) 20 funding. The District policies and procedures do not replace the CMP, but are intended to provide direction and procedures for the District's implementation of the CMP. The appendix to these policies and procedures includes samples of pertinent documents, forms, and specific District policies as referenced in this document. District staff should reference the CMP Guidelines for detailed descriptions of ARB's CMP procedures and requirements.

## **II. Program Timeline**

ARB has established a consistent timeline for each year's funding and reporting cycle. This timeline allows for award, obligation and expenditure of state funds to meet state fiscal requirements. State fiscal policy requires one year for ARB to encumber funds and two years for the local district to expend those funds.

The timeline for each year of funds is as follows;

**Mid-September:** ARB solicits applications from the districts based on allocations cited in Health and Safety Code Section 44299.2(a).

**Mid-November:** ARB receives applications from the districts.

**Early January:** ARB notifies districts of final awards.

**April 30:** Deadline for districts to accept or decline funds.

**August 31 of the following year:** Districts' annual report to ARB. Funds from the previous year must be committed by this date, i.e., funding accepted by the district in April must be committed by June 30 of the following year.

**August 31 of second year:** Districts' final report to ARB. Funds received two years prior to this June 30 date must be expended. The report includes projects invoiced and paid for, and funds expended. For example, the final report for funds accepted by the district in April 2015 is due June 30, 2017 and those funds must be expended by that date.

The NSAQMD implementation timeline to meet the ARB's required deadlines for applying for local funding, and obligation and expenditure of those funds is as follows:

### **Year 20 Timeline**

- NSAQMD Board Approval of Year 20 application in March of 2018
- Public Outreach – continuous since NSAQMD participation in the CMP. Program continues as First Come - First Serve. Applicants shall be placed on the District waiting list, maintained by the Carl Moyer Program Manager, in the order in which the applicants calls are received by the District.
- If an applicant chooses not to apply for grant money when they become eligible in the list order, their name shall be removed from the list and the next applicant will be notified of an opportunity to apply for grant money. An applicant removed from the list may re-apply for a position on the list, but it will be at the end of the list as it exists at the time of their re-application to the list.
- No applicant shall be funded in consecutive Carl Moyer grant cycle years.
- Only one project shall be funded per applicant per grant cycle year.
- Projects shall be funded at a maximum amount of 70% of the total project cost or less depending on the remaining Carl Moyer fund balance and grant funding shall never exceed the funding amount as specified by the CARL cost effectiveness calculation.
- Only public agency or private sector fleets that permanently reside within Nevada, Sierra, or Plumas Counties qualify for funding
- Review applications for completeness and provide written and verbal notification of incomplete applications within 5 days of receipt
- Conduct cost effectiveness calculations via CARL as applications come in
- If more than one application is received by the District at the same time, prioritization of qualifying grants occurs via most cost effective
- Applications approved once all information is evaluated and received
- Conduct pre-inspection of approved applicant's engine(s)
- Issue contract
- Projects shall be completed within 90 days after contract is executed unless unforeseen complications occur and the District approves.
- Applicants contact District for inspection of new project, and verify destruction of old engine
- Post inspection then occurs
- Funding released to participant once the District is invoiced by the participant

### **III. ARB Carl Moyer Program Award Process**

The ARB determines the tentative awards for each year in accordance with the formula identified in Health & Safety Code Section 44299.2(a). The formula provides a minimum allocation of \$200,000 to participating districts. With the exception of the South Coast Air Quality Management District, awards that exceed the minimum allocation of \$200,000 are calculated based on district

population, severity of the air quality problems and the historical funding awards under the CMP.

The ARB solicits district applications for the local programs by sending solicitation packets to the Air Pollution Control Officer (APCO) at each district in mid-September. The application packet must be completed and submitted by the posted deadline, which is 60 days from the date of the solicitation. The application packet must include the completed application with original signature, documentation for the match commitment, Board resolution, an implementation plan for obligating the grant award, and documentation of obligation and expenditure of previous grant awards. Detailed requirements for each of these items are included in the CMP Guidelines, in the Program Administration section. The designated Carl Moyer Program Manager (CMPM) prepares the application to the ARB for CMP funding. The APCO shall approve the application before submission to ARB. The NSAQMD Board adopts a resolution which completes the application process. District staff responsible for implementing the CMP include: the APCO, the CMPM; and fiscal staff, e.g. bookkeeper or Business Manager.

ARB determines the final awards for each district. These awards are incorporated into a Grant Award and Authorization form, which specifies the amount of the award for projects, and outreach funding. Two original copies are sent to the district. The APCO or his/her designee signs both copies; one is retained in district files and the other is returned to ARB. April 30 of each year is the deadline for acceptance of a grant award. As required in the grant award, the district meets all application stipulations in order to accept an award. From June 30 following the full execution of the agreement, the district has 12 months to commit funds and 48 months to liquidate grant funds. Any funds not expended within 48 months must be returned to ARB (Health and Safety Code Sections 44287(k) and 44299.2(c)).

If funds are not expended in the current year they are carried over to the following year. If funds are not expended within four years they will be returned to ARB. The Governing Board must approve the return of any unexpended CMP funds to ARB. To date, NSAQMD has expended all CMP funds within the four-year requirement.

Following execution of the Grant Award and Authorization, the district must submit a Grant Disbursement Request to ARB to obtain funding. The district may request up to 10% of its allocation or \$200,000, whichever is greater, including all of the administrative funds. NSAQMD may also request an initial disbursement for up to an amount for which funds have been committed to specific, eligible projects. Prior to receiving the initial disbursement, the district must submit documentation of the obligation and expenditure of previous years' CMP funding and match funding. Grant awards and disbursements are further described in the CMP Guidelines, Program Administration section. Any CMP funds provided by the State of California that are deposited in interest bearing accounts must be reported to ARB. The interest income must be used to fund projects that meet the current CMP Guidelines. The NSAQMD tracks and reports earned interest using the Fiscal Year Method.

The CMPM uses an Access Database and Excel Spreadsheet which tracks fiscal and some administrative activities of CMP grants beginning with Program FY 1998-1999 to present. All CMP funds are deposited in an interest-bearing account. Program files (which include financial information) are kept for the life of the contract plus seven years. Financial files are kept seven years.

#### **IV. Match Funding**

Unless the match funds requirement is waived by ARB, districts participating in the CMP are required to provide \$1 in match funding for every \$2 of state CMP funding awarded by ARB, with a cap on statewide match funds at a total of \$12 million.

Following ARB's solicitation for funding, NSAQMD conducts a financial review and determines if match funding is available or uses the waiver request option. NSAQMD requests Governing Board authorization to participate in current year funding cycle with or without match funding option. If match funding is available it will be tracked separately using the NSAQMD AB2766 database and spreadsheets. Match funding is located in a separate account.

## **V. Outreach Funds**

NSAQMD may use up to twelve and a half (12.5%) percent of the total CMP annual funds for program administration and outreach. These funds are distributed to each district based on the annual allocation of project funds that a district receives. Administrative funds may be used for direct costs associated with the tasks outlined in the Program Administration section of the CMP Guidelines, and must be documented by district staff.

Outreach funds are used toward NSAQMD staff compensation and public outreach related to the Carl Moyer Program. A pay code tracks staff time used for Carl Moyer Program implementation. Allowable travel costs will be reimbursed by the reimbursement method. Allowable costs, reimbursement requirements and travel requests are outlined in the NSAQMD Policies and Procedures, #2165.

If funding remains, it is used for public outreach pertaining to the Carl Moyer Program. Outreach activities include maintaining a list of interested parties which includes previous applicants, some advertising in local newspapers, web site announcement, direct contact by District staff and small business organizations. Application forms are available on the District website, District office, or by request.

## **VI. Project Solicitation**

The CMP allows district discretion in how projects are solicited. The NSAQMD CMP is implemented through a first come-first serve process. If more than one project is received at the same time, the most cost-effective project receives first priority. Projects are funded until funds are exhausted. The NSAQMD has funded the following categories during the past 10 years of participation:

- On-road and Off-road heavy-duty vehicle repowers and/or retrofits, off-road vehicle replacements and beginning with year 10/11 funds Fleet Modernization with Sacramento Metro AQMD.
- New CNG transit bus purchase  
The NSAQMD Governing Board authorizes the APCO to execute agreements and make minor modifications to the CMP applications and agreement for the purpose of maintaining consistency with the state Program.

All applications must include a disclosure statement, identifying whether the applicant has applied to other entities for funding and identification of the potential funding source(s). In addition, the applicant must certify that no other funding has been received for the project. Sample application forms, including funding certification, for off-road and on-road heavy-duty vehicle repowers or retrofits and replacements, are included in the appendix to this manual. All other funding category applications are available upon request.

The NSAQMD has a commitment to outreach to all sectors and small businesses. This is accomplished through public meetings, one-on-one meetings, some newspaper publication of funding availability if warranted, NSAQMD mailing lists, and through the NSAQMD website. The District keeps documentation of all outreach efforts. This documentation is kept in the general CMP files, so that it is available for reporting and for any potential audit.

## **VII. Project Selection**

In accordance with Health & Safety Code Section 44288(a), the District must review all applications for completeness upon receipt and notifies the applicants in writing within five working days of application receipt if the application is not complete. Applications determined to be incomplete will be issued a letter of incompleteness within 5 days by U.S. mail, facsimile or email. The letter will specify deficiency and means of correction. A copy of the letter will be retained in application file.

NSAQMD Project Selection Procedure is described below for Year 20:

1. **Only public or private agency fleets that permanently reside within Nevada, Sierra, or Plumas Counties qualify for funding.**
2. This is a first come-first serve program (See page 2).
3. Applications are reviewed for completeness.
4. If more than one application is received by the District at the same time, prioritization of qualifying grants occurs via most cost effective.
5. Complete applications are reviewed for eligibility using State CMP Guidelines.
6. Project information is entered into CARL database and evaluation of cost effectiveness is determined.
7. The CMPM determines annually if and how much match funding will be allocated from DMV funds towards on/off road projects.
8. The maximum percent of repower cost eligible for Carl Moyer Program funding are:
  - a. Tier 1 Repower – 75%
  - b. Tier 2 Repower – 80%
  - c. Tier 3, Interim Tier 4, and Tier 4 Repower – 85%
9. On/Off Road rebuild costs are based on a percentage of the total project costs.
10. Retrofits are eligible for up to \$10,000 for on-road; retrofits other than on-road are eligible for up to 100% of the total retrofit costs. (See Table 4-2 in CM 2011 Guidelines, rev 12/15)
11. Replacement costs are taken from the itemized estimate included with the application.
12. Fleet Modernization - new off-road replacement vehicles are eligible for a maximum of 80% of the invoiced price.
13. Projects are ranked by cost effectiveness up to the CMP Guidelines allowed cost effectiveness maximum.
14. Applicants are contacted by telephone with the results of cost effectiveness evaluation and amount of tentative grant award.
15. Applicants are contacted by telephone and a pre-inspection of current engine/motor is scheduled.
16. If pre-inspection determine engine/motor qualifies the applicant is scheduled for an office appointment to execute the contract.

## **VIII. Obligation of Funds to Projects**

Once final selection of projects to receive awards has been completed and approved by district management, obligation of funds can take place. After project selection above is completed, contracts are executed by the APCO and the applicant. Project information is entered into the District and CARL databases and monitored. The District is required to commit state funds one year from June 30 of the year the district receives its initial Grant Award and Authorization Form.

## **IX. Contract Development**

ARB requires that all CMP project contracts contain the following provisions: party names and

date; contract term, including project completion and projection implementation/life; payment provisions, including maximum contract amount, the requirement for itemized invoices, funding disclosure and noncompliance terms; CMP compliance requirements; requirement for maintenance of engine/vehicle; project specifications and performance expectations, repercussions for nonperformance, on-site inspections; records retention, reporting and auditing; insurance requirements; notices; and signature blocks for both parties.

NSAQMD contracting process is initiated after project selection and pre-inspections are complete. NSAQMD fiscal staff assigns contract numbers and enters data into the NSAQMD CMP database and spreadsheets. Appointments are made with the applicant to discuss the contract terms and for their signature. The APCO is the final signatory. The applicant is issued a copy of the fully executable contract (within 5 working days of all signatures required) and is authorized to start work on the project. One original contract is kept in the project file and maintained by the program manager.

## **X. Payment of Projects (Expenditure)**

Once the project contract is executed, applicant submits an original or copy of the original invoice requesting payment. The NSAQMD will review each vendor invoice for eligible expenses and only approve payment for eligible expenses. NSAQMD CMP staff conducts necessary post-inspection as described Section XI below. After successful inspection, the CPM program manager approves each invoice for payment and it is forwarded to fiscal staff for payment and to the Deputy APCO for final approval.

## **XI. Project Monitoring**

Pre- and post-inspections must be completed for all funded projects.

The District has entered into a Memorandum of Understanding with the Sacramento Metropolitan Air Quality Management District for assistance with the implementation of Fleet Modernization projects. A copy of the MOU is in the appendix.

### **A. Pre-Inspection**

The pre-inspection process includes, at a minimum, collecting the serial number of the baseline engine and verifying the information in the application about the baseline engine (make, model, model year, horsepower). The pre-inspection shall also verify the engine is operational (with a start up) and that the engine is working as described in the application (document function and use). "Operational" means that the engine must start and be able to perform its intended purpose. Photos shall be taken for the file. The file containing the photos is located in the applicant's folder on the program manager's computer under the Carl Moyer folder and labeled "pre-inspection photos". The photo file containing the applicant's equipment photos is labeled with the applicant's name, and the photos must be date stamped with the date the photos were taken. The photos must show the engine in the vehicle/vessel/equipment and show a close up of the engine plate. A pre-monitoring inspection report shall be used to document the pre-inspection. The inspection report will be kept in the project file. Pre-inspections will be performed by NSAQMD CMP staff prior to contract execution. A copy of the pre-inspection report form can be found in the Appendices.

### **B. Post-Inspection**

Post-inspection occurs after receipt of an invoice from the engine owner, but prior to district final reimbursement for the engine. The post-inspection verifies that the engine listed in the contract was installed. Information to be recorded includes serial number, make, model, model year, and horsepower. The engine must be operational in the equipment or vehicle as stated in the

contract. "Operational" means that the engine must start and be able to perform its intended purpose. Inspecting district staff shall visually witness all engines start-up and mobile projects operating as intended. Vehicle/engine information shall be documented with photos. If applicable, the post-inspection shall verify that the baseline engine or vehicle is destroyed or otherwise rendered nonoperational. Depending on the method of destruction, district staff must see the destroyed engine, may witness the engine destruction, and take photos of the destroyed engine. The file containing the photos shall be located in the applicant's folder and labeled "post-inspection photos". The photo file containing the applicant's equipment photos must be labeled with the applicant's name, and the photos must be date stamped with the date the photos were taken. District staff must see the destroyed engine or the receipt from the qualified vehicle salvage yard. An inspection report shall be used to document the pre-post inspections. All pre- and post-inspection reports will be maintained in the project file. All photos will be maintained in the project file located on the District server. ~~program manager's computer.~~ A copy of the post-inspection report form can be found in the Appendices.

## **XII. Project Audits**

The district audits at least five percent (or a statistically significant number) of the projects that are within two years of contract expiration. In addition, district audits include all of the projects whose owners fail to report annually. The audit is completed by NSAQMD CMP staff.

The audit includes verification that the engines paid for are still operational in the same equipment and meet the mileage, fuel usage, or hours of operation indicated on the executed contract. This is completed by checking the serial number of the engine; witnessing the engine operate; and checking the odometer, hour meter/usage device, fuel receipts, or electronic monitoring unit (EMU).

The district also randomly audits at least five percent (or a statistically significant number) of the projects at the end of the contract term. NSAQMD also audits all projects whose owners failed to report annually and those projects that were found to be below the level of use during the audit two years prior to the end of the contract. The audit is completed by NSAQMD CMP staff.

At a minimum, the audits shall include verification that the engines paid for are still operational in the same equipment and meet the mileage, fuel usage, or hours of operation indicated on the executed contract. As required by the Guidelines, the district completes the audits by checking the serial number of the engine; witnessing the engine operate; and checking the odometer, hour meter/usage device, fuel receipts, or EMU.

If any audited project is more than 30 percent below or above an annual average of the level of use outlined in the executed contract, the district will take appropriate action to ensure the emissions benefits are realized and captured during the term of the contract. In addition, the District will audit all of the other engines owned by the same participant and included in the same CMP funded project. NSAQMD may extend the contract in order to receive the calculated emission reduction benefit.

## **XIII. Reporting**

All project awardees are required via contract term to produce an annual report for the project. Requirements and format of these reports is included in the boilerplate contract language. The annual report is generated from the CMP database and a copy is found in the appendix. Applicants are required to submit annual reports to the District until termination of the contract.

The District is required to report to ARB on the status of each year of CMP funding using the Yearly Report process utilizing the CARL database.

### **A. Annual Report**

The Status Report is submitted to ARB in mid-November. The report uses the ARB-prescribed format to discuss progress in meeting projected milestones from the current year's CMP funds. "Current year" is the year in which the funds were awarded to the district by ARB. This public report provides information on the District's progress in meeting its projected milestones from the current year's CMP. Committed funds are documented by updating the database. NSAQMD Moyer staff updates the ARB database annually. If all funds have been committed and the database updated, this status report may satisfy the requirement for the annual report (due August 31 of the next calendar year) if ARB so approves.

### **B. Annual Report**

The annual report is due to ARB by or before June 30 of the year following ARB funding allocation. This public report includes a narrative on CMP implementation and an updated database. Required information includes total applications received; efforts to meet environmental justice mandates, if required; efforts to outreach to potential zero-emission and small business projects; monitoring and auditing efforts and results; enforcement actions and recaptured funds, if any; outstanding features and accomplishments; and challenges in implementation. NSAQMD CMP staff report this information based on annual review of the program.

Updated project information includes:

- CMP projects, including those funded by state funds and local match funds
- Interest accrued on state funds, and projects funded by the interest
- Any significant deviations relative to the original project shall be provided as an update. The status of emissions reductions by projects in the implementation phase is assumed to be as originally submitted, unless updated by the District.
- Copies of executed contracts for all CMP projects. One complete copy of the standard contract format and the pertinent pages (initial page, signature page and page describing the project, i.e., work statement) of each agreement are to be included in the report.

### **C. Final Report**

The final report is due no later than June 30 of the second year following award. This is the deadline for expending all CMP funds and local match commitments. In addition to an updated database, the report shall include a narrative, including information on:

- Results of environmental justice efforts, if required
- Monitoring and auditing efforts and results
- Enforcement actions and recaptured funds, if any
- Outstanding features and accomplishments
- Challenges in implementation

The update will ensure that the data in the database is current and accurate. Whenever a contract between the District and a project proponent is amended to change engine information, deliverables, timeline, etc., the database must be updated and ARB must be informed. The update shall include:

- Modifications to CMP projects, including both state funds, interest accrued on state funds, and local matching funds
- Any significant deviations relative to the original project shall be provided as an update. The



status of emissions reductions by projects in the implementation phase is assumed to be as originally submitted, unless updated by the District

- Copies of executed contracts (as described above under “Contract Development”), that commit CMP and local match funds to projects, which were not previously submitted
- Copies of invoices that document the amount of CMP funds and local match funds expended for each project

If a satisfactory annual report was previously submitted, all funds have been expended and the database updated, a combined annual report and final report brief narrative may satisfy the requirement for the final report (with ARB approval).

#### **XIV. Project File Set-Up and Maintenance**

The NSAQMD maintains documentation of project selection by fiscal year, as well as program project and fiscal files. Project files at a minimum contain the following: application and estimated project cost, original contract, pre/post inspection forms and photographs (located on program manager’s computer), original or copy of invoice, and annual reports. Program files contain at a minimum the following: ARB grant award and authorization, copy of NSAQMD approved application, contract and forms, outreach and project selection information, cost effectiveness spreadsheet, and correspondence from contractors, NSAQMD staff, and ARB related to this project. Program files (which include financial information) are kept for the life of the contract plus seven years.

#### **XV. Coordination with ARB**

ARB has assigned a staff liaison for each district. The present liaison assigned to the NSAQMD is:

Hurshbir Shahi  
(916) 323-9687  
hshahi@arb.ca.gov

District staff currently responsible for implementing the CMP include: the APCO; Program Manager; and fiscal staff. District staff shall document any correspondence with ARB staff regarding ARB interpretations, clarification, guidance or possible deviations from the CMP Guidelines. All documentation shall be kept in the CMP project files.

The ARB holds CMP Incentive Program Implementation (IPI) team meetings once a quarter, or as needed. These meetings give the district the opportunity to be involved in the formation of Technical Advisories and guideline modifications, to keep informed about other local district CMP activities, and to be informed on related ARB activities. All districts are required to attend at least two IPI meetings per year. NSAQMD program manager participates in the IPI meetings. NSAQMD fiscal staff participates as necessary.

ARB has developed a centralized database for all CMP projects. All districts are required to use this database as part of the streamlined Yearly Report process. ARB has provided training to district staff in the use of the database.

#### **XVI. ARB Oversight**

As part of their oversight responsibilities, ARB staff performs desk reviews of district CMP, on-site monitoring and audits. Audit of a district's program may involve other state agencies, such as the Department of Finance and State Bureau of Audits. Audits may be fiscal, programmatic, or both. District staff responsible for implementing the CMP include: APCO; program manager; and fiscal staff.

**Appendix A: Application Year 20**

**Northern Sierra Air Quality Management District Off and On-Road Heavy-Duty Equipment Application**

**Please fill out one application for each engine or piece of equipment. All information necessary for completing this application is available in the 2017 Carl Moyer Program Guidelines. This document can be viewed at the District website [www.myairdistrict.com](http://www.myairdistrict.com) click on "Grants and Incentives". Please print clearly or type all information on this application.**

**Eligibility Criteria**

To be eligible for funding, projects must meet the criteria described in the 2017 Carl Moyer Program Guidelines and the Carl Moyer Program Advisories. These criteria include but are not limited to the following:

- Emission reductions obtained through Carl Moyer Program projects must not be required by any federal, state or local regulation, memorandum of agreement/understanding with a regulatory agency, settlement agreement, mitigation requirement, or other legal mandate.
- Projects must meet a cost-effectiveness of \$30,000 per weighed ton of NOx + ROG + twenty times combustion PM10 reduced, calculated in accordance with the cost-effectiveness methodology discussed in the Guidelines.
- No emission reductions generated by the Carl Moyer Program shall be used as marketable emission reduction credits, or to offset any emission reduction obligation of any person or entity.
- No project funded by the Carl Moyer Program shall be used for credit under any federal or state emission averaging banking and trading program.
- Funded projects must have at least 75 percent of their operation take place in California and be a public or private agency fleets that permanently reside within Nevada, Sierra, or Plumas Counties.
- All engines in new vehicle purchases and repower projects must be certified by the ARB for sale in California and must comply with durability and warranty requirements.
- All aftermarket emission controls (retrofits) must be verified by ARB.

**Funding Disclosure**

Has the engine or vehicle in this application been awarded funding from another public agency or are any being considered for funding?

\_\_\_Yes                      \_\_\_No

If "yes", complete the following for each engine or vehicle: Agency applied to

\_\_\_\_\_ Date of application submittal

\_\_\_\_\_ Funding amount requested

\_\_\_\_\_ Baseline engine serial number

\_\_\_\_\_ Status of application

\_\_\_\_\_ State the value of any current financial incentive that directly reduces the project cost, including tax credits or deductions, grants, or other public financial assistance for the same engine or vehicle:

Please Note: The incremental cost of the project shall be reduced by the amount of the financial incentive or assistance listed above.

**Please initial each applicable section:**

The vehicle(s)/equipment/engine(s) will be used in the State California at a minimum of 75% of the time (with the emission reduction system operating, if applicable) for at least the projected usage shown in this application. Applicant's business and fleet must permanently reside within the NSAQMD.

I have not and will not apply for additional grant funds from any other entities or programs for this project.

The purchase of this low-emission technology is **NOT** required by any local, state, and/or federal rule or regulation.

I understand that an IRS Form 1099 will be issued to me for incentive funds received under the Northern Sierra Air Quality Management District (NSAQMD) Vehicle/Equipment/Engine Incentive Program(s). I understand that it is my responsibility to determine the tax liability associated with participating in the NSAQMD Vehicle/Equipment/Engine Incentive Program(s).

I understand that a NSAQMD approved digital hour meter/odometer/GPS unit may be required on NSAQMD specified project types and that the digital hour meter/odometer will record the hours/miles accumulated within and outside the State of California.

I understand that the NSAQMD and/or the California Air Resources Board (CARB) staff will evaluate this application and determine if it meets the eligibility requirements and criteria of any incentive program. The NSAQMD /CARB will at its sole discretion determine which program funds, if any, will be used for this application.

I understand that I must be in compliance and remain in compliance with all applicable federal, state, and local air quality rules and regulations.

**Application Statement – Please Read**

All information provided in this application will be used by the Northern Sierra Air Quality Management District (NSAQMD) and/or the California Air Resources Board (CARB) to evaluate the eligibility of this application to receive incentive funds. NSAQMD /CARB staff reserves the right to request additional information of the applicant and can deny the application if such requested information is not provided. Incomplete and illegible applications will be returned to the applicant or vendor. An incomplete application is an application that is missing information critical to the evaluation of the project. If the applicant does not respond within 30 days, the application will be automatically terminated and the application process will have to be re-initiated in order for the project to be considered.

- ◆ I certify to the best of my knowledge that the information contained in this application is true and accurate.
- ◆ I certify that all the existing vehicles/equipment/engines referred to in this application are operational.
- ◆ I agree to accept the evaluation performed on my application by the NSAQMD /CARB staff and that I can request that NSAQMD /CARB staff review that evaluation upon a reasonable request.
- ◆ I understand that all technologies must either be verified or certified by CARB to reduce Oxides of Nitrogen (NOx) and/or other criteria pollutants.
- ◆ I understand that there may be conditions placed upon receiving an incentive and agree to refund the incentive if it is found that at any time I do not meet those conditions and if directed by the NSAQMD /CARB.
- ◆ I understand as a participant that programs have limited funds and shall terminate upon depletion of program funding. The NSAQMD /CARB shall be under no obligation to honor requests received following depletion of program funding. I acknowledge that in accepting any incentive funding, I will

be prohibited from applying for any other form of emission reduction credits, including: Emission Reduction Credit (ERC); Mobile Emission Reduction Credit (MERC) and/or Certificate of Advanced Placement (CAP), for all time, from the NSAQMD /CARB or any other Air Quality Management or Air Pollution Control District.

- ◆ In the event that the vehicle(s)/equipment/engine(s) do not complete the minimum term of any agreement eventually reached from this application I agree to return to the NSAQMD /CARB a pro-rated portion of incentive received based on usage up to and including the full amount of the original incentive provided as directed by the NSAQMD /CARB. I understand that the Air Pollution Control Officer for the NSAQMD may relieve this obligation to return the funds depending on the circumstances.
- ◆ I have the legal authority to apply for incentive funding for the entity described in this application.
- ◆ I agree to the above statements by signing below.

\_\_\_\_\_  
**Authorized Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Authorized Representative's Name (please print)**

\_\_\_\_\_  
**Title**

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT**  
**Heavy-Duty Low-Emission Vehicle/Equipment/Engine Incentive Programs**

**On-Road Application Form**

<b>Instructions:</b> ➤ Fill in all applicable sections with ink. Please print legibly. ➤ Return application to: <b>NSAQMD</b> <b>200 Litton Drive, Suite 320</b> <b>Grass Valley, CA 95945</b>	<i>(For office use only)</i>  Date Received: Project Life:
--	---

Date of application submittal \_\_\_\_\_

Funding amount requested \_\_\_\_\_

Baseline engine serial number \_\_\_\_\_

Status of application \_\_\_\_\_

**A. APPLICANT INFORMATION (required)**

1. Company or organization name:		
2. Business type:		
3. Contact name and title:		
4. Person with contract signing authority (if different from above):		
5. Contact mailing address and information:		
Street:		
City:	State:	Zip code:
Phone: (    )	Fax: (    )	
E-mail:		
6. Project location address (if different from above):		
7. How many engines are being applied for?		
8. Total funding amount requested for this engine/equipment:		

**Third Party Certification - I have completed the application, in whole or in part, on behalf of the applicant.**

Print name of third party:	Title:
Signature of third party:	Date:
Amount paid to third party:	Source of funding to third party:

For each engine or vehicle, please complete sections B and C and D, E, or F (as appropriate).

**B. BASELINE VEHICLE INFORMATION (required)**

1. Vehicle type:		
2a. Vehicle Identification Number (VIN):		
b. Vehicle make:	c. Model:	d. Year:
e. Vehicle GVWR:	f. Vehicle license plate number:	
3. Registered owner:		
4a. Department of transportation number (if interstate):		
b. California Highway Patrol number (if applicable):		
5a. Fuel type main engine:	b. Fuel type auxiliary engine:	
6. New vehicle/equipment vendor:		

**C. ACTIVITY INFORMATION (required)**

1. Total annual miles traveled or annual gallons of fuel used (specify):
2. Percent operation in California:
3. List counties in California in which the vehicle operates and percent of operation in each:
4. Project Life:



**D. NEW VEHICLE PURCHASE PROJECTS (if applicable)**

1 a. Engine make:	b. Engine model:	c. Engine year:
d. Engine serial number (if available):		
2. ARB certification executive order (if engine is certified to alternative Nox standard):		
3. Fuel type of new engine:		
4. New vehicle cost:		
5. Baseline cost:		
<b>If the new vehicle has an auxiliary engine, complete the following.</b>		
<b><u>Auxiliary Engine</u></b>		
6a. Make:	b. Model:	
c. Year:	d. Serial number:	
e. Horsepower:	f. Tier:	
g. Fuel:	h. Engine family (if applicable):	

**E. REPOWER PROJECTS (if applicable)**

1. <b><u>Baseline Main Engine</u></b>	b. Engine make:	c. Engine model:
a. Engine family:		
d. Engine year:	e. Engine serial number:	
f. Fuel type:		
2. Baseline main engine rebuild cost:		
<b>3. <u>Reduced Emission Main Engine</u></b>		
a. Engine family:	b. Engine make:	
c. Engine model:	d. Engine year:	
e. Engine serial number (if available):	f. Fuel type:	
4. ARB executive order number (if engine certified to alternative NOx standard):		
5a. Reduced emission main engine cost:	b. Main engine cost with installation:	

**E. REPOWER PROJECTS** *continued*

<b>6. <u>Baseline Auxiliary Engine</u></b>		b. Engine make:	c. Engine model:
a. Engine family:			
c. Engine model:		d. Engine year:	
e. Horsepower:		f. Engine serial number (if available):	
g. Tier:		h. Fuel type	
7. Baseline auxiliary engine rebuild cost:			
<b>8. <u>Reduced Emission Auxiliary Engine</u></b>			
a. Engine family:		b. Engine make:	
c. Engine model:		d. Engine year:	
e. Horsepower:		f. Engine serial number (if available):	
g. Tier:		Fuel type	
Reduced emission engine cost:		Auxiliary engine cost with installation:	

**F. RETROFIT PROJECTS**

1 a. Engine family:	b. Engine make:	c. Engine model:	
d. Engine year:		e. Tier (if auxiliary engine):	
f. Engine serial number:			
2. ARB-verified retrofit device name:			
3. Retrofit device make:			
4. Retrofit device ARB executive order:			
5. Retrofit device serial number (if available):			
6. Verification level: <input type="checkbox"/> LEVEL 1 <input type="checkbox"/> LEVEL 2 <input type="checkbox"/> LEVEL 3			
7a. ARB-verified NOx reduction (%):		b. PM reduction (%)	c. ROG reduction (%)
8. Retrofit device cost:		9. Cost of retrofit device with installation:	
10. Total cost of retrofit maintenance over project life (optional):			

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT**  
**Heavy-Duty Low-Emission Vehicle/Equipment/Engine Incentive Programs**

**Off-Road Application Form**

<p><b>Instructions:</b></p> <ul style="list-style-type: none"> <li>➤ Fill in all applicable sections with ink. Please print legibly.</li> <li>➤ Return application to: <b>NSAQMD</b>  <b>200 Litton Drive, Suite 320</b>  <b>Grass Valley, CA 95945</b></li> </ul>	<p align="right"><i>(For office use only)</i></p> <p>Date Received: _____</p>
--	---

Date of application submittal \_\_\_\_\_

Funding amount requested \_\_\_\_\_

Baseline engine serial number \_\_\_\_\_

Status of application \_\_\_\_\_

**A. APPLICANT INFORMATION (required)**

1. Company or organization name:		
2. Business type:		
3. Contact name and title:		
4. Person with contract signing authority (if different from above):		
5. Contact mailing address and information:		
Street:		
City:	State:	Zip code:
Phone: (    )	Fax: (    )	
E-mail:		
6. Project location address (if different from above):		
7. How many engines are being applied for?		
8. Total funding amount requested for this engine/equipment:		

**Third Party Certification**

**I have completed the application, in whole or in part, on behalf of the applicant.**

Print name of third party:	Title:
Signature of third party:	Date:
Amount paid to third party:	Source of funding to third party:

**B. PROJECT DESCRIPTION (required)**

1. Project name:
2. Total annual hours of operation and/or annual gallons of fuel consumed (specify which):
3. Percent operation in California:
4. Counties in which the equipment operates <u>and</u> percent of total operation in each county:
5. Project life

**C. EQUIPMENT INFORMATION (required)**

1. Equipment type and function:
2. Equipment make:
3. Equipment model:
4. Equipment model year:
5. Equipment serial number:
6. Number of main engines on this equipment:
7. Number of auxiliary engines on this equipment:

**D. REPOWER PROJECTS**

1. Number of main engines to be repowered:	
<u>Baseline Engine:</u>	<u>Reduced Emission:</u>
2a. Baseline engine make:	3a. Reduced emission engine make:
b. Baseline engine model:	b. Reduced emission engine model:
c. Baseline engine year:	c. Reduced emission engine year:
d. Baseline engine horsepower:	d. Reduced emission engine horsepower:
e. Baseline engine tier:	e. Reduced emission engine tier:

f. Baseline engine serial number:	f. Reduced emission engine serial number (if available):
g. Baseline fuel type:	g. Reduced emission engine fuel type:
4. Baseline annual gallons of fuel consumed or annual hours of operation:	h. Reduced emission engine family:
5. Baseline engine rebuild cost:	6. Reduced emission engine cost:
	7. Reduced emission engine cost with installation (optional):

**E. RETROFIT PROJECTS (if applicable)**

1a. Engine make:	b. Engine model:	c. Engine year:
d. Engine horsepower:	e. Engine serial number:	f. Engine tier:
2. ARB – Verified retrofit device name:		
3. Retrofit device ARB executive order number:		
4. Retrofit device verification level: <input type="checkbox"/> LEVEL 1 <input type="checkbox"/> LEVEL 2 <input type="checkbox"/> LEVEL 3		
5. Retrofit device serial number (if available):		
6a. ARB – Verified NOx reduction (%):		
b. ARB – Verified PM reduction (%):		
c. ARB – Verified ROG reduction (%):		
7a. Cost of retrofit device:	b. Cost of retrofit device with installation (optional):	
c. Total cost of retrofit device maintenance over life of project (optional):		

APPENDIX A-1

OFF-ROAD EQUIPMENT REPLACEMENT  
WORK PLAN

## **I. PURPOSE**

This Work Plan sets forth the structure for the Northern Sierra Air Quality Management District (NSAQMD) Off-Road Equipment Replacement Program. The Off-Road Equipment Replacement Program will provide grants to projects which reduce emissions from off-road mobile sources for which the California Air Resources Board (CARB) establishes Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) Guidelines. Funding for the program will include such portion of NSAQMD's Carl Moyer Program funds as well as NSAQMD's motor vehicle registration surcharge (AB 2766) funds as may be used to satisfy the District's matching funds requirement, and as such will be included in the cost-effectiveness calculations.

The Work Plan covers all major policy aspects of the program. This includes: the program term, the kinds of projects eligible for funding, the proposal submission process, the proposal evaluation process, evaluation criteria, funds distribution, and audits. The Work Plan is general in nature, in that it does not set forth all of the specific procedures which will need to be developed in order to implement the Off-Road Equipment Replacement Program.

## **II. ENVIRONMENTAL JUSTICE**

The District acknowledges that some portions of the NSAQMD population are more impacted by exposure to air pollutants from off-road equipment than others. The population within the NSAQMD is less than one million and therefore NSAQMD is not required to incorporate an environmental justice component into their Moyer Program. The District will structure the Off-Road Equipment Replacement Program so that all businesses within its jurisdiction have a fair and equal opportunity to participate in this voluntary program. Outreach efforts will be focused on a District-wide scale.

## **III. EMISSION REDUCTIONS & COST EFFECTIVENESS**

The District will be utilizing the calculation methodology as described in the current Carl Moyer Guidelines.

## **IV. PROGRAM TERM**

As long as the Carl Moyer Program provides funding, the Program will operate on a one-year funding cycle. Unlike AB 2766 funds, Carl Moyer funds are subject to strict time frames for expenditure. It is only feasible to meet these time frames with an annual term.

## **V. ELIGIBLE PROJECTS**

Equipment Replacement projects must meet the following general eligibility requirements:

- A. Eligible projects are those in which new equipment having the most recent Model Year California emission standard engine, 25 horsepower or larger, replaces an uncontrolled, Tier 1 or Tier 2 fully functional piece of self propelled off-road equipment that is to be scrapped.
- B. The emission reductions from the project must not be required by any local, state, and/or federal rule, regulation, or other legally binding requirement.
- C. Equipment purchased before a Grant Agreement for the project is fully executed is not eligible for funding.
- D. Applicants that do not provide credible records to document the previous two year's amount of historical operations with 75% in California and 50% in the District are not eligible for funding.

E. All projects must achieve a cost-effectiveness as described in the District's Policy and Procedures Manual. Pollutants included in the cost-effectiveness calculation are NO<sub>x</sub> (oxides of nitrogen), ROG (reactive organic gases) and diesel PM (particulate matter). PM is weighted by a factor of 20; (NO<sub>x</sub> + ROG + 20\*PM). The District staff will calculate cost effectiveness using the average of two recent years of documented equipment usage.

## VI. MAXIMUM ELIGIBLE FUNDING AMOUNTS

A. New or used equipment purchased is eligible for up to ~~80~~ 70 percent of total equipment purchase costs.

B. Engine Retrofits are eligible for up to ~~100~~ 70 percent of the total costs, including all filters and maintenance of the filters needed during the project life.

## VII. EQUIPMENT REQUIREMENTS

### A. Existing (Old) Equipment Requirements

(1) The old equipment engine must be an uncontrolled, Tier 1 or Tier 2 engine. (For LSI, this equates to a model year 2009 or earlier engine.)

(2) The old equipment must be registered in the Diesel Off-road On-line Reporting System (DOORS) if it is subject to the Regulation for In-Use Off-Road Diesel Vehicles (Off-Road Regulation).

(3) The applicant must have owned and operated the old equipment in California for the previous two years. The applicant must provide the following documentation:

1. Bill of sale for the old equipment and

2. Two years of documentation for at least one item in the following list. If a bill of sale cannot be provided, two items from the following list may be submitted in substitution:

- a. Tax depreciation logs
- b. Property tax records
- c. Equipment insurance records
- d. Bank appraisals for equipment
- e. Maintenance/service records
- f. General ledgers
- g. Fuel records specific to the old equipment (To be used as evidence of CA residency the fuel records must also identify the equipment owner)
- h. Other documentation approved by ARB

(4) Applicants must submit documentation of annual usage and operational status of the old equipment for the previous two years. Usage from this documentation will be used to calculate the cost-effectiveness of the project. The applicant must provide at least one of the following types of documentation:



1. Hour meter reading log collected at minimum of once per year from an installed and fully functioning hour meter or historical fuel usage documentation specific for the old equipment. Documentation must include fuel logs, purchase receipts, or ledger entries, and
2. At least one items from the following list:
  - a. Revenue and usage records that identify operational, standby, and down hours for the equipment
  - b. Employee timesheets linked to specific equipment use
  - c. Preventative maintenance records tied to specific hours of equipment use
  - d. Repair work orders specific to the equipment
  - e. Six months of tracking normal equipment usage with a functional, tamper proof hour meter with prior district approval
  - f. Other documentation approved by ARB
3. If hour meter reading or historical fuel usage is not available provide two items from the list in #2 above.

(5) The replacement of two (or more) pieces of old, like equipment with one piece of replacement equipment is eligible for funding. Each piece of old and replacement equipment must comply with all of the appropriate criteria. The replacement equipment must execute the same job as the old pieces of equipment. For baseline cost-effectiveness calculation, the annual emissions of the two pieces of old equipment are summed. For the replacement equipment cost-effectiveness calculation, the usage of the two pieces of old equipment is summed for the replacement equipment usage.

## **IX. REPLACEMENT EQUIPMENT REQUIREMENTS**

**A.** The replacement equipment must have an engine meeting the most recent Model Year CA emission standard. If a specific piece of equipment cannot be purchased with an engine meeting the most recent Model Year emission standard at the time the District obligates funds, then equipment with an engine meeting the previous Model Year emission standard may be purchased. Documentation from the equipment manufacturer that equipment with an engine meeting the current Model Year emission standard is unavailable must be provided to the District. Used equipment meeting the most recent Model Year CA emission standard qualifies as new equipment if sold by a dealer with the required warranties and documentation of how the price was depreciated to account for the used condition and the number of operation hours accumulated since new.

- (1) Engines participating in the averaging, banking, and trading program that are certified to family emission limits higher than the applicable emission standards are ineligible to participate in the Carl Moyer Program.
- (2) Engines that are participating in the “Tier 4 Early Introduction Incentive for Engine Manufacturers” program, as detailed in Title 13, CCR, section 2423(b)(6), are eligible for Carl Moyer Program funding provided that they are certified to the final Tier 4 emission standards.
- (3) The certification emission standard and/or Tier designation for the engine must be determined from the ARB Executive Order issued for that engine which may be found at <http://www.arb.ca.gov/msprog/offroad/cert/cert.php>.

**B.** The replacement equipment must serve the same function and perform the same work equivalent as the old equipment (i.e. replacement of an agricultural tractor with another agricultural tractor). This requirement may be waived by District with approval from ARB for instances where general purpose farming equipment changes commodities.

- (1) Only the minimum attachments normally sold with the original equipment, as determined by the District, are eligible for funding on the replacement equipment. Incentive funding can only be used to pay for items essential to the operation of the equipment.
- (2) The horsepower rating for the replacement equipment engine must not be greater than 125 percent of the original manufacturer rated horsepower (baseline horsepower) for the lowest horsepower of the old equipment engine unless a higher horsepower rating is approved on a case by case basis by ARB. For old equipment in which the actual engine horsepower cannot be determined, horsepower can be calculated by multiplying the power take off by 120%.
- (3) Purchases of new CI equipment must purchase a minimum of a one-year or 1600 hours power and drive train warranty must be purchased for the replacement equipment. The warranty must cover parts and labor. Warranty documentation must be provided to the District. Warranty costs are not eligible for funding. The district may waive this requirement if they have provided ARB a satisfactory plan to ensure that funded equipment will be maintained and operated as if under warranty.
- (4) No funds will be issued for maintenance or repairs related to the operation of the equipment. The participant takes sole responsibility for ensuring that the equipment is in operational condition throughout the agreement period.
- (5) If the applicant obtains financing to assist in the purchase of replacement equipment, full documentation of financing must be provided to the District. No more than the applicant's share of the cost of the equipment may be financed. The equipment shall not be used as collateral for the loan.
- (6) Future annual hours of equipment operation must be based only on readings from an installed and fully operational hour meter. If during the project life the hour meter fails for any reason, the hour meter must be repaired or replaced as soon as possible at the owner's expense
- (7) An ARB Verified Diesel Emission Control System (VDECS) is required on all replacement equipment if available.
  1. If the additional cost of the VDECS causes the cost-effectiveness to be above the cost effectiveness cap, then the VDECS is not required.
  2. If documentation is provided to the District or ARB that a VEDCS is not technically feasible, available, or safe, then the retrofit is not required.
  3. VDECS that control PM must use the highest level ARB-verified technology available at obligation of funds for the equipment being retrofitted.
  4. The VDECS must be installed prior to delivery of the replacement equipment to the Grantee and must stay in operation on the replacement equipment for the project life. The issuance of a two-party check made payable to both the VDECS supplier and the Grantee is authorized if both parties agree to such payment.
  5. If the applicant signs the VDECS waiver acknowledging that due to current or future regulations they may be required to install a retrofit on the funded equipment at their own cost, then the retrofit is not required.
- (8) The cost of the VDECS, filters, and maintenance of the VDECS needed during the project life is eligible for incentive funding, provided its inclusion in the project cost still meets the weighted cost-effectiveness limit.
- (9) For the purpose of project selection based on cost-effectiveness, the District shall use a cost-effectiveness value that is calculated by excluding cost of the VDECS.

#### **X. EXISTING EQUIPMENT DESTRUCTION REQUIREMENTS**

The equipment replacement program requires the existing equipment to be destroyed. The chassis and engine must be destroyed to permanently remove old equipment from service. The participant shall permanently destroy and render useless or cause to be destroyed permanently or rendered useless each engine and equipment chassis. Critical mating surfaces in the engine cylinder block and cooling or lubricant passages shall be breached, by burning, cutting, or breaking. The chassis shall be cut in such a manner as to make it permanently unusable and not repairable. The participant shall make each destroyed component

available for District inspection in order for the District to certify such work has been properly done within 60 days of receiving new equipment.

The participant may select to surrender the old equipment to an authorized Salvage Yard. The participant must submit the Salvage Certification Form to the District within 30 days of receiving new equipment. The Salvage Yard must destroy the engine and chassis as described above, and submit documentation to the District within 60 days of the participant receiving new equipment, as described in the Salvage Yard Agreement.

## **XI. DISTRICT ADMINISTRATIVE REQUIREMENTS**

The District staff will implement the Carl Moyer Off-Road Equipment Replacement Program using the following administrative procedures:

- A. The District's call-for-projects (CFPs) will solicit applications for off road equipment replacement projects along with the other Moyer Program categories listed in the District's Policies and Procedures Manual. Each application will be evaluated and ranked in accordance with the District's Policies and Procedures Manual. Off road equipment replacement project applications will compete for funding with all Carl Moyer project applications.
- B. The District staff will work with equipment dealers and/or applicants to complete the standard "Off-Road Equipment Replacement Project Application" and may develop additional forms if necessary to collect all information, records, and price quotes necessary to evaluate the proposal and to populate the data fields in the ARB's CARL database.
- C. The District staff will evaluate each proposal to verify the eligibility and cost-effectiveness in accordance with the CMP Guidelines. As part of the evaluation, staff will conduct a pre-inspection on the old equipment. The Off-Road Equipment Replacement Program (ORERP) pre-inspection form will be used.
- D. A Grant Agreement will be executed for each off-road equipment replacement project that competes successfully in the CFP process and is approved by the District's Executive Officer. A sample Grant Agreement with a section specifically for this Off-Road Equipment Replacement Program is included as Appendix D in the District's Policy and Procedures Manual.
- E. Upon delivery of the new equipment to the dealer, the District staff will conduct a post-inspection. The ORERP post-inspection form will be used. The dealer shall not deliver the new equipment to the applicant until the post inspection is complete.
- F. After the District staff approves the post-inspection of the new equipment the dealer may deliver the new equipment to the participant. The old equipment must be destroyed and the destruction verified within 60 days after Participant receipt of new equipment.
- G. Payment will be processed once the District confirms the following: approved destruction of old equipment, approved pre-inspection, approved post-inspection, approved invoice, and confirmed submittal of W-9. All payments will be issued to the applicant. Two party checks may be issued to both the applicant and dealer if requested by the parties.
- H. Monitoring and enforcement of Grant Agreements is covered in Appendix A of the District's Policies and Procedures Manual.

## **XII. DEALER REQUIREMENTS**

Unless otherwise indicated, the Dealer must meet each requirement before the District will be obligated to release the incentive funds to the Program Participant. The Dealer agrees to do the following:

- A. Provide basic information to participants about the equipment replacement program. The District will provide training to dealership staff.
- B. Inform participants of rights and responsibilities as outlined in the air district and ARB guidelines.
- C. Help the participants correctly complete the application. It is important to make sure that all information is filled out correctly and that the participant understands the program and the meaning of the Grant Agreement. Information necessary for preliminary evaluation of the project includes, but is not limited to the following:
  - (1) Description and specifications of the old equipment including year, model, power rating, a list of included attachments and accessories, serial numbers of the equipment and engine, and credible records of the previous two years of ownership, operation and amount of usage in Yuba and Sutter Counties.
  - (2) Description and specifications of the proposed new equipment including year, model, power rating, ARB engine Family Number and Executive Order number, a list of included attachments and accessories, price quote, warrantee information, and financing information-if financed.
  - (3) If a verified diesel emission control system (VDECS) is feasible, specifications of the VDECS to be installed on the equipment including: make, model, a price quote that will be valid at the time the VDECS is installed, warrantee information, and identification of the installer. If a VDECS is not available, verifiable information from the retrofit manufacturer, retrofit distributor, and/or dealer regarding the unavailability of verified retrofits must be submitted with the application, unless the applicant signs the retrofit waiver.
  - (4) Applicant should complete the Salvage Certification Form to indicate old equipment will be delivered to qualified salvage yard. If not using salvage yard, method and description of destruction should be indicated.
  - (5) Documentation of replacement equipment warranty.
  - (6) Proof of replacement equipment financing.
  - (7) The District will provide all necessary forms.
- D. The Participant will schedule a time and place for the District to pre-inspect and to verify the identity, operation, and condition the old equipment. The Dealer will be invited to attend the pre-inspection, however it is not mandatory.
- E. After the Grant Agreement is executed, the Dealer will order the replacement equipment, have it delivered to the dealership and, if feasible, arrange for installation of the VDECS.
- F. Before delivering the replacement equipment to the Grantee, the Dealer will schedule a time and place for the District to inspect and verify the identity, operation, and condition the replacement equipment and VDECS, if installed. The Dealer may not deliver the replacement equipment to the participant until the District inspects the replacement equipment and verifies that it is eligible for funding.
- G. The Dealer shall submit copies of itemized invoices, warranty information, and financing information, prior to the District issuing payment for the grant.
- H. The Dealer will use only OEM certified parts for any repairs to any engine or equipment covered under the District Program.

DISTRICT HEADQUARTERS  
200 Litton Drive, Suite 320

Grass Valley, CA 95945  
(530) 274-9360 / FAX: (530) 274-7546  
email: [office@myairdistrict.com](mailto:office@myairdistrict.com) or [www.myairdistrict.com](http://www.myairdistrict.com)

NORTHERN FIELD OFFICE  
257 E. Sierra, Unit E  
Mailing Address: P.O. Box 2227  
Portola, CA 96122  
(530) 832-0102 / FAX: (530) 832-0101  
email: [julie@myairdistrict.com](mailto:julie@myairdistrict.com) or [www.myairdistrict.com](http://www.myairdistrict.com)

## CARL MOYER PROGRAM OFF-ROAD EQUIPMENT REPLACEMENT PROGRAM ELIGIBILITY

### 1. Funding Opportunity Limitations:

- Grant-funded equipment replacement projects must be completed 3 years in advance of emission-reduction requirements of the ARB Off-Road Regulation (2 years for small fleets).
- Exempt Agricultural Equipment as defined in the ARB Off-Road Regulation currently has no time limitation on funding eligibility.

### 2. Maximum Eligible Funding Amounts:

- New or used equipment purchased is eligible for up to 70 percent of total equipment purchase costs.
- VDECS (Retrofits) are eligible for up to 100 percent of the total costs, including all filters and maintenance of the filters needed during the project life.
- Eligible costs are defined as the purchase price of the new equipment, the purchase price and installation cost of the VDECS, taxes, and reasonable delivery charges. Grant funding shall only be used to pay for items essential to the operation of the equipment.

### 3. Existing Equipment Requirements:

- Must be self-motive heavy-duty off-road equipment (e.g. agricultural tractor or construction equipment) with an uncontrolled (Tier 0), Tier 1 or Tier 2 engine of at least 25 hp.
- Old equipment must be in operational condition and in regular use with 75% in California and 50% in the District.
- If old equipment is subject to registration by an ARB regulation, it must be registered in the reporting system specified by the regulation (e.g. Diesel Off-road On-line Reporting System).
- Old equipment and engine shall be destroyed and sold to an approved salvage yard.
- The replacement of two (or more) pieces of old, like equipment with one piece of equipment may be eligible for funding.

### 4. Replacement Equipment Requirements:

- Replacement equipment must be purchased through an NSAQMD approved dealer.
- Replacement equipment must have an engine meeting the current California emission standard. If such engines are not available, contact the NSAQMD for alternative considerations.
- Replacement equipment must serve the same function and perform equivalent work as the old equipment (i.e. like for like functionality).
- Horsepower of new engine in replacement equipment may not be greater than 125% of the original manufacturer rated hp for the old engine.
- Replacement equipment must have a one year or 1600 hour engine and drive train warranty covering parts and labor.
- Replacement equipment must be equipped with a fully operational, non-resettable hour meter.
- Verified Diesel Emission Control Systems (VDECS) (other than factory-installed OEM systems) are optional. The applicant acknowledges that they may be required to install such a device in the future at their own expense.

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**For more information regarding Off-Road Equipment Replacement grants contact the Carl Moyer Program Manager at 530-274-9360, ext 103 or [office@myairdistrict.com](mailto:office@myairdistrict.com)**

This information is a summary. The full program requirements are available from the California Air Resources Board (ARB) at [www.arb.ca.gov/msprog/moyer/guidelines/current.htm](http://www.arb.ca.gov/msprog/moyer/guidelines/current.htm).

**DISTRICT HEADQUARTERS**  
200 Litton Drive, Suite 320

Grass Valley, CA 95945  
(530) 274-9360 / FAX: (530) 274-7546  
email: [office@myairdistrict.com](mailto:office@myairdistrict.com) or [www.myairdistrict.com](http://www.myairdistrict.com)

**NORTHERN FIELD OFFICE**  
257 E. Sierra, Unit E  
Mailing Address: P.O. Box 2227  
Portola, CA 96122  
(530) 832-0102 / FAX: (530) 832-0101  
email: [julie@myairdistrict.com](mailto:julie@myairdistrict.com) or [www.myairdistrict.com](http://www.myairdistrict.com)

**CARL MOYER PROGRAM OFF-ROAD EQUIPMENT REPLACEMENT PROGRAM APPLICATION**

**All applicants must complete this form.**  
**Please print or type all information on this and any attached applications.**

APPLICANT INFORMATION									
<b>Company Name</b>		<b>Mailing Address</b>							
<b>Type of Business</b>									
<b>Contact Person</b>		<b>City</b>							
<b>Title</b>									
<b>Phone Number</b>		<b>State</b>	<b>ZIP</b>						
<b>Fax Number</b>			Fill in physical address below if different from mailing address						
<b>E-mail Address</b>		<b>Physical Address</b>							
<b>Name and title of person who will sign Agreement</b>			<b>City</b>						
	<i>Name</i>	<b>State</b>		<b>ZIP</b>					
	<i>Title</i>								
<b>Tax ID (Check one)</b>	<input type="checkbox"/> Federal Employers ID #		--						
	<input type="checkbox"/> Individual/Sole Proprietor		--		--				

Vehicle / Equipment / Engine Vendor Information				
<b>Contact</b>		<b>Address</b>		
<b>Company</b>		<b>City</b>		
<b>Phone</b>		<b>State</b>	<b>ZIP</b>	
<b>Fax</b>		<b>E-mail</b>		

## APPLICATION STATEMENT

- I understand that in order to receive incentive funds, I must enter into a Grant Agreement (contract) with the Northern Sierra Air Quality Management District (NSAQMD) and that there will be conditions placed upon receiving the grant award. I agree to refund the grant award, or a portion thereof as specified in the Grant Agreement, if it is found that at any time I do not meet those conditions and if directed to do so by the NSAQMD or the California Air Resources Board (ARB).
- I shall not place orders, make purchases or begin any work associated with this project until notified by the NSAQMD that all parties have signed the project's Grant Agreement and it is effective.
- I understand that the replacement equipment and any certified emission system must operate in a manner consistent with historic usage of the old equipment, with at least 75% of operation in California and 25% in the District, for the life of the Grant Agreement.
- I certify that the new or replacement equipment will be of the same type and be used for essentially the same work as the old equipment specified in this application.
- I certify that the proposed project has not been funded and is not being considered for funding by any air district, the ARB, or any other public agency. Any applicant who is found to have applied for or received incentive funds from another entity or program for the same project without disclosing that information shall at a minimum be disqualified from all funding sources within the control of any air district or the ARB, and may be banned by the ARB from submitting any future applications to any State Grant Program solicitations. NSAQMD and the ARB may also seek civil penalties or criminal sanctions for such non-disclosure. I understand that if I want to apply for alternative funding for this project, I must first withdraw my NSAQMD application. A project may be funded cooperatively by multiple air districts if the project parameters are coordinated amongst the participating districts and the project meets all applicable grant program criteria.
- I certify that the applicant entity is in compliance and will remain in compliance with all applicable federal, state, and local laws, air quality rules and regulations, and that the applicant entity does not have any outstanding/unresolved/unpaid Notices of Violation (NOV) or citations for violations of any federal, state or local air quality regulation.
- I understand that all information provided with this application will be used by the NSAQMD and/or ARB to evaluate the eligibility of this application to receive incentive funds. NSAQMD/ARB will at its sole discretion determine which program funds, if any, will be used for this project. I understand that NSAQMD/ARB staff reserves the right to request additional information of the applicant and can deny the application if such requested information is not provided. NSAQMD will contact applicants who submit incomplete or illegible applications and work with them to complete the application. If the applicant does not respond within 30 days, the application shall be suspended; in such cases, that applicant can petition the NSAQMD to re-initiate the application if they supply the previously identified missing information. The NSAQMD may require the applicant to provide updated information.
- I understand that grant programs have limited funds and shall terminate upon depletion of program funding. The NSAQMD shall honor projects that have been contracted, but are under no obligation to honor applications prior to contracting.
- I understand that the NSAQMD will issue IRS form 1099 to grant recipients as required by law. It is the grant recipient's responsibility to determine their tax liability associated with their participation in the grant program.



- I certify that I have the legal authority to apply for incentive funding for the entity described in this application.
- I have reviewed the information contained in this application and all attachments and I certify under penalty of perjury that it is complete, accurate and correct.
- I agree to the above statements by signing below.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:

**Third Party application preparation:**

List any preparation fee and source of funding:	
Printed Name of Responsible Party:	Title:
Company:	
Signature of Responsible Party:	Date:

**DELIVERABLES**

**All applicants must provide the information specified on this form.**

Provide the information detailed below. Attach additional pages if necessary.

A program schedule, with project milestones and dates clearly identified;

Record-keeping for the life of the funded project: Please list steps taken to ensure information is available to provide at a minimum the following reports:

1. *Quarterly status reports* until the equipment purchase has been accomplished. These reports shall include a discussion of any problems encountered and how they were resolved, any changes in the schedule, and recommendations for completion of the project. These progress reports are required before payment will be made.

2. An *annual report*, for the duration of the project life used to determine cost-effectiveness, which provides the annual hours of operation, amount and type of fuel used, and operational and maintenance issues encountered and how they were resolved. All equipment will be required to have a non-re-settable hour meter or odometer installed. NSAQMD reserves the right to verify the information provided.

⊕ Refueling (alternative fuels only: Describe how and where equipment will be refueled (on-site, existing facility, mobile equipment, etc.):

**DISTRICT HEADQUARTERS**  
200 Litton Drive, Suite 320

Grass Valley, CA 95945  
(530) 274-9360 / FAX: (530) 274-7546  
email: [office@myairdistrict.com](mailto:office@myairdistrict.com) or [www.myairdistrict.com](http://www.myairdistrict.com)

**NORTHERN FIELD OFFICE**

257 E. Sierra, Unit E  
Mailing Address: P.O. Box 2227  
Portola, CA 96122  
(530) 832-0102 / FAX: (530) 832-0101  
email: [julie@myairdistrict.com](mailto:julie@myairdistrict.com) or [www.myairdistrict.com](http://www.myairdistrict.com)

**VEHICLE / EQUIPMENT INFORMATION FORM**

**Primary Function of Vehicle:**

--

**Equipment Type (check one):**

<input type="checkbox"/> Off Road NEW	<input type="checkbox"/> Off Road REPOWER	<input type="checkbox"/> Off Road RETROFIT	<input type="checkbox"/> On Road NEW	<input type="checkbox"/> On Road REPOWER	<input type="checkbox"/> On-Road RETROFIT	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Agricultural	<input type="checkbox"/> Forklift	<input type="checkbox"/> Auxiliary Power Unit	<input type="checkbox"/> GSE	<input type="checkbox"/> Other			

**Annual Vehicle Usage:**

Operation within California (%):	Operation within NSAQMD Boundaries (%):
Annual Hours Spent within NSAQMD Boundaries:	
Estimated Annual Fuel Consumption:	

**Existing Vehicle Information:**

Make:	Model:	Model Year:	GVWR:
Vehicle Identification Number:	Fleet ID Number:	License Plate:	Odometer Reading: Vehicle Type:

**Existing Engine Information:**

Make:	Model:	Model Year:	Serial Number:	HP:	Hour Meter:
Fuel Type: <input type="checkbox"/> CNG <input type="checkbox"/> LNG <input type="checkbox"/> LPG <input type="checkbox"/> Diesel <input type="checkbox"/> Gasoline <input type="checkbox"/> Other:					
Engine Tier:	Engine Family #:	Total Replacement Cost:			

⊕ All estimates must be accompanied by proper documentation.

**New or Replacement Vehicle Information:**

Make:	Model:	Model Year:	GVWR:
Vehicle Identification Number:	Fleet ID Number:	License Plate:	Odometer Reading: Vehicle Type:

**New Engine or Retrofit System Information:**

Make:	Model:	Model Year:	Serial Number:	HP:	Hour Meter:
Fuel Type: <input type="checkbox"/> CNG <input type="checkbox"/> LNG <input type="checkbox"/> LPG <input type="checkbox"/> Diesel <input type="checkbox"/> Gasoline <input type="checkbox"/> Other:					
Engine Repower Parts Cost:		Engine Repower Labor Cost:		Total Repower Cost:	
Description of retrofit technology (REQUIRED IF CARB VERIFIED):				Retrofit Cost:	
EMU required: Installed cost + data summarization fees:					
Certified NO <sub>x</sub> Emission Level:		List any other financial incentives/programs (tax credits, deductions, grants, or other public assistance) applied to project:			
EPA Engine Family: REQUIRED					

⊕ All estimates must be accompanied by proper documentation.

**Remember: You must submit a completed W-9 FORM to be eligible for reimbursement of the Grant Award.**

# APPLICATION REQUIREMENTS CHECKLIST

	<p><b>Completed Application:</b> If the owner, partner or corporate officer will not be signing the Grant Agreement, please provide a letter naming and authorizing another individual to sign the grant agreement and other documents on behalf of the business.</p>
	<p><b>W-9 Form:</b> Complete and submit IRS form W-9, available from the IRS web site: <a href="http://www.irs.gov/pub/irs-pdf/fw9.pdf">www.irs.gov/pub/irs-pdf/fw9.pdf</a>. NSAQMD will issue form 1099 as required by law.</p>
	<p><b>Participating Dealer Quote &amp; Supporting Documents for New Equipment:</b> New equipment must be purchased from a District approved dealer. (Equipment and parts are eligible for funding only if they are required to ensure the effective installation and functionality of the equipment/engine.)</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Quote for the new equipment, itemizing all standard equipment and options, including tax and delivery.</li> <li><input type="checkbox"/> Evidence of warranty with minimum parts and labor coverage on engine and drive train for 1 year, 1600 hours. Warranty costs are not eligible for grant funding.</li> <li><input type="checkbox"/> Optional: An itemized quote of the parts and labor necessary to install the highest level ARB verified retrofit device available on the new engine.</li> <li><input type="checkbox"/> Copy of ARB Emissions Executive Order for new engine and/or retrofit device.</li> <li><input type="checkbox"/> Manufacturer's specification sheet for the new equipment, engine, and/or retrofit device.</li> </ul>
	<p><b>Annual Usage:</b> Include documentation of the equipment usage for at least the twenty-four (24) month period immediately prior to the application date. More than 24 months' usage can be considered if the average over that period is more indicative of future usage. Engine hour documentation is preferred. Please provide at least one of the following types of usage documentation:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Hour meter reading log collected at minimum of once per year from an installed and fully functioning hour meter, or;</li> <li><input type="checkbox"/> Historical fuel usage documentation specific to the old equipment. Documentation must include fuel logs, purchase receipts, or ledger entries, or;</li> <li><input type="checkbox"/> At least two items from the following list:             <ul style="list-style-type: none"> <li>◆ Revenue and usage records that identify operational, standby, and down hours for the equipment;</li> <li>◆ Employee timesheets linked to specific equipment use;</li> <li>◆ Preventative maintenance records tied to specific hours of equipment use;</li> <li>◆ Repair work orders specific to the equipment;</li> <li>◆ Six months of tracking normal equipment usage with a functional, tamper proof hour meter with prior District approval</li> </ul> </li> </ul> <p>Limited usage documentation or other circumstances will be considered on a case-by-case basis. Prior to contracting, the District will conduct a pre-inspection of the old equipment to verify its operational status.</p> <p><b>NSAOMD Inspection of Existing Equipment:</b> Arrange with the District an on-site inspection of the existing equipment.</p>
	<p><b>Proof of Existing Equipment Ownership and Residency in CA (2 years):</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Bill of sale for existing equipment; and</li> </ul>

	<p>One of the following:</p> <ul style="list-style-type: none"> <li>◆ Tax depreciation logs</li> <li>◆ Property tax records</li> <li>◆ Equipment insurance records</li> <li>◆ Bank appraisal for equipment</li> <li>◆ Maintenance/service records</li> <li>◆ General ledgers</li> <li>◆ Fuel records specific to existing equipment</li> <li>◆ Other:</li> </ul> <p>If no bill of sale, must provide 2 items from list above</p>
	<p><b>DOORS Report:</b> Attach report from ARB Diesel Off-road, On-line Reporting system, if required.</p>
	<p><b>Certificates of Insurance:</b> Provide current certificates of insurance with your application as evidence of coverage for General Liability and Worker's Compensation*.  <small>* If the Applicant is exempt from the requirement of maintaining workers compensation insurance, provide evidence of such exemption.</small></p>
	<p><b>Certificates of Insurance:</b> Funded projects will be required to provide certificates of insurance endorsing the District as additionally insured for this project for General Liability and Property Insurance that covers the replacement cost of the new equipment. When these policies, as well as your Worker's Compensation policy are renewed or changed, updated certificates must be submitted to the APCD until the Grant Agreement expires.</p>
	<p><b>Financing Documentation:</b> If the Grantee obtains financing to assist in the purchase of replacement equipment, full documentation of financing must be provided to the APCD. No more than the Grantee's share of the cost of the equipment may be financed.</p>

**Loan Assistance:** Loan assistance may be available for equipment replacement through the California Capital Access Program (CalCAP). Contact your lender for eligibility requirements and to see if they participate in CalCAP. Additional information on CalCAP loans is available from the ARB at: [www.arb.ca.gov/ba/loan/off-road/off-road.htm](http://www.arb.ca.gov/ba/loan/off-road/off-road.htm) or at 866-6-DIESEL, and from the California Pollution Control Financing Authority at: [www.treasurer.ca.gov/cpcfca/calcap.asp](http://www.treasurer.ca.gov/cpcfca/calcap.asp) For a list of participating lenders, see: [www.treasurer.ca.gov/cpcfca/calcap/institutions.pdf](http://www.treasurer.ca.gov/cpcfca/calcap/institutions.pdf)

### After Replacement Equipment is Delivered

	<p><b>NSAOMD Inspection of New Equipment:</b> Arrange with the District an on-site inspection of the New equipment.</p>
	<p><b>Salvage Certification Form:</b> Salvage yard must be a District approved salvage yard. Submit this form to the District within 30 days of receiving new equipment.</p>
	<p><b>Final Invoice from Dealership:</b> The applicant cannot finance more than their portion of the cost of the new equipment</p>

**Northern Sierra Air Quality Management District**  
**Carl Moyer Program - Application Statement**

Please initial each item to signify that you understand and agree with each statement. If you have questions on any of the statements, please call or email the CPM at (530) 274-9360, ext 103 or [office@myairdistrict.com](mailto:office@myairdistrict.com).

- Initials
- I have legal authority to apply for grant funding for the entity described in this application.
- The proposed project is not required to be implemented by any local, state, and/or federal rule, regulation, or other legally binding requirement.
- No replacement engine/equipment/vehicles have been purchased and no work on this project has begun or will begin until the Grant Agreement is approved by the Board and signed by the Executive Director.
- I understand that I must complete the purchase, repower, or retrofit work specified in the application no later than 18 months after approval of the Grant Agreement and will be required to submit a progress reporting form each calendar quarter until that work is complete. This deadline may be earlier than 18 months after approval of the Grant Agreement in cases where a regulatory deadline is approaching. This deadline may be extended in some circumstances if requested by the applicant and approved in writing by the NSAQMD.
- I understand that it is my responsibility to ensure that all technologies are either verified or certified by the California Air Resources Board (CARB) to reduce NOx and/or PM pollutants.
- I understand that any engine which has been replaced using Carl Moyer Program funds must be permanently destroyed and rendered useless. Cooling or lubricant passages, and critical mating surfaces in the cylinder block must be breached by burning, cutting, or impact. This work will be documented by NSAQMD inspection.
- I understand that the engine may not be removed from the vehicle/equipment until the manufacturer's permanently marked serial number is made clearly legible and inspected by NSAQMD personnel. If no serial number is legible, I will make certain that an NSAQMD representative has documented a unique indelible mark on the engine prior to removal that ensures the engine's identity can be verified after removal. Alternatively an NSAQMD representative may witness that the engine has been permanently destroyed and rendered useless before it is removed from the vehicle, equipment, or boat.
- I understand that there will be conditions placed upon receiving a grant and agree to refund the grant (or a pro-rated portion) if it is found that at any time I do not meet those conditions. One such condition is that the amount of future annual operation must be at least 70 percent of the historical level of operation claimed in the grant application. Another condition is that at least 75 percent of the equipment's operation must be in California for the entire term of the Grant Agreement. I understand that I must document compliance with these conditions and submit reports annually.
- I certify that the proposed project has not been funded and is not being considered for Carl Moyer Program funds by another air district or any other public agency.
- I understand that I will be prohibited from applying for any form of emission reduction credits for Moyer-funded vehicles/engines, including: Emission Reduction Credit (ERC); Mobile Source Emission Reduction Credit (MSERC) and/or Certificate of Advanced Placement (CAP), for all time, from the NSAQMD, CARB or any other Air Quality Management or Air Pollution Control District.
- I understand that disclosure is required of the value of any current financial incentive that directly reduces the project price, including tax credits or deductions, grants, or other public financial assistance. The incremental cost of the project will be reduced by the amount of the current financial incentive, except for federal funding or funding provided by the Alternative and Renewable Fuel and Vehicle Technology Program to reduce greenhouse gas emissions (GHG).
- I certify that the requested funding does not include administrative costs. Administrative costs are defined as costs related to project submittal preparation, project administration, monitoring, oversight, data gathering,

and report preparation. I will include funds necessary to cover administrative costs and any required matching funds in my budget for the duration of the project.

## Initials

- I have reviewed the sample grant agreement and it is acceptable, without revisions
- I have attached records, fuel receipts or logs or operating hour documentation that can be used to validate the amount of historical operation within NSAQMD boundaries. I understand that if the amount of future annual operation is less than 70 percent of this historical level of operation, I hereby agree to abide by actions taken by the District to ensure emission benefits are realized and captured including refunding the grant, or a pro-rated portion of the grant.
- I understand that for engine replacement projects, the new engine must be certified to the highest Tier NOx and diesel particulate emission standards that can be installed in the equipment. If an engine with a certification lower than the highest Tier is proposed to be installed, I have attached a letter from the equipment manufacturer or vendor specifying the reason(s) a highest Tier engine cannot be used. All engines must meet the emission standards as described in the current CMP Guidelines.
- I understand that all engine replacement and retrofit projects must be certified and/or verified to the current applicable emission standards. If applicable, a VDECS lower than highest level available is to be installed, a letter from the engine manufacturer is attached specifying the highest level of VDECS that can be installed on the engine and will perform in the specific engine application. The costs of this device and associated installation are eligible for funding and may be included in the project grant request. Failure to install an available VDECS will trigger the refund provisions of the Grant Agreement
- I understand that an IRS Form 1099 will be issued to me for incentive funds received under the Carl Moyer Program. I understand that it is my responsibility to determine the tax liability associated with participating in the Moyer Program.
- I understand that a Global Positioning System (GPS) unit may be required to be installed vehicles/equipment. I will submit data as requested and otherwise cooperate with all data reporting requirements.
- I understand that the NSAQMD has the right to conduct unannounced inspections to ensure the project equipment is fully operational and at the activity level committed to in the grant agreement.
- I understand that a tamper proof, non-resettable digital hour meter/odometer must be installed and maintained in operating condition on all vehicles/equipment.
- I understand that all projects must achieve a cost-effectiveness of \$30,000 per weighted ton of air pollutants reduced. Pollutants included in the cost-effectiveness calculation are NOx (oxides of nitrogen), ROG (reactive organic gases) and diesel PM (particulate matter). PM is weighted by a factor of 20; (NOx + ROG + 20\*PM). AQMD staff will calculate cost effectiveness.
- I understand that for ranking purposes, only emission reductions occurring in the Antelope Valley AQMD will be used to calculate cost-effectiveness.
- I understand that information regarding fleet size and compliance status must be submitted at time of application submittal. Fleet size must include Moyer project and compliance must be maintained throughout the contract term. This must include the Diesel Off-Road On-line Reporting System (DOORS) ID of the fleet and the DOORS Equipment Identification Number (EIN) of the funded equipment. All documentation submitted must be signed and dated by the applicant and include language certifying that the fleet list provided is accurate and complete.
- I understand that Moyer projects are not to be used for compliance extension or credit.
- I certify to the best of my knowledge that the information contained in this application is true and accurate.
- I understand that third party contracts are not permitted. A third party may, however complete an application on an owner's behalf. Third parties are required to list how much compensation, if any, they are receiving to prepare the application, and to certify that no Carl Moyer Program funds are being used for this compensation. (see below)



\_\_\_\_\_  
**Applicant's Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Applicant's Name (please print)**

\_\_\_\_\_  
**Title**

If an entity other than the applicant assisted in the preparation of the application, please provide the information requested below.

\_\_\_\_\_  
**Application Preparer's Name and Contact Information (please print)**

Compensation received for application preparation: \$ \_\_\_\_\_

**I certify that no Carl Moyer Program funds are the source for this compensation:**

\_\_\_\_\_  
**Application Preparer's Signature**

\_\_\_\_\_  
**Date**

**NSAQMD  
CARL MOYER PROGRAM  
FUNDING DISCLOSURE STATEMENT**

Have you applied for or been awarded other grants for any engines listed in this application? <input type="checkbox"/> Yes, complete section below <span style="margin-left: 200px;"><input type="checkbox"/> No, skip the remaining items in this table and sign below</span>	
Agency Applied to:	
Date of Application:	
Funding Amount:	
Engines Included In This Request (list engine serial numbers):	
Status of Application: <input type="checkbox"/> Cancelled <input type="checkbox"/> Pending <input type="checkbox"/> Funded <input type="checkbox"/> Other, explain:	

(photocopy this page when blank to complete for engines included in separate funding/grant requests)

By signing below, the Applicant hereby certifies the following:

- (1) Applicant has disclosed to the Grantor/District any and all other grant or funding applications it has directly or indirectly submitted to any other air pollution control districts or air quality management districts for the same specific engine(s).
- (2) Applicant agrees not to submit other Carl Moyer Grant applications or sign other contracts or Grant Agreements for the same specific engine(s) with any other source of funds, including but not limited to, other state or local air pollution control district or the California Air Resources Board for a multi-district solicitation. Applicant further agrees and understands that this Grant Agreement shall, at a minimum, be immediately terminated and may result in the Applicant being banned from submitting future applications to any and all Carl Moyer Program administering air pollution control district or air quality management district if it is discovered that the Applicant has submitted multiple applications or signed multiple contracts or grant agreements, not previously disclosed, for the same engine(s) as set forth in this Grant Agreement.
- (3) Applicant has disclosed the value of any current financial incentive that directly reduces the project price, including tax credits or deductions, grants, or other public financial assistance, for the same engine(s). The incremental cost of the project will be reduced by the amount of the current financial incentive, except for projects, beginning July 1, 2011, in which the following funding sources are used to reduce greenhouse gas emissions: a. Federal funding to reduce greenhouse gas emissions. b. Alternative and Renewable Fuel and Vehicle Technology Program.
- (4) Applicant understands that if it is found to be in violation of the terms and conditions of this Grant Agreement and/or this Disclosure Statement, the California Air Resources Board may levee fines and/or seek criminal charges to the fullest extent allowed by law against the Applicant, including but not limited to the Business and Professional Code and California Health and Safety Code Section 43016.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:

**NSAQMD  
CARL MOYER PROGRAM  
REGULATORY COMPLIANCE STATEMENT**

Legal Owner Name:
Company Name:
Mailing Address:
Physical Address (if different than mailing address):
Phone:
E-mail:

As an applicant/participant of the Carl Moyer Program, I declare that [COMPANY NAME]

1. Is in compliance with, and
2. Will remain in compliance with, and
3. Does not have any outstanding/unresolved/unpaid Notices of Violations (NOV) or citations for violations of any federal, state, and local air quality regulations including, but not limited to, the following:

- Cargo Handling Equipment Regulation
- Commercial Harbor Craft Regulation
- Drayage Truck Regulation (including dray-off trucks)
- In-Use Off-Road Diesel Vehicle Regulation
- Marine Shore Power Regulation
- Off-Road Large Spark Ignition Fleet Regulation
- Portable Diesel Airborne Toxic Control Measure
- Public Agency and Utility Rule
- Sleeper Berth Truck Idling Regulation
- Solid Waste Collection Vehicle Regulation
- Statewide Truck and Bus Regulation
- Stationary Engine Airborne Toxic Control Measure
- Transit Fleet Rule

I certify under penalty of perjury that the information provided is accurate.

Authorized Signature:	Date:
Authorized Representative's Printed Name:	Authorized Representative's Title:

**Appendix B: Year 20 Sample Contract**

**GRANT AGREEMENT**

**between**

**The Northern Sierra Air Quality Management District**

**and**

**Participant**

This Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by and between the NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT (NSAQMD), an air pollution control district formed pursuant to the laws of the State of California and Participant (Contractor).

**WITNESSETH**

This Agreement (“Agreement”) between the Northern Sierra Air Quality Management District, a public agency of the State of California, hereinafter referred to as “District” and “Participant”, a California Corporation, hereinafter referred to as “Participant”:

WHEREAS, pursuant to Health and Safety Code §41082, the District may undertake programs that include financial assistance or other incentives to fleet operators for the purchase, conversion or operation of low-emission motor vehicles; and

WHEREAS, only public or private agency fleets that permanently reside within Nevada, Sierra, or Plumas Counties qualify for funding; and

WHEREAS, under Resolution No. 2008-08 on November 24, 2008, NSAQMD’s Board of Directors authorized the NSAQMD to participate in the eleventh year of the “Carl Moyer Memorial Air Quality Standards Attainment Program (Heavy-Duty Low-Emission Vehicle Incentive Program)”; and

WHEREAS, pursuant to Northern Sierra Air Quality Management District Board Resolution No. 2004-03, the Air Pollution Control Officer is authorized to execute incentive agreements for the “Carl Moyer Memorial Air Quality Standards Attainment Program (Heavy-Duty Low-Emission Vehicle Incentive Program)”; and

WHEREAS, “Participant” represents that the purchase is NOT required by any local, state, and/or federal rule or regulation. For public agencies, controlling board policy does NOT require the purchase.

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NOW, THEREFORE, based on their mutual promises, covenants, and conditions, the parties hereby agree as follows:

**1. PROJECT**

Contractor shall perform all activities and work necessary to implement and complete the project set forth in the proposal which is incorporated herein as Exhibit A. Contractor agrees to furnish all labor, materials, equipment, licenses, permits, fees, and other incidentals necessary to perform and complete, per schedule, in a professional manner, the services described herein. Contractor represents that Contractor has the expertise necessary to adequately perform the project specified in Exhibit A.

In the event of any conflict between or among the terms and conditions of this Agreement, the exhibits incorporated herein, and the documents referred to and incorporated herein, such conflict shall be resolved by giving precedence in the following order of priority:

1. The text of this Agreement;
2. Exhibits A, B, Exhibit B-1a to this Agreement;
3. The NSAQMD Year 20 Carl Moyer Incentive Program Policy and Procedures prepared by the NSAQMD; and,
4. The Carl Moyer Program Guidelines (April 21, 2017) and applicable Carl Moyer Program Advisories.

In addition, unless stricter compliance requirements are defined by Items 1 to 3 in the list above, then the project shall comply with the requirements established in Item 4.

**2. PERIOD OF PERFORMANCE/TIMETABLE**

Contractor shall commence performance of work and produce all work products in accordance with the work schedule and deadlines for performance identified in Exhibit A (Statement of Grant Obligations) unless this Agreement is terminated sooner as provided for elsewhere in this Agreement.

**3. ENGINE(S)/EQUIPMENT REQUIREMENTS**

**A. Installation:** The Contractor shall provide the NSAQMD with written authorization from the manufacturer for that agent to perform the installation. Use of an unauthorized agent for the engine(s)/equipment installation shall constitute a breach of this Agreement.

**C. Maintenance:** The Contractor shall maintain the new grant-funded engine(s)/equipment pursuant to the manufacturer's written specifications. Prior to operating the engine(s)/equipment, the Contractor will provide the NSAQMD with a copy of the manufacturer's written maintenance specifications. The Contractor will keep a maintenance log containing records of all maintenance performed on the engine(s)/equipment.

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The Contractor shall make these maintenance logs available for NSAQMD review upon request by the NSAQMD. To ensure accurate engine(s)/equipment reporting, Contractor is required to maintain equipment (hour meters, odometers) necessary to determine usage. The Contractor must document usage during a failure of such equipment and provide the NSAQMD with that documentation with the Annual Usage Report. Failure to comply with these conditions will constitute a breach of this Agreement. Failure to maintain the engine(s)/equipment to the manufacturer's specifications will constitute a breach of this Agreement.

**C. Operation:** The Contractor shall operate the new grant-funded engine(s)/equipment pursuant to the manufacturer's written specifications. Prior to operating the engine(s)/equipment, the Contractor will provide the NSAQMD with a copy of the manufacturer's written operating specifications. Failure to operate the engine(s)/equipment within the manufacturer's specifications will constitute a breach of this Agreement.

**D. Modification:** The Contractor is prohibited from modifying the engine(s)/equipment configuration. This includes but is not limited to modifications to the engine(s)/equipment, electronic control unit, cooling, exhaust, crank-case ventilation and lubrication systems, power take-offs, and the transmission/gear reduction as applicable. The Contractor is required to conduct routine maintenance and repair as needed. All components replaced as part of routine maintenance and/or repair must comply with the original installed engine(s)/equipment configuration and manufacturer's specification. Any modifications to the engine(s)/equipment configuration without written consent from an agent authorized by the manufacturer and the NSAQMD will constitute a breach of this Agreement.

#### 4. PERFORMANCE

This project will result in emission reductions because the replacement engine(s)/equipment has (have) lower emissions than the original engine(s)/equipment. The required emission reductions over the Agreement term are specified in Exhibit A. The performance measure to ensure that the required emission reductions are achieved for this project shall be derived from the total engine operation since it (they) was (were) installed, based on either fuel usage or engine(s)/equipment hours as Specified in Exhibit A. As required by the Carl Moyer Program Guidelines (April 21, 2017), a minimum of 75 percent of the project's operation must be within California.

Annually, through the term of this Agreement or any amendments to it, and starting one year from the day of the NSAQMD post-inspection, Contractor shall provide the NSAQMD with Annual Engine/Equipment Usage Reports as outlined in Exhibit B using the report form in (Exhibit B-1a). Prior to this Agreement being deemed complete, the NSAQMD shall assess whether the engine(s)/equipment was (were) sufficiently operated to achieve the required emission reductions. Engine(s)/equipment operation over the Agreement term, must result in the contracted usage as stated in Exhibit A being achieved. In the case where the actual usage is between plus or minus 30% of the contracted usage, then the NSAQMD shall declare the Agreement complete. In the case where the actual usage is 30% above the contracted usage, the Contractor will provide the NSAQMD with the reason for the extra usage and if the NSAQMD, the ARB or their designee(s) deem the reasoning acceptable, the NSAQMD shall declare the Agreement complete. In the case where the actual usage is 30% below the contracted usage or excessive usage is not acceptable to the NSAQMD, the ARB or their designee(s), then one of the following performance compliance options for the project shall be selected by the NSAQMD:

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1. The Contractor shall repay a portion of the grant amount to the NSAQMD where the repayment portion is determined using the following formula:

$$R = G \times \left( 1 - \frac{O_{act}}{O_{con}} \right)$$

Where:

$R$  is the repayment amount;

$G$  is the total grant amount as stated in Paragraph 6;

$O_{act}$  is the total actual engine(s) operation amount since the repower was completed;

$O_{con}$  is the total required engine(s) operation amount over the term of this Agreement defined in Exhibit A; or,

2. The APCO may, at his or her sole discretion, relieve this obligation to return the funds after considering the circumstances leading to the failure to fulfill the minimum performance requirements. Additionally, the APCO may, at his or her sole discretion, require full reimbursement of all funds paid to the Participant.

## 5. RECORD KEEPING AND REPORTING

**A. Records:** Contractor shall keep, and provide to NSAQMD or its agents, upon request, accurate financial records (including invoices and published price lists on which Agreement was based) necessary to enable NSAQMD to review Contractor's performance of this Agreement. These records shall demonstrate the grant funding has been used for the purchase of engine(s)/equipment and/or provision of services as described in Exhibit A to this Grant Agreement, Statement of Grant Obligations. Contractor shall maintain all such records for at least five years after the date on which the engine(s)/ equipment and or/services was (were) purchased.

**B. Reports:** The Contractor shall submit report(s) to the NSAQMD in accordance with the schedule and format specified in Exhibit B (Annual Grant Status Report Format) and Exhibit B-1a (Annual Engine Usage Report). Failure to comply with reporting requirements will trigger District Auditing as specified in the Carl Moyer Program Guidelines.

## 6. COMPENSATION

The total obligation of NSAQMD under this Agreement shall not exceed **fifty eight thousand, nine hundred and ninety five dollars (\$58,995)**.

**A. Payments:** Only expenditures incurred by Contractor in the direct performance of this Agreement can be reimbursed by NSAQMD. Contractor shall invoice the NSAQMD in accordance with the schedule specified in Exhibit A. Payments by NSAQMD to Contractor for any services detailed in Exhibit A shall be permitted only after said services have been satisfactorily rendered, and after a written request and claim from Contractor for such payment has been received by NSAQMD. Said written request shall set forth the work completed in the claim period and shall include copies of any and all invoices or financial records needed to verify that stated costs have been incurred by Contractor.

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Invoices and supporting records shall be submitted to NSAQMD no more often than once every five months, unless prior approval for a greater frequency has been given by NSAQMD. Claims and all supporting documentation shall be submitted to the Northern Sierra Air Quality Management District (NSAQMD), 200 Litton Dr., Suite 320, Grass Valley, California 95945, Attention: Carl Moyer Program Manager.

NSAQMD shall pay Contractor within thirty (30) calendar days after receiving a request for payment and verifying that services have been satisfactorily completed as cited in the invoice.

The amount to be paid to Contractor under this Agreement shall include all sales and use taxes incurred pursuant to this Agreement, if any, including any such taxes due on equipment purchased by Contractor.

**B. Surplus Funds:** Any part or all of a payment by NSAQMD to Contractor, which is not utilized for any reason by Contractor to pay costs pursuant to the terms and conditions of this Agreement or as detailed in a claim by Contractor, shall be refunded to NSAQMD within 30 days after the end of the project term defined in Paragraph 2 above.

**C. Close-out Period:** All final claims for repayment shall be submitted by Contractor to NSAQMD within sixty (60) days following the final month of activities for which payment is claimed. No action will be taken by NSAQMD on claims submitted beyond the 60-day close-out period.

## 7. NON-ALLOCATION OF FUNDS

The terms of this Agreement and the services to be provided thereunder are contingent on the approval and appropriation of funds by the Air Pollution Control Officer. Should sufficient funds not be allocated, the services provided may be modified or this Agreement may be terminated at any time by NSAQMD after giving Contractor thirty (30) days notice in writing.

## 8. INDEPENDENT CONTRACTOR

In performance of the work, duties, and obligations assumed by Contractor under this Agreement, it is mutually understood and agreed that Contractor, including any and all of Contractor's officers, agents, and employees, will at all times be acting and performing as an independent contractor and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of NSAQMD. Furthermore, except for requirements specifically stated in this Agreement, NSAQMD shall have no right to control, supervise or direct the manner or method by which Contractor shall perform its work and function. However, NSAQMD shall retain the right to administer this Agreement so as to verify that Contractor is performing its obligations in accordance with the terms and conditions thereof. Contractor and NSAQMD shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

Because of its status as an independent contractor, Contractor shall have absolutely no right to employment rights and benefits available to NSAQMD employees. Contractor shall be solely liable and responsible for providing to, or on behalf of, itself all legally required employee benefits.

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In addition, Contractor shall be solely responsible and hold NSAQMD harmless from all matters relating to payment of Contractor's employees, including compliance with social security, withholding, and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, Contractor may be providing services to others unrelated to NSAQMD or to this Agreement.

## 9. TERMINATION

**A. Breach of Agreement:** NSAQMD may immediately suspend or terminate this Agreement, in whole or in part, for any of the following reasons:

1. An illegal or improper use of funds;
  2. A failure to comply with any term of this Agreement;
  3. A substantially incorrect or incomplete report submitted to NSAQMD;
  4. Improperly performed services; or
5. Contractor breaches any requirements of the Carl Moyer Program Guidelines (April 21, 2008) and applicable Carl Moyer Program Advisories.

In no event shall any payment by NSAQMD constitute a waiver by NSAQMD, the ARB or their designee(s) of any breach of this Agreement or any default which may then exist on the part of Contractor, nor shall such payment impair or prejudice any remedy available to NSAQMD, the ARB or their designee(s) with respect to the breach or default. NSAQMD, the ARB or their designee(s) shall have the right to demand of Contractor the repayment to NSAQMD of any funds disbursed to Contractor under this Agreement which in the judgment of NSAQMD, the ARB or their designee(s) were not expended in accordance with the terms of this Agreement. Contractor shall promptly refund any such funds upon demand.

In addition to immediate suspension or termination, NSAQMD, the ARB or their designee(s) may impose any other remedies available at law, in equity, or otherwise specified in this Agreement.

**B. Without Cause:** Either party may terminate this Agreement at any time after giving the other party at least thirty (30) days advance written notice of intention to terminate. In such case, Contractor shall be paid the reasonable value of all services, if any, satisfactorily rendered and actual, reasonable costs incurred up to the time of the termination. Upon such termination, all the work, if any, produced by Contractor shall be promptly delivered to NSAQMD. Additional terms and conditions may apply in the event of termination by the Contractor, as identified in Paragraph 27.C of this Agreement.

## 10. MODIFICATION

Any matters of this Agreement may be modified from time to time by the written consent of all the parties without in any way affecting the remainder.

## 11. NON-ASSIGNMENT

Neither party shall assign, transfer, or subcontract this Agreement, nor their rights or duties under this Agreement, without the prior express, written consent of the other party.

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## 12. INDEMNIFICATION

Contractor agrees to indemnify, save, hold harmless, and at NSAQMD's request, defend NSAQMD, its boards, committees, representatives, officers, agents, and employees from and against any and all costs and expenses (including reasonable attorneys' fees and litigation costs), damages, liabilities, claims, and losses (whether in contract, tort, or strict liability, including, but not limited to, personal injury, death, and property damage) occurring or resulting to NSAQMD which arises from any negligent or wrongful acts or omissions of Contractor, its officers, agents, subcontractors, or employees in their performance of this Agreement.

In addition, by signing this agreement, Contractor affirms that the project proposed in

Exhibit A to this Grant Agreement has not been funded and is not being considered for funding by another air district, ARB, or any other public agency. Any applicant who is found to have submitted multiple applications for the same project may be banned by the ARB from submitting future applications to Carl Moyer Program solicitations and may be subject to criminal sanctions. A project funded cooperatively by multiple air districts is eligible for funding if the project parameters are coordinated amongst the participating districts and the project meets all applicable Carl Moyer Program criteria. Applicants are allowed to re-apply for project funding if a previous application has been rejected and is no longer being considered for funding or if the applicant withdraws the previous application from the other funding source.

## 13. INSURANCE

**A.** Without limiting NSAQMD's right to obtain indemnification from Contractor or any third parties, Contractor, at its sole expense, shall maintain in full force and effect the following insurance policies throughout the term of this Agreement:

Commercial general liability insurance with minimum limits of coverage in the amount of one million dollars (\$1,000,000) per occurrence;

Commercial automobile liability insurance which covers bodily injury and property damage with a combined single limit with minimum limits of coverage in the amount of one million dollars (\$1,000,000) per occurrence; and,

Workers' compensation insurance in accordance with California law.

In the event Contractor is exempt from the requirement of maintaining workers compensation insurance, Contractor shall provide to the District satisfactory evidence of such exemption.

**B.** Prior to finalizing this Agreement, Contractor shall provide certifications of insurance on the foregoing policies, as required herein, to NSAQMD, stating that such insurance coverages have been obtained and are in full force. The Contractor's general commercial liability insurance policy, worker's compensation policy, and automotive general liability shall endorse/name the NSAQMD, its officers, agents, employees, individually and collectively, as additional insured, but only insofar as the engine(s)/equipment provided under this Agreement. Such coverage for additional insured shall apply as primary insurance, and any other insurance maintained by NSAQMD, its officers, agents, and employees, shall be excess only and not contributing with insurance provided under Contractor's policies herein. This insurance shall not be canceled or changed without a minimum of thirty (30) days advance, written notice given to NSAQMD.

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C. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided, NSAQMD may, in addition to other remedies it may have, suspend or terminate this Agreement upon the occurrence of such event.

**14. AUDITS AND INSPECTIONS**

Contractor shall at any time during regular business hours, and as often as NSAQMD, the ARB or their designee(s) may deem necessary, make available to and permit NSAQMD, the ARB or their designee(s) to inspect and audit all of the Contractor's engine(s)/equipment and/or records necessary to determine Contractor's compliance with the terms of this Agreement.

Contractor shall be subject to an audit by NSAQMD, the ARB or their designee(s) to determine if the revenues received by Contractor were spent for the reduction of pollution as provided in this Agreement and to determine whether said funds were utilized as provided by law and this Agreement. If, after audit, NSAQMD, the ARB or their designee(s) makes a determination that funds provided to the Contractor pursuant to this Agreement were not spent in conformance with this Agreement or any other applicable provisions of law, Contractor agrees to immediately reimburse NSAQMD all funds determined to have been expended not in conformance with this Agreement.

Contractor shall retain all records and data for activities performed under this Agreement for at least five (5) years from the date of final payment under this Agreement or until all state and federal audits are completed for that fiscal year, whichever is later.

The Contractor understands and agrees that the ARB has the authority and reserves the right to monitor and enforce the terms of the contract at any time during the project life to ensure emission reductions are obtained for a minimum of 75 percent operation within California. The NSAQMD, the ARB or their designee(s) may seek whatever legal, equitable and other remedies are available under State law for the owner's failure to comply with the Carl Moyer Program requirements and failure to fully perform under the grant agreement.

**15. NOTICES**

The persons and their addresses having authority to give and receive notices under this Agreement are as follows:

<b>CONTRACTOR</b>	<b>NSAQMD</b>
John XYZ	Gretchen Bennitt
President	Air Pollution Control Officer
XYZ Company	Northern Sierra Air Quality Management District
5356 Donner Pass Road	200 Litton Drive, Suite 320
Truckee, CA 96161	Grass Valley, CA 95945

Any and all notices between NSAQMD and Contractor provided for or permitted under this Agreement or by law shall be in writing and shall be deemed duly served when personally delivered to one of the parties, or in lieu of such personal service, when deposited in the United States mail, postage prepared, addressed to such party.

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Participant Initial                      APCO Initial

**16. POLITICAL ACTIVITY PROHIBITED**

None of the funds, materials, property, or services provided under this Agreement shall be used for any political activity, or to further the election or defeat of any candidate for public office.

**17. LOBBYING PROHIBITED**

None of the funds provided under this Agreement shall be used for publicity, lobbying, or propaganda purposes designed to support or defeat legislation before the Congress of the United States of America or the Legislature of the State of California.

**18. CONFLICT OF INTEREST**

No officer, employee, or agent of NSAQMD who exercises any function or responsibility for planning and carrying out the services provided under this Agreement shall have any direct or indirect personal financial interest in this Agreement. Contractor shall comply with all federal and state conflict of interest laws, statutes, and regulations, which shall be applicable to all parties and beneficiaries under this Agreement and any officer, agent, or employee of NSAQMD.

**19. GOVERNING LAW**

This Agreement shall be governed in all respects by the laws of the State of California. Venue for any action arising out of this Agreement shall only be in Nevada County, California.

**20. BINDING ON SUCCESSORS**

This Agreement, including all covenants and conditions contained herein, shall be binding upon and inure to the benefit of the parties, including their respective successors-in-interest, assigns, and legal representatives.

**21. TIME IS OF THE ESSENCE**

It is understood that for Contractor's performance under this Agreement, time is of the essence. The parties reasonably anticipate that Contractor will, to the reasonable satisfaction of NSAQMD, complete all activities provided herein within the time schedule outlined in the attachments to this Agreement, provided that Contractor is not caused unreasonable delay in such performance.

**22. DATA OWNERSHIP**

Upon termination or expiration of this Agreement, all data which is received, collected, produced, or developed by Contractor under this Agreement shall become the exclusive property of NSAQMD, provided, however, Contractor shall be allowed to retain a copy of any non-confidential data received, collected, produced, or developed by Contractor under this Agreement, subject to NSAQMD's exclusive ownership rights stated herein. Accordingly, Contractor shall, if requested, surrender to NSAQMD all such data which is in its possession (including its subcontractors or agents), without any reservation of right or title, not otherwise enumerated herein. NSAQMD shall have the right at reasonable times during the term of this Agreement to inspect and reproduce any data received, collected, produced, or developed by Contractor under this Agreement.

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APCO Initial

No reports, professional papers, information, inventions, improvements, discoveries, or data obtained, prepared, assembled, or developed by Contractor, pursuant to this Agreement, shall be released or made available (except to NSAQMD) without prior, express written approval of NSAQMD while this Agreement is in force.

### **23. NO THIRD-PARTY BENEFICIARIES**

Notwithstanding anything else stated to the contrary herein, it is understood that Contractor's services and activities under this Agreement are being rendered only for the benefit of NSAQMD, and no other person, firm, corporation, or entity shall be deemed an intended third-party beneficiary of this Agreement.

### **24. SEVERABILITY**

In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be unenforceable in any respect by a court of competent jurisdiction, such holding shall not affect any other provisions of this Agreement, and the Agreement shall then be construed as if such unenforceable provisions are not a part hereof.

### **25. TITLE TO EQUIPMENT**

Title to and risk of loss of equipment purchased with funds received through this Agreement shall, at all times, vest in and with Contractor. Contractor acknowledges that NSAQMD did not supply, design or manufacture the equipment or any of its components. This equipment is commercially manufactured and sold by a manufacturer to be determined by Contractor. NSAQMD specifically disclaims all warranties, express and implied, including the implied warranties of merchantability and fitness for the intended purpose, as to the purchased equipment, any test equipment or field tests. In no event shall NSAQMD be liable to Contractor or any third party for any direct, indirect, consequential, special, incidental, or punitive damages for the design, manufacture, operation, maintenance, performance, or demonstration of the purchased equipment under any theory, including but not limited to, tort, contract, breach of warranty, or strict liability.

### **26. RIGHTS TO EMISSION REDUCTIONS**

With the exception of early compliance credits authorized by State statute or regulations

written by the California Air Resources Board, Contractor transfers and conveys to NSAQMD all rights and claim to ownership of the emission reductions achieved through the project funded by this Agreement. Contractor shall not use or attempt to use the emission reductions achieved by the project as emission reduction credits. Contractor hereby fully and completely relinquishes such rights for the useful life of the project as specified in Exhibit A.

### **27. SPECIAL CONDITIONS**

**A. Agreement Completion:** The entire proposed project must be completed according to the schedule presented in Exhibit A, Statement of Grant Obligations. The NSAQMD, at its discretion, may instead elect to modify the said schedule unless such an extension is not possible as a result of regulatory requirements.

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**B. Disposal of Replaced Equipment:** Contractor will be removing from service the existing equipment as outlined in Exhibit A.

**C. Termination:** Contractor may terminate its obligation to operate the low emissions equipment funded under this Agreement for good cause provided that Contractor shall reimburse the NSAQMD based on the repayment equation specified in Paragraph 4 ("Performance") of this Agreement. Notice of termination shall be provided in writing and shall be effective upon completion of the terms of this Paragraph. Such notice shall terminate Contractor's obligation under Paragraphs 1 (Project) and 2 (Period of Performance / Timetable) of this Agreement.

**D. Replacement, Sale, Relocation or Damage to Engine(s)/Equipment:**

**1. Replacement:** If for any reason, the new engine(s)/equipment is (are) rendered inoperable during the life of this Agreement, the Contractor shall notify the NSAQMD of this fact in writing within 15 days and begin working with the NSAQMD to promptly complete one of the two options listed below:

(a) Contractor shall replace the engine(s)/equipment with an engine(s)/equipment that has (have) equal or lesser air emissions, as determined by the NSAQMD. Once the replacement engine(s)/equipment is (are) determined, the NSAQMD will amend the Agreement to specify the replacement engine(s)/equipment. The amendment will also extend the life of the Agreement to account for the time that the engine(s)/equipment was (were) out of service and unable to meet the original Agreement performance obligations. In the event that such an amendment is not possible as a result of regulatory requirements, this Agreement's performance requirements shall be addressed by the Contractor repaying the NSAQMD a portion of the grant amount based on the repayment equation specified in Paragraph 4 ("Performance") of this Agreement.

(b) If the Contractor elects not to replace the inoperable engine(s)/equipment with an engine(s)/equipment that has (have) greater air emissions, as determined by the NSAQMD, then the Contractor shall repay the NSAQMD based on the repayment equation specified in Paragraph 4 ("Performance") of this Agreement.

**2. Sale:** If for any reason, the new engine(s)/equipment is (are) to be sold by the Contractor during the life of this Agreement, the Contractor shall notify the NSAQMD of this fact in writing 15 days prior to listing or otherwise preparing for the sale of the engine(s)/equipment and begin working with the NSAQMD to promptly complete one of the following two available options:

(a) Contractor shall make compliance with this Agreement a written condition of the sale and a new Agreement between the NSAQMD and the new owner must be finalized as part of the final sale. Sale of the engine(s)/equipment can only occur within Nevada, Sierra or Plumas counties. Copies of all forms pertaining to the sale of the engine(s) shall be provided to the NSAQMD within 30 days of the sale and the forms shall refer to the existence of this Agreement and the new Agreement in the space provided for Warranties / Appurtenances / Limitations / Exceptions.

(b) If the Contractor elects to sell the engine(s)/equipment without the completion of the grant Agreement obligations or the engine(s)/equipment is sold outside of Nevada, Sierra or Plumas counties, the Contractor shall repay the NSAQMD based on the repayment equation specified in Paragraph 4 ("Performance") of this Agreement.

Participant Initial

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**3. Relocation:** If for any reason during the life of this Agreement the Contractor wants to relocate outside of Nevada, Sierra or Plumas counties and continue to use the new engine(s)/equipment inside California, Contractor shall notify the NSAQMD of the specifics of the relocation in writing 15 days prior to the relocation and begin working with the NSAQMD to determine the possibility of modifying the Grant Agreement. If relocation occurs outside of California, Contractor shall repay the NSAQMD based on the repayment equation specified in Paragraph 4 ("Performance") of this Agreement.

**4. Damage:** If for any reason, the new engine(s)/equipment is (are) damaged but repairable during the life of this Agreement, the Contractor shall notify the NSAQMD of this fact in writing within 15 days and begin working with the NSAQMD to promptly complete one of the two options listed below:

(a) Contractor shall have the damaged engine(s)/equipment repaired by an agent that is authorized by the manufacturer to complete the repairs. Use of an unauthorized agent for the engine(s)/equipment repair shall constitute a breach of this Agreement. Depending on the needed repair time, the NSAQMD will determine if an amendment to the Agreement is needed to extend the life of the Agreement to account for the time that the engine(s)/equipment will be out of service and unable to meet the original Agreement performance obligations. In the event that such an amendment is not possible as a result of regulatory requirements, this Agreement's performance requirements shall be addressed by the Contractor repaying the NSAQMD a portion of the grant amount based on the repayment equation specified in Paragraph 4 ("Performance") of this Agreement.

(b) If the Contractor elects not to have the damaged engine(s)/equipment repaired, then the Contractor shall repay the NSAQMD based on the repayment equation specified in Paragraph 4 ("Performance") of this Agreement.

**E. New Truck Title Requirements:** Contractor agrees to the following motor vehicle title requirements for the new truck:

**1.** Contractor shall provide a copy of the replacement vehicle's title to the NSAQMD, demonstrating that the Northern Sierra Air Quality Management District is named as a lien holder for the vehicle.

**2.** Contractor must be the legal owner of the replacement vehicle throughout the term of this Agreement.

**3.** If the replacement vehicle is financed, the Contractor will list both the NSAQMD and the finance company as lien holders for the vehicle.

**4.** If the replacement vehicle is financed, and the loan is repaid before the termination of this Agreement, Contractor must ensure that the NSAQMD remains a lien holder on the replacement vehicle for the term of this Agreement.

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APCO Initial



5. If the replacement vehicle is repossessed by the finance company, Contractor must reimburse the NSAQMD in accordance with the formula in Section 4.

6. Any changes to the replacement vehicle's title must be pre-approved in writing by the NSAQMD.

**28. ENTIRE AGREEMENT**

This Agreement constitutes the entire Agreement between Contractor and NSAQMD with respect to the subject matter hereof and supersedes all previous negotiations, proposals, commitments, writings, advertisements, publications, and understandings of any nature whatsoever unless expressly included in this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed as of the day and year first hereinabove written.

\_\_\_\_\_ Date: \_\_\_\_\_  
"CONTRACTOR"

\_\_\_\_\_ Date: \_\_\_\_\_  
Chair, Board of Directors  
Northern Sierra Air Quality Management District

\_\_\_\_\_ Date: \_\_\_\_\_  
Northern Sierra Air Quality Management District  
Gretchen Bennitt  
Air Pollution Control Officer

## EXHIBIT A

### STATEMENT OF GRANT OBLIGATIONS

#### General

The NSAQMD promotes voluntary diesel engine emission reduction programs under cooperative agreements with eligible applicants to reduce public exposure to ozone precursors and toxic diesel particulate matter. The objective of this Grant Agreement is to reduce these air pollution emissions from one heavy-duty truck in the Contractor's fleet by replacing that truck with a new truck and scrapping the old truck including the engine. The truck is based in Nevada County at 55555 Donner Pass Road within the Town of Truckee, CA. This project's cost effectiveness is less than the Carl Moyer Program cost effectiveness limit of \$16,000 per weighted ton of pollutants as defined in the April 21, 2008 Carl Moyer Guidelines (Moyer Guidelines) with the Grant Agreement life being 5 years.

#### Project Description

This project involves the replacement of an existing 1973 Peterbilt vehicle with a 1987 Cummins engine with a comparable 2008 Peterbilt truck with a 2008 Cummins engine. The following **baseline (old)** truck and engine will be permanently removed from service as a result of this project:

1. TRUCK: 1973- Peterbilt, model 259; Contractor's Equipment ID MC73; Vehicle Identification Number: 55555P; GVWR: 80,000; License Plate Number: XXXXXXXX; 3 axel transfer dump style truck.
2. ENGINE: 1987- 424hp Cummins, model NTC recon diesel engine; Contractor's Equipment ID MC73; Serial Number 555555; Usage 17, 985 miles/yr; NOx Emission Factor 21.11g/mi; ROG Emission Factor 0.81g/mi; PM Emission Factor 1.354g/mi

The funding award for this project will not exceed \$58,995. This project will be funded from the NSAQMD's 11th Year Moyer funding.

The following **new** truck and engine will be placed into service as a result of this project. The performance requirements, emission certifications and usage over the life of this Agreement for the new replacement engine/equipment technology shall be as follows:

1. TRUCK: 2008- Peterbilt, model 15x; Contractor's Equipment ID MC73; Vehicle Identification Number: TBD; 3 axel transfer dump style truck.
2. ENGINE: 2008- 485hp Cummins, model ISX 485 diesel engine; Contractor's Equipment ID to be defined; Serial Number to be defined; Usage 17,985miles/yr; NOx Emission Factor 6.36g/mi; ROG Emission Factor 0.23g/mi; PM Emission Factor 0.28g/mi; Engine Family Number 8CEXH0912XAL.

#### Matching Funds

Costs incurred in excess of \$58,995 will be the responsibility of the Contractor and shall constitute their matching and/or in-kind contribution for the project.

## STATEMENT OF WORK AND PROJECT TIMELINE

Installation Deadline: Tasks 1 to 6 below need to be completed as rapidly as possible but must be completed before \_\_\_\_\_ 2019. These project tasks are consistent with those identified in the Memorandum of Understanding between the two partnering air districts for the NSAQMD's fleet modernization program, NSAQMD and Sacramento Metropolitan Air Quality Management District (SMAQMD). Should these tasks not be completed by this date, the Agreement shall be deemed terminated, Contractor shall forfeit the funding award and the NSAQMD shall apply the funds to another project.

Task 1: Agreement and Insurance Documentation: Contractor shall submit insurance documents (Paragraph 13) and signed Agreement to the NSAQMD. The Contractor shall not commence the project until they have received their copy of the finalized Agreement from the NSAQMD.

Task 2: Project Purchase Order: Upon receiving a copy of the executed Agreement, the Contractor is required to:

- a. Place an order for new replacement truck meeting contract specifications from the Sacramento Fleet Modernization dealer that provided the project quote;
- b. Make any required payment to Dealer for costs not reimbursed by grant.
- c. Mail NSAQMD a copy of the purchase order.

Task 3: Invoice Preparation:

- a. Truck dealer will invoice Contractor for all costs and ensure delivery of old truck to scrap yard;
- b. Upon receipt of dealer invoice, Contractor will invoice NSAQMD, using the NSAQMD provided form, for Grant Award amount, attaching a copy of the dealer invoice.

Task 4: Invoice Approval and Check for Grant Award: NSAQMD will review and approve dealer invoice and provide a 2-party check payable to dealer and Contractor. NSAQMD shall mail the check to SMAQMD.

Task 5: Post-Inspection, Truck Exchange, and Grant Payment:

- a. Upon receipt of NSAQMD check, SMAQMD will notify dealer, who will schedule a mutually acceptable place, date and time to meet with Contractor and SMAQMD staff to complete the exchange the old truck for the new truck;
- b. At that meeting, SMAQMD will conduct a Moyer pre-salvage inspection of the old truck and a post inspection of the new truck, including:
  1. Verifying the old truck is the same as pre-inspected truck (pre-salvage inspection);
  2. Verifying the new truck meets the contract specifications (post inspection).
  3. Confirming with dealer which SMAQMD approved salvage yard will scrap the old truck.
- c. Upon completion of Task 5b, SMAQMD will provide the NSAQMD 2-party check to dealer and ensure that both the dealer and the Contractor sign SMAQMD's check delivery form and that the Contractor endorses the check that is retained by the dealer.
- d. SMAQMD will prepare and transmit a Moyer post-inspection report, take pictures, and review the delivery form to the NSAQMD.

Task 6: Old Truck Salvage Inspection: SMAQMD staff will inspect the destroyed truck at the SMAQMD approved salvage yard. SMAQMD staff will prepare and send a Moyer salvage inspection report and pictures to NSAQMD. SMAQMD staff will ensure that the salvage yard files the vehicle title as non-repairable with the California DMV and sends this verification to the NSAQMD.

Task 7: Usage and Maintenance Logs: A usage and maintenance log for the new truck shall be maintained by Contractor and made available to NSAQMD staff upon request.

Task 8: Annual Usage Reports: Annually, through the term of this Agreement or any amendments to it, and starting one year from the day of the SMAQMD post-inspection, Contractor shall provide the NSAQMD with Annual Usage Reports as outlined in Exhibit B using the report form in Exhibit B-1a. To ensure accurate engine(s)/equipment reporting, Contractor is required to maintain equipment (hour meters, odometers) necessary to determine usage. The Contractor must document usage during a failure of such equipment and provide the NSAQMD with that documentation with the Annual Usage Report.

Task 9: Annual Insurance Requirements: Annually through the term of this Agreement or its amendments, after the engine(s)/equipment is (are) installed, Contractor shall send the NSAQMD updated insurance certificates that list the NSAQMD as additionally insured with respect to the policies listed in Paragraph 13 of this Agreement. **XYZ Company** leases the trucks from Contractor (**ABC Leasing, Inc.**) and is solely responsible for all insurance requirements for this truck and is responsible for also listing **ABC Leasing, Inc.** as additionally insured with respect to the policies listed in Paragraph 13 of this Agreement.

### **Term of Agreement**

1. For the purposes of this Agreement, the term of the Agreement is defined herein to be five (5) years from the date of the final post inspection.
2. No work may begin until contract is fully executed.

EXHIBIT B  
ANNUAL GRANT STATUS REPORT FORMAT

Contractor shall submit the "Annual Engine/Equipment Usage Report" form below to the NSAQMD for each new low emission engine/equipment funded under this Agreement. The first report is due one year from the day of the NSAQMD post-inspection. The report form will be provided to the NSAQMD annually for five (5) years. The purpose of this report form is to provide the NSAQMD with feedback as to Contractor's experience with the new low emissions equipment and to provide a record of the actual usage versus the usage identified in the Contractor's grant application. The report shall include the following items:

1. Name and address of Contractor;
2. Project Agreement number;
3. Make and model of equipment purchased;
4. Usage information for the new equipment:
  - Hours of use of the new equipment over the past 12 months; or
  - Estimated fuel use with the new equipment over the past 12 months;
5. Discussion of any repairs, problems, or benefits with the equipment.

**Northern Sierra Air Quality Management District**  
**Exhibit B-1a: Annual Engine Usage Report**  
**(Agreement#: CMP 2018-00)**

**INSTRUCTIONS:** Complete this Annual Engine Usage Report every year for 5 year(s) after the NSAQMD completes this project's post inspection. The report shall be sent to the NSAQMD within 2 weeks post inspection anniversary date.

**SECTION 1: GRANTEE INFORMATION**

Company/Grantee Name: John XYZ

Company/Grantee Address: XYZ Company/ PO Box 5555, Truckee, CA 96162

Company/Grantee Phone Number: \_\_\_\_\_

Date: \_\_\_\_\_

**SECTION 2: ENGINE INFORMATION:** Please verify the information below and complete any missing Information. Failure to complete information may lead to an immediate engine inspection and audit.

1. Location of Truck/Engine Identified Below: \_\_\_\_\_

2008 Peterbilt 388 On-Road 3 axel Transfer Truck, GVWR: 80,000; VIN# \_\_\_\_\_

2. Model Year, Make, Model and Family Number of new truck engine:

2008 Cummins - ISX 485

3. Engine Serial #: \_\_\_\_\_

4. Power Rating: :485 HP

5. Fuel Type: Diesel

**SECTION 3: ANNUAL USAGE INFORMATION:** Provide the following Engine Usage Information:

1. Report Start Date: \_\_\_\_\_ (MM/DD/YY)

2. Report End Date: \_\_\_\_\_ (MM/DD/YY)

3. Percent of Time Operated in California: \_\_\_\_\_

4. Engine Use within the period stated above (complete all that apply):

\_\_\_\_\_ gallons

\_\_\_\_\_ hours

\_\_\_\_\_ miles

5. Has the fleet mod functioned effectively over this period \_\_\_\_\_

(Yes/No; if No, please attach description of issue(s) & steps taken to resolve issue(s).)

Signature \_\_\_\_\_

Date \_\_\_\_\_

Mail to: NSAQMD, 200 Litton Dr., Suite 320, Grass Valley, CA 95945 Fax to: 530-274-7546 Questions: 530- 274-9360

**Appendix C: Carl Moyer Pre/Post Inspection Form**

**Northern Sierra Air Quality Management District  
Carl Moyer Grant Program Equipment Inspection Form**

**Pre-Inspection**

**Post-Inspection**

Date/Time: \_\_\_\_\_

Location: \_\_\_\_\_

Owner/Company Name: \_\_\_\_\_

Owner/Company Address: \_\_\_\_\_

Owner/Company Phone Number: \_\_\_\_\_

Owner/Company Contract Number: \_\_\_\_\_

License Plate: \_\_\_\_\_  
(for on-road equipment)

Vehicle Gross Weight Range: \_\_\_\_\_  
(for on-road equipment)

California Highway Patrol Number: \_\_\_\_\_  
(for on-road equipment)

Department of Transportation Number: \_\_\_\_\_  
(for on-road equipment)

Condition of Engine: Does it Run (cold)? Yes No

VIN #: \_\_\_\_\_

Base Line Engine Info: (Obtained from the engine block)

New Engine Info: (Obtained from the engine block)

Manufacturer: \_\_\_\_\_

Manufacturer: \_\_\_\_\_

Model: \_\_\_\_\_

Model: \_\_\_\_\_

Horsepower: \_\_\_\_\_

Horsepower: \_\_\_\_\_

Serial Number: \_\_\_\_\_

Serial Number: \_\_\_\_\_

Mfr Year: \_\_\_\_\_

Mfr Year: \_\_\_\_\_

Did Equipment Undergo a Retrofit (circle)? Yes No Not Applicable

Retrofit Manufacturer: \_\_\_\_\_

Engine Hours: \_\_\_\_\_  
(for off-road equipment)

Retrofit Model Number: \_\_\_\_\_

Retrofit Serial Number: \_\_\_\_\_

Odometer: \_\_\_\_\_  
(for on-road equipment)

Method and Confirmation of Old Engine Destroyed  
(i.e.: Photos, Scrap Receipt)

Fuel Type: \_\_\_\_\_  
(diesel, gasoline, CNG, propane)

Location of Photos:  
(i.e.: Computer file and location, printed photos in file)

Inspected By: \_\_\_\_\_  
As Certified Staff Person

Notes: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

REV: 3/22/05



**Appendix D: Fleet Modernization MOU**

**SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT  
MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding (MOU) is entered into between the Sacramento Metropolitan Air Quality Management District, a California local public agency (SMAQMD) and Northern Sierra Air Quality Management District (NSAQMD).

**1.0 Recitals**

- 1.1 Under Health and Safety Code Section 40961, SMAQMD is the local agency within the boundaries of the Sacramento district with the primary responsibility for the development, implementation, monitoring, and enforcement of air pollution control strategies, clean fuel programs, and motor vehicle use reduction measures.
- 1.2 Under Health and Safety Code Sections 41062(a) and 41082 SMAQMD is authorized to implement programs to reduce transportation emissions, including programs to encourage the use of alternative fuels and low-emission vehicles.
- 1.3 Resolution No. 98-0007, dated February 5, 1998, authorized the creation of the Heavy-Duty Low Emission Vehicle Incentive Program for the purpose of reducing emissions from heavy-duty mobile sources operating within the Sacramento Federal Nonattainment Area.
- 1.4 The California Air Resources Board (ARB) Carl Moyer Program Guidelines as revised in 2008, authorize air districts to create and implement a regional fleet modernization program.
- 1.5 The Carl Moyer Program (CMP) Guidelines allow air districts with approved fleet modernization programs the ability to offer assistance to smaller districts to implement the fleet modernization program.
- 1.6 On January 6, 2006, ARB approved SMAQMD's fleet modernization implementation plan authorizing SMAQMD the ability to fund projects using Carl Moyer Program funds.
- 1.7 On November 24, 2008, the NSAQMD Board authorized NSAQMD to enter into an MOU with SMAQMD authorizing SMAQMD to administer the NSAQMD Carl Moyer Fleet On-road Heavy Duty Vehicle Fleet Modernization Program under SMAQMD's ARB approved program.

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1.8 Resolution No. 2008-029, dated May 22, 2008, authorized the Air Pollution Control Officer (APCO) to execute MOU's with other smaller air districts agreeing to assist them with the implementation of their Fleet Modernization Programs, so long as the districts reimburse SMAQMD for the reasonable costs incurred by SMAQMD.

**NOW, THEREFORE**, in consideration of the mutual promises hereafter set forth, the SMAQMD and NSAQMD agree as follows:

**2.0 Terms and Conditions**

2.1 **Purpose of MOU**  
The purpose of this MOU is to set forth the expectation of the NSAQMD and SMAQMD regarding SMAQMD's assistance with the implementation of a Fleet Modernization Program and review of individual modernization projects in accordance with Exhibit A, Scope of Services.

2.2 **Term of MOU**  
The term of this MOU will commence upon execution by all parties and terminate December 31, 2010.

2.3 **Payment**  
Upon completion of each modernization project, SMAQMD will invoice NSAQMD in the amount of \$400 per project in accordance with Exhibit B, Funding Source Requirements.

2.4 **Indemnification**  
A. SMAQMD will indemnify and defend NSAQMD its officers, agents and employees from and against all claims, demands, losses, damages, liability, costs, and expenses of whatever nature including court costs and attorney fees, whether for damages or loss of property, injury to or death of person, or economic or consequential loss arising from or related to or claimed or alleged to have arisen from or been related to the negligence of SMAQMD in the performance of its obligations under this MOU.

B. NSAQMD will indemnify and defend SMAQMD, its officers, agents and employees from and against all claims, demands, losses, damages, liability, costs, and expenses of whatever nature including court costs and attorney fees, whether for damages or loss of property, injury to or death of person, or economic or consequential loss arising from or related to or claimed or alleged

to have arisen from or been related to the negligence of NSAQMD in the performance of its obligations under this MOU.

2.5

**Communication**

All written communications regarding this MOU must be either personally delivered or sent by prepaid, certified first class mail, return receipt requested, addressed as follows:

<p><b>To NSAQMD</b></p> <p>Ryan Murano  Air Pollution Control Specialist  Northern Sierra Air Quality  Management District  P.O. Box 9766  Truckee, CA 96162  Phone (530) 550-7872  Fax (530) 587-2623</p>	<p><b>To SMAQMD</b></p> <p>Larry Greene, APCO  SMAQMD  777 12<sup>th</sup> Street, Suite 300  Sacramento, CA 95814  Phone (916) 874-4800  Fax (916) 874-4805</p>
--	--

A. **Change of Address:** Either party may change the address for service by giving 15 days advance written notice to the other party.

B. **Effective Date:** All notices will be effective upon receipt and will be deemed received (i) upon delivery if personally delivered, (ii) on the 5<sup>th</sup> day following deposit in the mail, if sent by certified mail, or (iii) upon the date stated in the facsimile delivery confirmation, if sent by facsimile

2.6

**Audit of Records**

With regard to this MOU, NSAQMD will maintain appropriate financial records and SMAQMD may demand access to these financial records to perform an audit. NSAQMD must ensure that SMAQMD staff have access, at all reasonable times, to the documents kept by NSAQMD in connection with all funds expended under this MOU. NSAQMD must maintain records for 5 years after the termination of the MOU.

2.7

**Severability**

If any provision of this MOU is held invalid or unenforceable, its invalidity or unenforceability will not affect any other provisions of this MOU, and this MOU will be construed and enforced as if the invalid or unenforceable provision had not been included.

2.8

**Statutory Limitations**

This MOU and any payments for compensation and expenses are subject to the provisions and limitations imposed by federal and state law. NSAQMD has no liability for payment of any compensation and expenses that are found to be in contravention of federal or state law. SMAQMD will

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reimburse NSAQMD for any funds paid by it under this MOU that are later determined to be in contravention of any federal and state law.

2.9

MOU Manager

Mark Loutzenhiser is SMAQMD's named Contract Manager for this MOU. Gail Williams is NSAQMD's Contract Manager for this MOU. It is the responsibility of the Contract Manager to: 1) verify compliance with the terms and conditions of the MOU, 2) determine that the work has been completed, and 3) submit an invoice to NSAQMD.

2.10

Authority to Bind

The persons signing on behalf of the parties to this MOU warrant that they have the legal authority to execute this MOU.

Executed by:

Sacramento Metropolitan Air Quality Management District

Northern Sierra Air Quality Management District

Larry Greene  
Air Pollution Control Officer

  
Gretchen Bennitt  
Air Pollution Control Officer


Date:

Date: Feb 26, 2009

Reviewed by:

Reviewed by:

Kathrine Pittard  
District Counsel

  
Michael Jamison  
Deputy County Counsel

**Exhibit A  
Scope of Services**

SMAQMD will perform the services identified in Items 7 and 8 for NSAQMD. Provided sufficient SMAQMD staff are available to perform the work. If sufficient staff are not available, SMAQMD will inform NSAQMD. The services are provided for the sole purpose of implementing On-Road Fleet Modernization projects for NSAQMD applicants under either the 2005 or 2008 Guidelines of the Carl Moyer Program:

**Item #1: Solicit grant applications for review, completion and pre-inspection  
Responsibility: NSAQMD**

- a. Solicit grant applications from local on-road heavy duty fleets.
- b. Review applications for completion to ensure they meet the CMP Guidelines.
- c. Contact the applicant to set up a pre-inspection to verify pre-1991 model year heavy duty diesel vehicle meets the CMP Guidelines.
- d. Create pre-inspection report and catalog required photos of vehicle.

**Item #2: Qualification for Contract  
Responsibility: NSAQMD**

NSAQMD will qualify applicants for funding as follows:

- a. Review data as needed, with applicant or dealer, by phone and/or email.
- b. Obtain additional documentation required to complete application, if needed.
- c. Calculate emission reductions, cost-effectiveness and eligible grant amounts.

**Item #3: Contract  
Responsibility: NSAQMD**

- a. NSAQMD will prepare and transmit draft contract to applicants using either a standard SMAQMD contract or a standard NSAQMD contract. After execution of the contract by all necessary parties, NSAQMD will mail

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a copy of the executed contract to SMAQMD staff and the grantee, and will electronically mail to SMAQMD a copy of the pre-inspection form and of the pictures taken.

b. Contracts will include:

1. The eligible replacement truck make, model, model year, engine make, engine model, engine family number, engine model year, and horsepower.
2. The eligible old truck make, model, model year, engine make, engine model, engine model year, and horsepower.
3. Dealer selected by grantee.
4. Grant award amount to be paid with two-party check for SMAQMD's portion of costs.
5. Cost of the EMU, EMU contract, and installation costs.
6. Amount grantee must pay dealer for costs not reimbursed by grant.
7. Provision for delivery of old truck to SMAQMD approved truck dealer.
8. Provision that SMAQMD will verify scrapage of old truck.
9. Performance requirements.

c. SMAQMD will send invoice form to grantee.

**Item #4: Purchase Order  
Responsibility: Grantee, under contract with SMAQMD**

Upon receiving a copy of the executed contract, the grantee is required by contract to:

- a. Place an order for new replacement truck meeting contract specifications from a listed dealer.
- b. Make any required payment to Dealer for costs not reimbursed by grant.
- c. Mail the SMAQMD a copy of the purchase order.

**Item #5: Invoice Preparation  
Responsibility: Grantee will submit invoice to NSAQMD**

- a. Truck dealer will invoice Grantee for all costs, including installed EMU, and ensure delivery to scrap yard.
- b. Upon receipt of dealer invoice, grantee will invoice NSAQMD, using the form provided, for Grant Award amount, attaching a copy of the dealer invoice.

**Item #6: Invoice Approval  
Responsibility: NSAQMD**

NSAQMD will review and approve dealer invoice and provide a 2-party check payable to dealer and Grantee. Check must be mailed to SMAQMD.

**Item #7: Post-Inspection  
Responsibility: SMAQMD**

- a. Upon receipt of NSAQMD check, SMAQMD will notify dealer, who will schedule a place, date and time to meet with Grantee at which Grantee will exchange trucks.
- b. At that meeting, SMAQMD will conduct a Moyer pre-salvage inspection of the old truck and a post inspection of the new truck:
  1. Verify the old truck is the same as pre-inspected truck (pre-salvage inspection).
  2. Verify the new truck meets the contract specifications (post inspection).
  3. Verify the new truck EMU has been installed and is operational (part of post inspection).
  4. Confirm with dealer which SMAQMD approved salvage yard will scrap old truck.
- c. Upon completion of #7b, SMAQMD will provide NSAQMD's 2-party check to dealer and ensure that both the dealer and the grantee sign SMAQMD's check delivery form and that the grantee endorses the check that is retained by the dealer.



- d. SMAQMD will prepare and transmit a Moyer post-inspection report, take pictures, and review the delivery form to the NSAQMD.

**Item #8: Salvage Inspection  
Responsibility: SMAQMD**

SMAQMD staff will inspect the destroyed truck at the SMAQMD approved salvage yard. SMAQMD staff will prepare and send a Moyer salvage inspection report and pictures to the NSAQMD. SMAQMD staff will ensure that the salvage yard files the vehicle title as non-repairable with the DMV and sends this verification to the NSAQMD.

**Item #9: Usage Reports & Audits  
Responsibility: NSAQMD**

- a. NSAQMD will perform contract oversight and monitoring after the completion of a post-inspection through the term of the contract.
- b. SMAQMD responsibility ends upon receipt of a post-inspection and salvage inspection reports by NSAQMD.

**Item #10: ARB Auditing Requirements  
Responsibility: ARB**

- a. Regarding auditable documentation for the projects accomplished under this MOU, NSAQMD will retain all of the original documentation for each project and SMAQMD will retain copies of the work that they performed for each project.
- b. Should the ARB audit a project accomplished under this MOU, then NSAQMD and SMAQMD will be audited for their district defined responsibilities under this MOU.
- c. The NSAQMD will be responsible for anything that is not specifically stated in this MOU that is required under the CMP Guidelines or the ARB-approved Sacramento Carl Moyer Fleet Modernization Option Guidelines and Policies Manual

SMAQMD MOU No. E2008030

**Exhibit B  
Funding Source Requirements  
(Administrative Fees Only)**

1. SMAQMD will invoice NSAQMD after the completion of each project (or after the completion of numerous projects if this is more feasible).
2. NSAQMD will reimburse SMAQMD \$400 per project for all work completed. The total amount of projects SMAQMD will assist with is 100 through 12/31/2010. \$40,000 is the maximum amount SMAQMD will be reimbursed.
3. NSAQMD will use either CMP administrative fees, AB 923 administrative fees, or other available funds to cover these administrative costs.
4. A review of the staff time shall be allowed and the MOU will be renegotiated if necessary to ensure that the SMAQMD is recouping its costs for the work performed.
5. NSAQMD will administer all project funds for this MOU. SMAQMD will not be disbursing any project funds.

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

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

**Date:** March 26, 2018

**Agenda Item:** V.A

**Agenda Description:** Status on Portola PM2.5 Nonattainment Area

**Issues:** The District will provide an update to the Board

**Requested Action:** None requested

**Attachments:** none

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

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

**Date:** March 26, 2018

**Agenda Item: V.B**

**Agenda Description:** Presentation of Northern Sierra Air Quality Management District's Goals and Objectives for 2018

**Agenda Description:** Presentation of Northern Sierra Air Quality Management District's Goals and Objectives for 2018

The District's Draft Goals and Objectives for 2018 is attached for Discussion and Direction from the Board.

Additionally, all regular ongoing activities are also included, titled, 2018 Overall Work Plan

**Requested Action:**

1. Discuss and provide direction

**Attachments:**

1. Northern Sierra Air Quality Management District's Draft Goals and Objectives for 2018
2. 2018 Overall Work Plan

# NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

## 2018 STRATEGIC PLAN

### MISSION STATEMENT

Preserving air quality and protecting the public health and welfare in Nevada, Plumas, and Sierra Counties.

These goals are in addition to ongoing programs and projects the District performs to protect public health identified in Overall Work Plan. Goals are listed in the order of highest priority.

### 2018 GOALS AND OBJECTIVES

**Goal #1:** Implement the requirements of the Federal and California Clean Air Act for the Greater Portola Federal PM2.5 Nonattainment Area.

#### **Objectives:**

- 1A. Fulfill commitments as required by the State Implementation Plan (SIP) for the Portola Fine (PM2.5) Nonattainment Area
- 1B. Pursue additional strategies to further reduce fine particulate matter in the Greater Portola Federal PM2.5 Nonattainment Area.

**Goal #2:** Implement the requirements of the Federal and California Clean Air Act for the federal ozone nonattainment area of western Nevada County.

#### **Objectives:**

- 2A. Continue to develop a State Implementation Plan (SIP) for the 2008 federal Ozone Standards in coordination with the California Air Resources Board (CARB) to address ozone precursor emissions that affect western Nevada County, meeting applicable Clean Air Act requirements.
- 2B. Develop and maintain local programs to assure local emissions are adequately documented and SIP requirements are fulfilled. Track and record all implemented programs in western Nevada County for SIP purposes.
- 2C. Continue work with EPA and CARB on developing a Transportation Conformity rule/protocol, which is a required SIP component under the Clean Air Act.
- 2D. Identify and possibly begin work on requirements for the 2015 federal ozone standard.

**Goal #3:** Continue to Assist Owners of Heavy Duty Diesel Trucks with Funding from Carl Moyer, AB 2766 and AB 923 programs

#### **Objectives:**

- 3A. Implement Carl Moyer, AB2766 and AB 923 grant programs for owners of Heavy Duty Diesel Engines.
- 3B. Pursue Avenues to Increase Funding for Carl Moyer, AB2766 and AB923

**Goal #4:** Develop and implement air quality strategies to assure continued and enhanced services to county residents.

**Objectives:**

- 4A. Maintain and improve (as needed) air quality monitoring in all three counties to assure protection of public health.
- 4B. Continue to support efforts to utilize biomass as a fuel to reduce smoke impacts from prescribed/residential open burning
- 4C. Work with various agencies; Forest Service, CAPCOA, California Air Resources Board, etc. to improve burning practices to reduce smoke emissions from prescribed burning.
- 4D. Continue to advertise and provide public health advisories during poor air quality episodes, including the health effects of air pollutants of concern, how the public can minimize their exposure, and how the public can voluntarily help curtail an episode.

**Northern Sierra Air Quality Management District  
Plan of Action for Achieving Objectives**

**GOAL#1:** Implement the requirements of the Federal and California Clean Air Act for the Greater Portola Federal PM2.5 Nonattainment Area.

**Objective 1A:** Fulfill commitments as required by the State Implementation Plan (SIP) for the Portola Fine (PM2.5) Nonattainment Area

**Background:**

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 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.

If the SIP is not approved by EPA, the EPA will first take the following measure; 2:1 offsets for industrial sources will be required. Second step will be that federal highway funds will be withheld within the Nonattainment Area.

**Action Plan/Steps for Implementation:**

1. Implement at least 350 residential wood stove replacement projects for the purpose of meeting Reasonable Further Progress (RFP) by December 31, 2019 and at least 600 residential wood stove replacement projects for the purpose of attainment by December 31, 2021.
2. Request the Board to adopt a Resolution by October 31, 2018 that commits to evaluate the progress towards meeting the RFP by December 31, 2019.
  
2. In an annual report for each year from 2017-2022 submitted to EPA by March 31 of each following year:
  - i. Identify each project implemented during the previous calendar year by program tracking number, description of both baseline and new equipment, and quantified emission reductions;
  - ii. Provide an internet link to the EPA Burnwise Emission Calculator used to calculate emission reductions;
  - iii. Describe the actions taken and documentation collected by ARB to confirm each project's compliance with program requirements;
  - iv. Determine whether the identified projects are projected to achieve the full amount of PM<sub>2.5</sub> emission reductions required by the SIP; and
  - v. Describe any changes to relevant forms and related impacts on program integrity.

**Northern Sierra Air Quality Management District  
Plan of Action for Achieving Objectives**

**GOAL#1:** Implement the requirements of the Federal and California Clean Air Act for the Greater Portola Federal PM2.5 Nonattainment Area.

**Objective 1B:** Pursue additional strategies to further reduce fine particulate matter in the Greater Portola Federal PM2.5 Nonattainment Area.

**Background:** In addition to the wood stove change-out program and the requirements of the City of Portola's Wood Stove and Fireplace Ordinance, the District included the following strategies as part of the SIP.

**Action Plan/Steps for Implementation:**

- |   |                 |
|---|-----------------|
| 1. Implement and maintain a public education campaign                       | Ongoing         |
| • Partner with other events   | Throughout 2018 |
| • Work with local retailers to publish and distribute proper woodstove use  |                 |
| • Continue to work with local media to promote clean Wood burning practices |                 |

2. Manage MOU with City of Portola for Services Ongoing

3. Continue to Implement Voluntary Woodstove Curtailment Program 2018-2020

4. Distribute stove thermometers to residents Ongoing

5. Prohibit open burning during winter  
The District will assess the feasibility of a green waste collection program in the nonattainment area.

The District will pursue funding to assist in green waste collection in the nonattainment area.

The implementation of a green waste collection program will allow the District to develop an open burning rule similar to the current District Rule 318 which prohibits open burning in the American Valley region from November 15 to March 15.

The District will take such an open burning rule to the Board for consideration by March 31, 2019.



## **Northern Sierra Air Quality Management District Plan of Action for Achieving Objectives**

**Goal #2:** Implement the requirements of the Federal and California Clean Air Acts for the ozone nonattainment area of western Nevada County.

**Objective 2A:**

Continue to develop a State Implementation Plan (SIP) for the 2008 federal Ozone Standards in coordination with the California Air Resources Board (CARB) to address ozone precursor emissions that affect western Nevada County, meeting applicable Clean Air Act requirements.

**Background:**

Western Nevada County is currently Moderate Nonattainment for the federal 2008 Ozone Standard (75 ppb), and must “bump up” to Serious Nonattainment because data for 2015-2017 do not show attainment. The new attainment year will be 2021, based on 2018-2020 data.

The Clean Air Act contains numerous provisions relating to nonattainment areas. Collectively, the rules, measures and other nonattainment-related work products that an area uses to satisfy federal nonattainment requirements constitute the SIP. The NSAQMD, along with 76 other nonattainment areas nationwide, has received a Finding of Failure to Submit certain SIP elements, and must submit them to EPA by 7/10/19 to avoid major source offset sanctions, or by 1/10/20 to avoid certain non-safety highway project funding sanctions. The District and CARB have come up with a timetable intended to ensure that EPA will receive all necessary materials by September, 2018.

**Completed Requirements:** Emissions Inventory; Emissions Inventory Documentation; New Source Review rule (submitted to EPA via CARB 9/6/16, with final approval by EPA still pending); Emission Statements rule; all required Reasonably Available Control Technology (RACT) rules; Reasonable Further Progress/Milestone Demonstration; Basic Vehicle Inspection and Maintenance Program (Smog Check); RACM Analysis; and Contingency Measures Demonstration (relies on CARB’s statewide measures).

**Outstanding Requirements:** Public Hearing/Adoption of RACT SIP Revision (scheduled for 2/26/18, alternatively 3/26/18); Submittal of RACT SIP Revision to EPA via CARB; Transportation Conformity Procedure (EPA is currently working with California to develop a statewide procedure, and has set precedent to allow a work-in-progress SIP demonstration); Monitor Data Analysis; Attainment Modeling/Weight-of-Evidence Attainment Demonstration (CARB); General Conformity (CARB); and compiling everything into a single Attainment Plan document for submittal to EPA.

**Action Plan/Steps for Implementation:**

1. Participate in SIP coordination meetings with air districts, EPA and the State during the continued development of the SIP. Make every attempt to stick with the schedule noted above and prod CARB as needed to provide their work products on time.
2. The primary goal of this district will be to assure that ozone transport continues to be a high priority and is addressed in all technical aspects during the development of the SIP. Continue to take a proactive role in lobbying for greater ozone controls on upwind sources to decrease ozone transport to western Nevada County. Possibly

attend Board meetings of the upwind air districts of the Bay Area and Sacramento if crucial control measures to reduce ozone precursors are being considered.

3. As necessary, hold community meetings to discuss the SIP process, the role the upwind contributing counties play, and Nevada County's strategy to reduce emissions.
4. Participate in CAPCOA Planning Managers to help keep up with all relevant developments.

**Northern Sierra Air Quality Management District  
Plan of Action for Achieving Objectives**

**Goal #2:** Implement the requirements of the Federal and California Clean Air Act for the ozone nonattainment area of western Nevada County

**Objective 2B:**

Develop and maintain local programs to assure local emissions are adequately documented and SIP requirements are fulfilled. Track and record all implemented programs in western Nevada County for SIP purposes.

**Background:**

The California Air Resources Board realizes that attainment in Nevada County is dependent primarily upon the upwind areas' (Sacramento and Bay Area) emission reductions. Grant programs such as Carl Moyer and AB2766 are very cost-effective strategies for reducing emissions of ozone precursor pollutants. These programs also have the co-benefit of reducing diesel particulate matter, which the California Air Resources Board has formally found to be a toxic air contaminant.

Since all of the AB2766 projects are evaluated for tailpipe emission reductions, all of the projects have a great potential to be utilized as SIP credit in western Nevada County, should the area eventually be moved to a worse nonattainment category.

**Action Plan/Steps for Implementation:**

1. Implement the Carl Moyer Heavy Duty Diesel Engine Incentive Program, and the AB2766 DMV Surcharge emissions reductions programs providing pass-through grants that reduce ozone precursors and diesel particulate matter. For Carl Moyer, staff will participate in monthly meetings with California Air Resources Board (CARB) and other air districts. ARB requires several reports per year on implementation progress. Staff will continue to apply for funding and advertise to gain greater participation. Staff will regularly report Carl Moyer progress to Board through quarterly reports and the approval of individual contracts.
2. Annually, staff will present a Request for Proposal for AB2766 to the Board for approval. Staff will distribute the approved RFP, screen applicants, prepare final report for the Board's approval of individual projects.

**Northern Sierra Air Quality Management District  
Plan of Action for Achieving Objectives**

**Goal #2:** Implement the requirements of the Federal and California Clean Air Act for the ozone nonattainment area of western Nevada County

**Objective 2C:** Continue work with EPA and CARB on developing a Transportation Conformity rule/protocol, which is a required SIP component under the Clean Air Act.

**Background:**

CARB and EPA are working together with districts to develop a statewide transportation conformity rule for local air district modification and implementation.

**Action Plan/Steps for Implementation:**

1. Continue communications with CARB about transportation conformity developments.
2. Work on developing a rule once the details have been worked out (might not materialize in 2018).
3. Participate in CAPCOA Planning Managers and the statewide Transportation Conformity Working Group to keep up with all relevant developments.

**Northern Sierra Air Quality Management District  
Plan of Action for Achieving Objectives**

**Goal #2:** Implement the requirements of the Federal and California Clean Air Act for the ozone nonattainment area of western Nevada County

**Objective 2D:** Identify and possibly begin work on requirements for the 2015 federal ozone standard.

**Background:** Western Nevada County will be designated Nonattainment for this standard in early- to mid-2018. The Implementation Rule for this standard was proposed in 2017, but EPA has not committed to a date by which to finalize it.

**Action Plan/Steps for Implementation:**

1. Review final Implementation Rule when it is proposed and evaluate its impacts. Submit comments if warranted.
2. Participate in CAPCOA Planning Managers to help keep up with all relevant developments.

**Northern Sierra Air Quality Management District  
Plan of Action for Achieving Objectives**

**GOAL#3:** Continue to Assist Owners of Heavy Duty Diesel Trucks with Funding from Carl Moyer, AB 2766 and AB 923 programs

**Objective 3A:** Implement Carl Moyer, AB2766 and AB 923 Grant programs for owners of Heavy Duty Diesel Engines.

**Background:** The District has been working with local truck owners/operators to disburse grant funds for the Carl Moyer Heavy Duty Diesel Program. The program offers funding for repowers and retrofits only. It has become increasingly difficult for on-road vehicles to qualify for the funding since Carl Moyer funding can not be applied to a vehicle that will have to comply with a state diesel regulation within three years. However, the District recently modified the program to allow funding for off-road vehicles and the applicants have dramatically increased. Recently the Board has requested a further modification of the program which will allow for the funds to be distributed more widely. AB2766 Funding does not carry such constraints as the Carl Moyer program, however, this is a competitive grant in all three counties. The District administers approximately \$220,000 annually district-wide.

AB923 funding is available only to heavy duty vehicles in Plumas County for Carl Moyer-like programs or for the infrastructure or alternatively fueled stations for alternatively fueled school buses.

**Action Plan/Steps for Implementation:**

1. Turn in applications for funding for Carl Moyer.
2. Request Board Approval through the Authorization of Resolutions to implement Carl Moyer programs for FY 2018/2019.
3. Maintain the CARL Database for Carl Moyer programs.
4. Modify the District's Carl Moyer Policy in time to be implemented for Year 20 funding

Spring 2018

**GOAL#3:** Continue to Assist Owners of Heavy Duty Diesel Trucks with Funding from Carl Moyer, AB 2766 and AB 923 programs

**Objective 3B:** Pursue Avenues to Increase Funding for Carl Moyer, AB2766 and AB923

**Background:**

Carl Moyer –  
Legislation (AB8) limits rural air districts to \$200,000 annually without a match. This can be increased to \$290,000 with a required match of \$43,541. Match can come from either AB2766 funds or AB923.

AB2766 –  
District administers approximately \$220,000 annually  
Each county is limited to \$4/vehicle of DMV registration fees.

Plumas – \$4/vehicle  
Sierra – \$2/vehicle  
Nevada – \$4/vehicle

AB923 –  
Each county is limited to \$2/vehicle but the County must have the max \$4 before it can qualify to receive the AB923.  
Plumas county is the only county that receives AB923, the District receives about \$35,000 annually.

**Action Plan/Steps for Implementation:**

1. Present option to Sierra County Board of Supervisors to Increase AB2766 maximum to \$4 and to adopt \$2 AB923. **Fall 2018**
2. Present option to Nevada County Board of Supervisors to adopt \$2 AB923. **Fall 2018**

## **Northern Sierra Air Quality Management District Plan of Action for Achieving Objectives**

**Goal #4:** Develop and implement air quality strategies to assure continued and enhanced services to county residents.

**Objective 4A:** Maintain and improve (as needed) air quality monitoring in all three counties to assure protection of public health.

### **Background:**

The District's air monitoring program assists the county residents by informing sensitive individuals of air pollution levels; both long term trends and current, up-to-date impacts. Although western Nevada County exceeds the federal ozone standard primarily due to transport from the upwind areas, real time air monitoring allows the District to issue Health Advisories to schools, coaches, hospitals, nursing homes and other sensitive individuals. Additionally, smoke impacts can sometimes be severe during forest fires and large prescribed burns in all areas of the District. Again, the District plans to be prepared to continue monitoring smoke levels on a real-time basis with monitors placed in strategic (densely populated) areas. The District plans to enhance its monitoring program by utilizing specific fund balance accounts to purchase back-up monitors and spare parts, additional training to troubleshoot breakdown of equipment, and repair its equipment in its air monitoring laboratory. Additionally, the District is positioning itself to expand its monitoring network in Sierra, Plumas and Nevada County as continuing growth and need expressed by residents occurs. District staff will present these expenditures for enhanced monitoring to the District Board for approval through the budget process.

### **Action Plan/Steps for Implementation:**

1. Present budget expenditures for monitoring to Board May/June 2018
2. Update Monitoring Network to improve usefulness to public during wildfire smoke impacts. By upgrading existing real-time monitors (BAMs), installing additional BAMs, installing videocams to monitor smoke incursions.
3. Research monitoring sites and rentals of space for particulate matter and ozone monitors in Sierra, Plumas and Nevada Counties.
4. Continue to increase public awareness of monitored air quality values and trends through website improvements.
5. Continue to advertise and provide public health advisories during poor air quality episodes, including the health effects of air pollutants of concern, how the public can minimize their exposure, and how the public can voluntarily help curtail an episode.



## Northern Sierra Air Quality Management District Plan of Action for Achieving Objectives

**Goal #4:** Develop and implement air quality strategies to assure continued and enhanced services to county residents.

**Objective 4B:** Continue to support efforts to utilize biomass as a fuel to reduce smoke impacts from prescribed/residential open burning

### **Background:**

Historically, the District and the public have benefited from working with local biomass plants (SPI-Quincy, SPI-Loyalton and Collins Pine) to utilize greater amounts of both residential yard waste and forest waste as fuel. The District and the biomass plants have accomplished this by promoting alternatives and pre-treatments to fire used for land management and land development clearing. This dramatically decreased smoke impacts in Plumas and Sierra counties and provided a much-needed fuel source to the energy-generating facilities.

With the closure of the biomass plant in Loyalton, and Collins Pine no longer accepting residential yard waste, much of this yard and forest waste was no longer in demand and because there was no other alternative available, this material was burned.

With the pending re-opening of the biomass facility in Loyalton, the District is committed to supporting the transportation of residential and other green waste to the facility for clean processing.

### **Action/Plan Steps for Implementation:**

1. Once the Loyalton biomass facility purchase is finalized, the District will assist in a timely review and issuance of any necessary air quality permits for the facility.
2. Pursue funds and mechanism for supplementing transportation of materials to Loyalton Biomass Facility.
3. The District will continue to support the biomass industry's attempts at legislation and/or state-wide policy to secure incentives to utilize biomass that would otherwise be disposed of through open burning.
4. District will continue to support new industries that utilize biomass (e.g. ethanol, mechanized burners, commercial composting, etc.) in lieu of open burning.

**Northern Sierra Air Quality Management District  
Plan of Action for Achieving Objectives**

**Goal #4:** Develop and implement air quality strategies to assure continued and enhanced services to county residents.

**Objective 4C:** Work with various agencies; Forest Service, CAPCOA, California Air Resources Board, etc. to improve burning practices to reduce smoke emissions from prescribed burning.

**Background:** Due to a variety of different factors, emissions of smoke will be significantly increasing from both wildfire and the increased removal of forest fuels.

**Action/Plan Steps for Implementation:**

1. Continue to meet with various working groups attempting to come up with ideas on how to remove large amounts of dead trees.
2. Present various options to the Board for approval or guidance as necessary.

## Northern Sierra Air Quality Management District Plan of Action for Achieving Objectives

**Goal #4:** Develop and implement air quality strategies to assure continued and enhanced services to county residents.

**Objective 4D:**

Continue to advertise and provide public health advisories during poor air quality episodes, including the health effects of air pollutants of concern, how the public can minimize their exposure, and how the public can voluntarily help curtail an episode.

**Background:**

Since 1999, the District has notified the public when they are at risk due to unhealthy air quality. Additionally, the District provides education on what types of health risks they are exposed to, how to minimize their exposure, and how to modify their behavior to reduce the local contribution to the air quality problem.

Monitored Particulate Matter levels that are attributable to uncontrolled natural events such as wildfires may be excluded from decisions regarding an area's nonattainment status — if it can be shown that there is a clear causal relationship between measured exceedances and the wildfire. The supporting documentation required to make that case is significant. In order to qualify as a natural event, the U.S. EPA requires the Air District include the following elements: 1) public notification and education, 2) efforts to minimize public exposure to high concentrations of Particulate Matter due to future natural events, and 3) efforts to abate or minimize emissions from contributing sources of Particulate Matter.

**Action/Plan Steps for Implementation:**

1. Continue to refine the District's Public Health Advisory procedures.
2. Expand system to include greater numbers of notifications when a health advisory is being issued. Aggressively pursue educating the public and health officials about being included in the notification list.
3. Present a yearly update to the BOD on health advisories issued.

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

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

**Date:** March 26, 2018

**Agenda Item: IV.C**

**Agenda Description:** District Accomplishments - 2017

**Issues:** The District's accomplishments for 2017 are attached. These are accomplishments above and beyond regular ongoing activities. All regular ongoing activities are also included for informational purposes.

**Requested Action:** Discuss and provide direction

**Attachments:**

1. Northern Sierra Air Quality Management Air District Accomplishments 2017

NORTHERN SIERRA AIR QUALITY MANAGEMENT AIR DISTRICT  
ACCOMPLISHMENTS 2017

**MISSION STATEMENT**

*Preserving air quality and protecting the public health and public welfare in Nevada, Plumas, and Sierra Counties.*

Very productive year for the District. District staff completed the following accomplishments above and beyond the normal, routine, ongoing activities.

1. Staff continued to implement a \$2.48 million federal grant from the EPA for a wood stove change-out program in the Plumas County PM2.5 Nonattainment Area.

The EPA had a goal of changing out 200 non-certified stoves by the end of 2017. The District changed out 196 stoves.

During 2017, \$373,442 was disbursed for the program, or 117 stoves replaced.

Staff involved: Julie Ruiz and Gretchen Bennitt

2. Staff hired a part-time Spanish-speaking employee to assist in the woodstove changeout program in Portola. The employee assisted in translating all application forms and advertisements into Spanish. The employee also assisted applicants throughout the change out process. Following this addition to the staff, the number of Spanish-speaking applicants increased dramatically.

Staff involved: Julie Ruiz

3. Staff implemented a voluntary curtailment program for non EPA-certified wood stoves in Portola.

Staff Involved: Julie Ruiz

4. Staff continued to meet regularly with EPA and CARB to develop State Implementation Plan for the Portola Nonattainment Area. In January 2017, Staff held a public hearing and submitted the completed State Implementation Plan to the California Air Resources Board.

Staff involved: Gretchen Bennitt, Sam Longmire, Julie Ruiz.

5. Staff submitted quarterly reports on the woodstove changeout program to the EPA, as required by the grant.

Staff involved: Julie Ruiz and Gretchen Bennitt

6. Staff continued to work with the City of Portola to destroy old wood stoves. The District and the City have a signed memorandum of agreement which reimburses the City for destroying the stoves.

Staff involved: Julie Ruiz

7. The Executive Director actively worked to further the inclusion of a wood stove changeout program to be funded by Cap and Trade. Staff continued to work with the California Air Resources Board to develop guidance for the wood stove program, which was finally approved in Fall 2017. Staff also worked with other involved air districts to distribute the \$5 million awarded state-wide to the individual air districts. The final allocation to Northern Sierra Air District is slated to be \$250,000 for all three counties, with a possibility of up to \$200,000 more once the funds are depleted. Staff (Julie Ruiz and Sam Longmire) worked with neighboring air districts to develop a wood stove program to be implemented in the Spring/Summer of 2018.

Staff Involved: Gretchen Bennitt, Julie Ruiz and Sam Longmire

8. 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. Staff made modifications to the policy to include agricultural tractors to the program. This made the program very popular and competitive. Due to the increased competitiveness, the Board directed staff to modify the competitive process prior to receipt of next year's funding cycle. \$247,345 was disbursed during FY 2016/2017.

Staff involved: Joe Fish and Gretchen Bennitt.

9. District staff modified the Carl Moyer Program to include off-road vehicles. This dramatically increased the number of applicants for the program.

Staff involved: Joe Fish

10. 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.

\$121,765 was disbursed during FY 2016/2017. New proposals were accepted by the board for 2017/2018 projects, which total \$229,896.

Staff involved: Joe Fish and Gretchen Bennitt.

11. Staff has disbursed \$105,300 from a \$400,000 EPA settlement to woodstove replacements in the Plumas County PM2.5 Nonattainment Area.

Staff involved: Gretchen Bennitt

12. Staff successfully requested and received an additional \$28,430 from the U.S. EPA to use for monitoring equipment and web cams for the monitoring sites.

Staff involved: Joe Fish.

13. Julie Ruiz regularly participated in the Environmental Crimes Task Force meetings in Plumas county.

14. Gretchen Bennitt regularly participated in the Environmental Crimes Task Force meeting for Nevada/Placer counties.

15. Julie Ruiz regularly participated in the Plumas County Fire Safe Council meetings.

16. The Executive Director and the Board have continued to support local efforts to utilize biomass as a fuel to reduce smoke impacts from prescribed/residential open burning.

17. The Executive Director continued to be a Board Member on the Nevada County Fire Safe Council.

18. Sam Longmire participated in the Tree Mortality Task Force for Nevada County.

19. Sam Longmire tackled some challenging planning issues in Nevada County.

20. Staff coordinated with EPA and ARB on the development and adoption of New Source Review and Emission Statement rules. Staff involved: Sam Longmire

21. Worked with EPA and ARB on sorting out federal requirements for the Western Nevada County ozone NAA. Staff involved: Sam Longmire.

22. Staff worked with Collins Pine and the EPA to issue an "authority to construct" for Collins Pine to replace existing wet electrostatic precipitator (ESP) with a new dry ESP. The installation and use of the new dry ESP is expected to reduce the facility's water use and wastewater discharges while achieving comparable levels of control of air pollutants.

23. Sam Longmire developed and presented for adoption the Air District Rule 428, New Source Review Requirements and Air District Rule 513, Emissions Statements and Recordkeeping.
24. Joe Fish participated in CAPCOA Air Monitoring meetings.
25. Sam Longmire participated in CAPCOA Planning Managers Meetings
26. Julie Ruiz participated in CAPCOA Enforcement Managers Meetings
27. Gretchen Bennitt was elected as a member of the CAPCOA Board of Directors for 2018.
28. Staff issued 17 health advisories for smoke and/or ozone within the Air District.
29. Sam Longmire presented to the Board a discussion on Cannabis Air Quality Issues.
30. Joe Fish presented to the Board various options to modify the Carl Moyer distribution procedure.
31. Julie Ruiz attended a facility tour of the Loyalton Biomass Facility.



## **2018 OVERALL WORK PLAN**

### **WORK ELEMENT 1 - ADMINISTRATION**

#### **Project 1.1 - General Services**

**Purpose:** Provide administrative support for the operation of the Northern Sierra Air Quality Management District, the Board of Directors, and the Hearing Board.

#### **Normal, Ongoing Work:**

- Prepare Board meeting agendas, minutes, hearing notices, resolutions, and correspondence.
- Develop and oversee Overall Work Plan and annual budgets.
- Develop and implement financial controls and program cost tracking systems.
- Annual review of program effectiveness.
- Plan and coordinate staff activities.
- Contract with CPA for annual audit and assist with audit.
- Prepare annual report and subvention request for ARB.
- Track legislation pertinent to managing air quality.
- Procure and maintain equipment.
- Divest surplus property.
- Track and control District assets and movable property.
- Develop and approve (Board) codified Policies and Procedures.
- Supervise and evaluate personnel.
- Conduct salary surveys as needed.
- Coordinate personnel benefits and control costs.
- Provide continuing education and training as needed.
- Coordinate databases and spreadsheets used in multi-functional areas.
- Improve personnel safety in all activities.
- Draft contracts/agreements with other agencies as needed.
- Request annual county contributions and review appropriateness of contributions.
- Conduct fee studies to assure costs are recovered.
- Maintain computer network and software upgrades, including virus protection.
- Work with Counsel on any litigation efforts.

#### **Products:**

- Annual Overall Work Plan and Strategic Plan
- Annual Budget
- Documentation of Board meetings
- Quarterly Budget Reports

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District Rules and Regulations  
Benefits Package  
Codified Policies and Procedures  
Assets and Movable Property Inventory  
Annual ARB Report and Subvention Application  
Payroll Codes, Chart of Accounts, Tracking Tools  
Payroll  
Time sheets  
Annual Refund Disbursement Report  
Annual Renewal Questionnaire for Special District Risk Management Authority

## WORK ELEMENT 1 - ADMINISTRATION

### Project 1.2 - Mountain Counties Air Basin

#### Purpose:

Provide support for the Basin Control Council, in partnership with basin air districts.  
Encourage uniform planning, rule development, and permitting activities.  
Share information  
Share resources, where appropriate.

#### Normal, Ongoing Work:

Assist in preparation of annual plan of activities.  
Assist in preparation of annual budget and district appropriations.  
Assist in preparation of agendas, minutes, notices, and correspondence.  
Participate in monthly meetings of the Mountain Counties Air Basin Technical Advisory Committee and subcommittees.  
Participate in semi-annual meetings of the Mountain Counties Air Basin Control Council.  
Analyze rules and regulations, and recommend changes to achieve better consistency.  
Develop consistent land use development review/CEQA policies.  
Prepare comment letters on federal and state legislation, regulations, and policies  
Procure basin equipment.  
Assist with maintenance of basin assets inventory.

#### Products:

Annual Budget and Overall Work Plan  
Documentation of Basin Control Council meetings  
Budget reports  
Documentation of Technical Advisory Committee meetings  
Basin assets inventory  
Public education pamphlets

## WORK ELEMENT 2 - STATIONARY SOURCE PROGRAM, NON-MAJOR SOURCES

### Project 2.1 - Permitting Activities

#### Purpose:

Provide and maintain a permitting system that meets the requirements of the HSC §42300 et seq, and ARB Criteria.

Ensure that any emissions equipment or process does not interfere with the attainment or maintenance of any air quality standard, as well as any state or federal regulation.

Evaluate and process permit renewals to ensure that permit conditions accurately represent all current regulations. Meet any new requirements and address requested changes by the facility owner/operator.

#### Normal, Ongoing Work:

Evaluate emissions, air toxic exposure, and controls for new sources of air pollution.

Issue Authorities to Construct and renew Permits to Operate.

Issue and enforce portable equipment permits.

Respond to stationary source-related inquiries.

Develop and maintain an emissions inventory for criteria pollutants.

Review and comment on proposed state and federal regulations.

Develop rules and regulations.

Conduct and promote workshops to help individuals and businesses understand new district rules, and state and federal air pollution regulations.

Review new state and federal regulations to determine applicability to local facilities.

Participate in CAPCOA Committee meetings related to implementing state and federal rules and regulations affecting stationary sources.

Attend CARB training sessions on permitting of stationary sources.

Prepare monthly, quarterly, and annual reports to CARB.

Collect fees.

#### Products:

Engineering Evaluations for all new sources.

Authorities to Construct.

Permits to Operate.

Annual emissions inventory update to CARB.

Monthly, quarterly, and annual reports to CARB.

Staff reports on new and amended rules.

Correspondence

## **WORK ELEMENT 2 - STATIONARY SOURCE PROGRAM, NON-MAJOR SOURCES**

### **Project 2.2 - Compliance/Enforcement**

**Purpose:** Provide a system to assure compliance with the District's rules and regulations, permit conditions, and applicable state and federal regulations.

#### **Normal, Ongoing Work:**

- Maintain Visual Emissions Evaluation (VEE) inspection certifications for inspectors.
- Conduct inspections of permitted sources to confirm the equipment/process is operating within their permitted conditions.
- Conduct inspections of sources of pollutants that might cause reasonably foreseeable risk to K-12 schools from air toxics under AB 3205.
- Enforce rules and regulations that reduce air pollution and protect public health.
- Draft and issue Notices to Comply and Notices of Violation.
- Prepare staff reports for variance/Hearing Board activity.
- Prepare variance orders issued by the Hearing Board.
- Monitor progress toward meeting variance order requirements.
- Prepare monthly variance report to CARB.
- Review source testing protocols, witness source tests, and review source test reports.
- Respond to and investigate complaints related to stationary sources.
- Attend CARB training sessions on compliance inspections of stationary sources.
- Compile monthly, quarterly, and annual reports to CARB.
- Apply the mutual settlement policy for administrative settlements of violation citations.
- Draft and issue settlement letters.
- Participate with the District Attorney's office on stipulated judgements when mutual settlements are not possible.
- Provide compliance assistance.
- Collect penalties.

#### **Products:**

- Inspection records showing compliance with permit conditions.
- Notices to Comply and Notices of Violation.
- Mutual settlements and settlement letters.
- Variance Orders.
- Monthly Variance Report to CARB
- Monthly Significant Violators/High Priority Violators Report to CARB.
- Quarterly Excess Emissions Report to CARB
- Complaint Reports
- Mutual Settlement Policies and Procedures
- Stipulated Judgements

WORK ELEMENT 3 - ENFORCEMENT/COMPLIANCE PROGRAM (non-Stationary Source, non-Smoke Management)

Project 3.1 - Miscellaneous Enforcement

Purpose: Provide a system of enforcing District rules, and state and federal regulations that do not fall under the Stationary Source Program and Smoke Management Program (e.g. odors, illegal asbestos activities, woodstoves, accidental/emergency releases, and dust emissions from mobile sources, etc.)

Normal, Ongoing Work:

Respond to and investigate miscellaneous complaints.  
Prepare staff reports for variance/Hearing Board activity.  
Monitor progress toward meeting variance order requirements.  
Attend training sessions on compliance inspections of miscellaneous emissions sources.  
Coordinate emergency response activities with County OES, County Dept. of Environmental Health.  
Develop mutual settlements on violations where possible.  
Participate with the District Attorney's office on stipulated judgements when mutual settlements are not possible.  
Draft and issue settlement letters.  
Coordinate multi-jurisdictional and cross-jurisdictional enforcement activities.  
Provide compliance assistance.  
Collect penalties.

Products:

Complaint Reports  
Variances  
Notices to Comply and Notices of Violation  
Mutual Settlement Policies and Procedures  
Settlement letters  
Stipulated Judgements  
Annual AB 3205 Notifications to School Districts with Charter Schools

## WORK ELEMENT 4 - VAPOR RECOVERY PROGRAM

### Project 4.1 - Vapor Recovery Permits and Inspections

**Purpose:** Provide a system for permitting and inspection of vapor recovery systems at gasoline marketing operations in Compliance with related rules in District Regulation 2 and Title 17, Subchapter 8, Article 1, Section 94000 et seq.

#### Normal, Ongoing Work:

- Evaluate emissions and controls for new gasoline service stations and bulk plants.
- Issue Authorities to Construct and renew Permits to Operate.
- Attend CARB training sessions on permitting and inspection of gasoline service stations and bulk plants.
- Follow ARB/CAPCOA Vapor Recovery Committee activity/information
- Inspect gasoline dispensing facilities in Nevada, Plumas and Sierra Counties
- Respond to and investigate complaints.
- Draft Notices to Comply.
- Draft Notices of Violation.
- Develop mutual settlements on violations where possible.
- Participate with the District Attorney's office on stipulated judgements when mutual settlements are not possible.
- Draft and issue settlement letters.
- Annual billing and fee collection.
- Develop and maintain database.
- Provide compliance assistance.
- Collect penalties.
- Implement requirements of Enhanced Vapor Recovery

#### Products:

- Authorities to Construct and Permits to Operate.
- Inspection Reports.
- Complaint Reports.
- Notices to Comply and Notices of Violation
- Settlement letters

## WORK ELEMENT 5 - SMOKE MANAGEMENT PROGRAM

### **Project 5.1 - Burn Permits**

**Purpose:** Provide a system to regulate and lessen smoke impacts from open burning and prescribed burning conducted in accordance with the District's rules and regulations and CCR Title 17, 80100, et seq.

#### Normal, Ongoing Work:

- Review smoke management plans to assure compliance with all rules and regulations.
- Issue burn permits and daily burn authorizations.
- Inspect burn projects to assure that burn plan and permit conditions are being met.
- Compile annual report on all permitted burn activity per Title 17, §80130 et seq.
- Prepare staff reports for rule development.
- Amend and adopt open burning rules, as needed.
- Conduct workshops and public hearings on new and amended open burning rules.
- Attend meetings of councils and committees established to balance the need for healthy air with the need to reduce fire risk and provide a healthy ecosystem (e.g. Interagency Air and Smoke Council, Fire Safe Council of Nevada County, Mountain Counties Air Basin Smoke Management Alliance, Northeast Air Alliance).
- Review and comment on state and federal regulations, policies, and guidance as they are developed to assure the rural and urban-rural perspective is represented.
- Notify adjacent air districts/states of prescribed burn projects to prevent combined impacts and coordinate where necessary.
- Review, comment, inspect, and canvass fire agency training burns.
- Review applications for variance from burn-day and issue *No-Burn Authorizations*.
- Maintain data base to track burn permits and complaints.
- Document and track actual burn acres for state and federal land managers for annual billing.
- Educate building and planning departments and contractors associations on burn rules and regulations.
- Review/Respond to CEQA/NEPA environmental documents with regards to prescribed burning.
- Collect fees.

#### Products:

- Burn permits
- Burn plan comments
- Annual Agricultural Burning Summary to CARB
- Policies and Procedures for reviewing burn plans and issuing permits
- Comments on regulations, policies, guidance
- Smoke Management Program
- Smoke Management Plan forms
- Staff Reports, Rules and Regulations
- No Burn Authorizations
- EIR/EIS responses
- Annual Report to CARB

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## WORK ELEMENT 5 - SMOKE MANAGEMENT PROGRAM

### Project 5.2 - Open Burning Enforcement/Compliance

Purpose: Provide a system to assure compliance with the District's rules and regulations, and permit conditions related to open burning.

#### Normal, Ongoing Work:

Draft and issue Notices to Comply and Notices of Violation.

Draft and issue settlement letters.

Maintain burn day messages on burn recorders 365 days per year.

Maintain and repair burn day messages as needed.

Use aerial surveillance to locate the source of smoke intrusions if needed.

Review air quality monitoring data and correlate with prescribed burns and wildfires.

Develop and maintain complaint database.

Collect penalties.

Track and log-in all complaints in database.

#### Products:

Notices to Comply and Notices of Violation

Settlement Letters

Support new local ordinances for open burning.

Annual report to the Board on complaints

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## WORK ELEMENT 5 - SMOKE MANAGEMENT PROGRAM

### Project 5.3 - Public Education

#### Purpose:

- Reduce the smoke impacts from open burning and woodstoves.
- Improve public awareness of the health impacts related to fine particles (smoke).
- Improve the public's awareness of alternatives to open burning.
- Notify the public when poor air quality exists.

#### Normal, Ongoing Work:

- Develop media for public awareness.
- Educate Chambers of Commerce, and community groups.
- Conduct workshops and utilize other public education techniques to train the public on composting, mulching, firewise landscaping, reducing the burden on landfills, and soil erosion prevention.
- Provide public education on the health effects of fine particulate (PM2.5).
- Request voluntary curtailment steps from the public when air quality is poor.
- Provide education to the public and public officials on regulatory impacts of federal nonattainment of particulate matter ambient air quality standards.
- Proactively work with Fire Safe Council, local governments, waste management, neighborhood associations to find alternatives to open burning of vegetative material and reduce residential open burning emissions.
- Promote green waste pickup.
- Work with fire agencies.

#### Products:

- Pamphlets on woodstoves, residential open burning, composting
- Reduced open burning smoke impacts
- Changes in open burning habits/behaviors/practices
- Changes in woodstove burning habits/behaviors/practices

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## WORK ELEMENT 5 - SMOKE MANAGEMENT PROGRAM

### Project 5.4 - PM 2.5 Attainment Plan

#### Purpose:

Protect the public health by preventing exceedances of the PM2.5 National Ambient Air Quality Standards.

Provide a regulatory framework to maintain attainment, if necessary.

#### Normal, Ongoing Work:

Educate elected officials on the health effects of fine particulate and the ramifications of federal nonattainment.

Conduct workshops on control strategies, local ordinances, air quality management plans.

Develop local ordinances where needed.

Conduct or participate in public hearings for adoption of air quality management plans, local ordinances, and rules and regulations.

Promote woodstove change-out incentive programs.

Provide support for the Grass Valley, Portola, Quincy, and Truckee woodstove ordinances.

#### Products:

Clean Air Plan or Air Quality Management Plan for Nonattainment areas.

Local ordinances

Rules and regulations

Great Stove Change-Out promotions

## WORK ELEMENT 6 - PLANNING PROGRAM

### Project 6.1 - Land Use Plan Review

#### Purpose:

Assure that additional air pollution emissions associated with land use projects do not interfere with the attainment or maintenance of any air quality standard.  
Prevent public health impacts due to short-term and long-term air quality degradation  
Prevent onerous and burdensome state and federal requirements that damage, or eliminate healthy economic growth.

#### Normal, Ongoing Work:

Review land use plans for public and private development projects and provide *Commenting Agency* comments.  
Review emissions increases associated with projects and determine if the emissions increases associated with the project exceed the District's levels of significance for each pollutant.  
Provide justification and rationale for the necessary mitigations to reduce emissions to below the levels of significance.  
Pursue on-site and off-site mitigations where necessary to prevent significant impacts.  
Coordinate with planning agencies to streamline and simplify the review process and assure consistency.  
Review developments and changes related to state and federal ambient air quality standards as they apply to the planning function.  
Implement ARB's Air Toxic Control Measure (ATCM) for asbestos in serpentine rock, as it pertains to construction. Develop land use comments to address dust control when serpentine rock is found at construction sites.  
Evaluate cumulative exposure. Work with other air district's to develop guidelines on cumulative exposure.

#### Products:

Commenting Agency comments (including Regional Transportation Plan).  
Emissions calculations on proposed projects and recommended mitigations.

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## WORK ELEMENT 6 - PLANNING PROGRAM

### Project 6.2 - General Plan Review

Purpose: Assure City and County General Plans adequately address air quality, including goals, policies, and programs that when adopted will control the growth of vehicle trips and miles traveled and prevent deterioration of air quality.

#### Normal, Ongoing Work:

Assist cities and counties with general plan air quality elements, providing appropriate recommendations and technical support.

Provide local planning agencies with a comprehensive set of goals, and policies that will improve or maintain (as needed) air quality if adopted in a general plan.

Provide justification and rationale for the goals and policies that will help decision makers, developers, and the public understand that they are appropriate and necessary to prevent public health impacts and onerous, burdensome state and federal requirements that damage, or eliminate healthy growth.

#### Products:

Commenting Agency comments.

## WORK ELEMENT 6 - PLANNING PROGRAM

### Project 6.5 - Attainment Plan (SIP) for Ozone National Ambient Air Quality Standard (Western Nevada County Only)

Purpose: Re-attain the NAAQS for 8-hour ozone.

#### Normal, Ongoing Work:

Review and comment on enhanced emissions inventories for the Statewide and local State Implementation Plan (SIP)

- Stationary Source

- Area Source

- Review mobile source inputs

Maintain pressure on upwind areas for additional controls designed to bring attainment to downwind areas.

Attend workshops and meetings to learn about development of Transportation Conformity consultation procedures with NCTC and CalTrans District 3 to:

- Circulate documents.

- Define agency roles and responsibilities.

- Establish framework for planning and technical meetings.

- Develop list of transportation control measures.

- Choose models and assumptions for regional transportation modeling.

- Choose triggers for conformity review.

- Define regionally significant projects.

Assist NCTC with transportation conformity determinations

Land use planning

Review and comment on all updates to general plans for incorporated areas in western Nevada County to make air quality elements more effective .

#### Products:

- Emissions inventory

- Urban air shed model for ozone for Central California, that includes western Nevada County.

- Ozone Attainment Plan (SIP).

- Transportation Conformity Consultation Agreement

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## WORK ELEMENT 7 - FEDERAL OPERATING PERMIT PROGRAM

Project 7.1 - Title V

### **(Plumas and Sierra Counties Only)**

#### Purpose:

Implement the requirements of Title V of the *Clean Air Act of 1990* (CAA) and related District Rule 522 for permits to operate required for major sources of regulated air pollutants and other applicable sources.

#### Normal, Ongoing Work:

Maintain Visual Emissions Evaluation (VEE) inspection certifications for inspectors.  
Review applications for completeness as they become due.  
Issue required permits.  
Conduct inspections of permitted sources to confirm the equipment/process is operating within their permitted conditions.  
Draft Notices to Comply and Notices of Violation.  
Draft and issue settlement letters.  
Prepare staff reports for Hearing Board variances/compliance plans.  
Track progress of meeting the requirements contained in a compliance plan.  
Participate in CAPCOA Committee meetings and CARB workshops related to the Title V Program.  
Review Title V implementation guidance received from ARB and EPA and notify major sources of White Papers and assist in their understanding.  
Conduct workshops to help Title V sources understand and comply with federal requirements.  
Review source testing protocols, witness source tests, and review source test reports.  
Respond to and investigate complaints related to Title V sources.  
Compile monthly, quarterly, and annual reports to CARB/EPA.  
Collect fees and penalties

#### Products:

Title V Permits  
Inspection Reports  
Notices to Comply  
Notices of Violation  
Settlement Letters  
Complaint Reports  
Hearing Board Compliance Plans  
Monthly Significant Violator Report to CARB  
Quarterly Excess Emissions Reports to CARB

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## WORK ELEMENT 8 - AIR TOXICS PROGRAM

### Project 8.1 - Air Toxic "Hot Spots" Act Implementation and Fee Regulation

#### Purpose:

Determine emissions of air toxics and hazardous air pollutants from applicable sources and whether such emissions present a significant health risk to neighboring public and sensitive receptors.

Develop an air toxics emission inventory.

Reduce the health risk to below the level of significance for high risk facilities.

#### Normal, Ongoing Work:

Implement Air Toxics Control Measures promulgated by the State.

Implement NESHAPS promulgated by EPA (Federal law requires states to implement, State law requires districts to implement).

Provide information and assistance to affected facilities on the requirements.

Review and approve facility emission inventory plans submitted by the facilities that comply with the requirements. Provide further assistance where necessary.

Review and approve the one-time surveys submitted by facilities that comply with the requirements. Provide further assistance where necessary.

Notify new facilities of deadlines for compliance.

Calculate air toxics emissions for "Industry-wide" facilities.

Develop and maintain air toxics emissions inventory and report to ARB.

Respond to ARB surveys for facility counts, emissions, fees, documentation, etc.

Place sources on quadrennial update status and fee applicability when prioritization score is between 1 and 10.

Collect District and ARB fees.

#### Products:

Facility Prioritization Guidelines

Approved Air Toxics Emissions Inventory Plans

Approved Air Toxics Emissions Inventory Reports

Prioritization scores for applicable facilities

Risk assessments for applicable facilities

District Air Toxics Emissions Inventory

Fee Regulation with related documentation

Annual Report to Public/Board

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## WORK ELEMENT 8 - AIR TOXICS PROGRAM

### Project 8.2 - Air Toxics Control Measures

#### Purpose:

Reduce air toxics exposure and risk to the public and nearby businesses.  
Reduce the health risk to below the level of significance for high risk facilities.

#### Normal, Ongoing Work:

Attend workshops and meetings, and review and comment on draft regulations - state Air Toxics Control Measures (ATCMs) and related National Emissions Standards for Hazardous Air Pollutants (NESHAPS).

Provide public notices, staff reports, public hearings and rule adoptions to adopt state and federal regulations by reference.

Implement state ATCMs and related NESHAPS as required by state law.

Monitor the NESHAPS being developed and approved for applicable facilities in the District.

#### Products:

Rules that refer to the State and federal regulations.

Permits with special conditions designed to comply with state and federal regulations and protect the public health.

## WORK ELEMENT 9 - AB 2766 GRANTS PROGRAM

### Project 9.1 - External Project Selection, Monitoring, and Reporting

**Purpose:** Reduce air pollution from motor vehicles and conduct related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act of 1988.

#### Normal, Ongoing Work:

- Develop plan and projected budget for DMV registration funds on external projects.
- Develop and distribute a screening RFP for external grant projects and programs.
- Review screening proposals, select best ones for detailed proposal, provide comments that will improve the quality of these proposals.
- Conduct RFP workshops to train applicants on proposal requirements.
- Arrange meetings of Board's ad hoc grant committees to review, evaluate, and rank proposals.
- Prepare grant award recommendations for Board consideration.
- Negotiate alternative funding and scope of work with applicants where needed.
- Draft contractual agreements for each grant.
- Develop and distribute Grant Guidance.
- Review and approve monthly requests for reimbursement and request clarifications, as needed.
- Track funds dispersed for each grant.
- Review monthly progress reports and request clarifications, as needed.
- Notify grantees that mid-cycle monitoring reports are due.
- Review mid-cycle monitoring reports and request clarifications, as needed.
- Request each grantee notify the District of funds needed for disbursement after the end of the fiscal year.
- Encumber grant funds that have not be used by the end of the fiscal year, but which will be needed to complete Board-approved work during the next fiscal year, but during grant cycle.
- Notify grantees that work should be complete and final reports are due.
- Review Final Reports for each grant project and request clarifications, as needed.
- Prepare Annual CARB Report on all internal and external projects and programs, in addition to overall District program. Check the cost-effectiveness of each project.
- Audit selected grants, if needed.

#### Products:

- Plan for Use of AB 2766 DMV Surcharge Funds
- Screening RFP for grant projects
- Detailed RFP for grant projects
- Budget for External AB 2766 DMV Projects and Programs
- Project proposal ranking and recommendations
- Grant contract agreements
- Grant Guidance

## WORK ELEMENT 10 - AB 2766 INTERNAL PROGRAMS

### Project 10.1 - Public Education

#### Purpose:

Reduce air pollution from motor vehicles and conduct related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act of 1988.

Notify the public when air quality is poor, educate the public on public health impacts, and how they can voluntarily improve air quality (episode curtailment).

#### Normal, Ongoing Work:

Issue predictions of the Air Quality Index (AQI) and recommended steps the public can take to protect themselves and help prevent the air from getting worse.

Issue public health advisories to local newspapers, radio stations, schools, recreation districts, hospitals, senior centers, convalescent hospitals, etc. when air pollution episodes occur. Advise on public health impacts of the pollutant of concern, how to avoid exposure, and what the public can do to help curtail an episode.

Speak to local businesses and service organizations on air quality issues and what they can do personally to reduce emissions of nonattainment pollutants.

Participate in radio, newspaper, and cable television interviews on air quality impacts on public health, and what the public can do voluntarily to reduce emissions of air pollution.

Promote public reporting of smoking vehicles to CARB, who will send violators a letter asking them to repair or scrap their vehicles.

Attend meetings of committees, coalitions, and forums related to clean fuels, clean air, and ozone transport to learn about what other areas are doing and to lobby upwind areas to do more to clean up their air (thus reducing the air pollution being transported to downwind areas, which impacts air quality and pollutant attainment status).

Develop pamphlets, flyers and inserts that can be used to convey the message of what the public can do to change their behavior in a way that reduces emissions of nonattainment pollutants.

Work with dealers of electric vehicles and super low emissions vehicles to promote their products in western Nevada County.

#### Products:

Daily AQI notifications.

CARB Smoking Vehicle Reports.

Notifications to affected parties of upcoming rules and regulations.

Pamphlets, fliers, inserts, and videos related to SPARE THE AIR AND AQI.

Report to ARB.

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## WORK ELEMENT 10 - AB 2766 INTERNAL PROGRAMS

Project 10.2 - Carl Moyer Air Quality Standards Attainment Program; Incentives for Lower Emission Heavy Duty Diesel Engines.

Purpose: Reduce emissions from heavy duty diesel engines.

### Normal, Ongoing Work:

Apply annually to ARB for grant funding.

Implement District Carl Moyer Program.

Promote the program locally.

Conduct workshops.

Review applications, on first come first served basis. Calculate cost-effectiveness for each project. Select most cost-effective projects.

Draft and approve contractual agreements for each project.

Inspect pre- and post-installations of engines.

Review reimbursement requests and issue reimbursement checks.

Track funds for each project.

Monitor maintenance records, fuel consumption, miles traveled (or hours operated) within and outside of District.

Report to ARB.

Follow changing program requirements as they develop.

### Products:

District Carl Moyer Program

Grant agreements.

Reduced diesel engine emissions.

Reports to ARB.

## WORK ELEMENT 11 - AIR MONITORING PROGRAM

### Project 11.1 - Air Monitoring

#### Purpose:

Required to determine attainment status for state and federal ambient air quality standards. Attainment status establishes the regulatory basis for and the scope of control strategies for industrial, area, and motor vehicle air pollution sources.

#### Normal, Ongoing Work:

Install and maintain air monitoring equipment.  
Conduct calibration, maintenance, equipment upgrades, and quality assurance checks on the instruments and data acquisition equipment.  
Collect data and reduce to data reporting formats.  
Investigate new technologies to reduce maintenance costs.  
Identify exceedances of the California Ambient Air Quality Standard (CAAQS) and National Ambient Air Quality Standard (NAAQS), and analyze and document the District's opinion on whether they are due to transport or natural events beyond the control of man.  
Flag data and prepare reports to justify the exclusion of data related to transport, prescribed burns, and/or natural events.  
Analyze monitoring data to determine air quality trends.  
Make recommendations on what monitoring is needed.  
Attend CAPCOA/CARB meetings and training related to air monitoring.  
Report to EPA through AIRS.  
Prepare NSAQMD Annual Air Monitoring Report for Board, public, and interested parties review.  
Bill CAPCOA/ARB/EPA for funding of the PM2.5 monitoring network.  
Maintain the PM2.5 monitoring network in accordance with the agreement with CAPCOA/ARB/EPA.

#### Products:

Data used to make the AQI predictions.  
Daily, monthly, quarterly, and annual reports to CARB.  
NSAQMD Annual Air Monitoring Report.  
Annual Agreement with ARB to conduct air monitoring in Quincy.  
Agreement with CAPCOA/ARB/EPA

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

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

**Date:** March 26, 2018

**Agenda Item: V.D**

**Agenda Description:** Approval of Revision to Portola PM Emission Control Plan

**Issues:**

The Environmental Protection Agency took final action on March 5, 2018 to approve the City of Portola's local ordinance to reduce emissions from wood burning devices. The Federal Register notice issued from the EPA is attached.

**Requested Action:** None requested

**Attachments:** 40 CFR Part 52, Vol 83, No. 43, March 15, 2018/Rules and Regulations "Approval of California Air Plan Revisions, Northern Sierra Air Quality Management District"

required before the adoptive child's placement.

(4) "Qualified adoption agency" means any of the following:

(i) A State or local government agency which has responsibility under State or local law for child placement through adoption.

(ii) A nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption.

(iii) Any other source authorized by a State to provide adoption placement if the adoption is supervised by a court under State or local law.

(iv) A foreign government or an agency authorized by a foreign government to place children for adoption, in any case in which:

(A) The adopted child is entitled to automatic citizenship under section 320 of the Immigration and Nationality Act (8 U.S.C. 1431); or

(B) A certificate of citizenship has been issued for such child under section 322 of that Act (8 U.S.C. 1433).

(d) *Applying for reimbursement of qualifying adoption expenses.* An application for reimbursement must be submitted on a form prescribed for such purpose by VA. Information and documentation must include:

(1) A copy of the final adoption decree, certificate or court order granting the adoption. For U.S. adoptions, the court order must be signed by a judge unless either State law or local court rules authorize that the adoption order may be signed by a commissioner, magistrate or court referee. The covered veteran must submit a full English translation of any foreign language document, to include the translator's certification that he or she is competent to translate the foreign language to English and that his or her translation is complete and correct.

(2) For foreign adoptions, proof of U.S. citizenship of the child, including any of the following:

(i) A copy of Certificate of Citizenship.

(ii) A copy of a U.S. court order that recognizes the foreign adoption, or documents the re-adopting of the child in the United States.

(iii) A letter from the United States Citizenship and Immigration Services, which states the status of the child's adoption.

(iv) A copy of the child's U.S. passport (page with personal information only).

(3) For U.S. adoptions, documentation to show that the adoption was handled by a qualified adoption agency or other source authorized by a State or local law to provide adoption placement. Acceptable forms of proof that the

adoption was handled by a qualified adoption agency include:

(i) A copy of placement agreement from the adoption agency showing the agreement entered into between the member and the agency.

(ii) A letter from the adoption agency stating that the agency arranged the adoption and that the agency is a licensed child placing agency in the United States.

(iii) Receipts for payment to the adoption agency, as well as proof, (e.g., a copy of the agency's web page), of the agency's status as a for-profit or non-profit licensed child placing agency.

(4) For foreign adoptions, documentation to show that the adoption was handled by a qualified adoption agency. In addition to the forms of acceptable proof that the adoption was handled by a qualified adoption agency listed in paragraph (d)(3) of this section, the documentation must also include:

(i) A document that describes the mission of the foreign agency and its authority from the foreign government to place children for adoption; and

(ii) A placement agreement from the adoption agency or letter from the adoption agency stating the specific services it provided for the adoption.

(5) Documentation to substantiate reasonable and necessary expenses paid by the covered veteran. Acceptable forms of documentation include receipts, cancelled checks, or a letter from the adoption agency showing the amount paid by the member. Receipts from a foreign entity should include the U.S. currency equivalency. Reconstruction of expense records is permissible when the original records are unavailable and the covered veteran submits a notarized affidavit stating the costs.

(6) Checking or savings account information to facilitate VA providing reimbursement to the covered veteran under this section.

(e) *Failure to establish eligibility.* If documents submitted by a covered veteran in support of an application for reimbursement do not establish eligibility for reimbursement or justify claimed expenses, VA will retain the application and advise the covered veteran of additional documentation needed. All requested documentation must be submitted to VA within 90 calendar days of VA request.

(f) *Authority.* Authority to provide reimbursement for qualifying adoption expenses incurred by a covered veteran in the adoption of a child under 18 years of age expires September 30, 2018.

(Approval for information collection under this section has been requested

from the Office of Management and Budget)

[FR Doc. 2018-04245 Filed 3-2-18; 8:45 am]  
BILLING CODE 8320-01-P

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 52

[EPA-R09-OAR-2017-0404; FRL-9974-67-Region 9]

#### Approval of California Air Plan Revisions, Northern Sierra Air Quality Management District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is taking final action to approve a revision to the Northern Sierra Air Quality Management District (NSAQMD) portion of the California State Implementation Plan (SIP). This revision concerns emissions of particulate matter (PM) from wood burning devices. We are approving a local rule that regulates these emission sources under the Clean Air Act (CAA or the Act).

**DATES:** This rule will be effective on April 4, 2018.

**ADDRESSES:** The EPA has established a docket for this action under Docket ID No. EPA-R09-OAR-2017-0404. All documents in the docket are listed on the <http://www.regulations.gov> website. Although listed in the index, some information is not publicly available, e.g., Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the internet and will be publicly available only in hard copy form. Publicly available docket materials are available through <http://www.regulations.gov>, or please contact the person identified in the FOR FURTHER INFORMATION CONTACT section for additional availability information.

**FOR FURTHER INFORMATION CONTACT:** Christine Vineyard, EPA Region IX, (415) 947-4125, [vineyard.christine@epa.gov](mailto:vineyard.christine@epa.gov).

**SUPPLEMENTARY INFORMATION:** Throughout this document, "we," "us" and "our" refer to the EPA.

#### Table of Contents

- I. Proposed Action
- II. Public Comments and EPA Responses
- III. EPA Action
- IV. Incorporation by Reference

## V. Statutory and Executive Order Reviews

## I. Proposed Action

On November 3, 2017 (82 FR 51178) the EPA proposed to approve the following rule into the California SIP.

Local agency	Rule No.	Rule title	Adopted	Submitted
NSAQMD, City of Portola	Ordinance No. 344, Municipal Code Chapter 15.10 (except paragraphs 15.10.060(B), 15.10.090 and 15.10.100).	Wood Stove and Fire-place Ordinance.	06/22/16	01/24/17

We proposed to approve this rule because we determined that it complies with the relevant CAA requirements. Our proposed action contains more information on the rule and our evaluation.

## II. Public Comments and EPA Responses

The EPA's proposed action provided a 30-day public comment period. During this period, we received 18 comments. One commenter supported the proposed rulemaking. The remaining commenters generally raised issues that are outside of the scope of this rulemaking, including forest management, wildfire suppression, greenhouse-gas and other emissions from wildfires, the Cross-State Air Pollution Rule, and litigation fees. Commenters did not raise any specific issues germane to the approvability of the rule.

## III. EPA Action

No comments were submitted that change our assessment of the rule as described in our proposed action. Therefore, as authorized in section 110(k)(3) of the Act, the EPA is fully approving this rule into the California SIP.

## IV. Incorporation by Reference

In this rule, the EPA is finalizing regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, the EPA is finalizing the incorporation by reference of the City of Portola ordinance described in the amendments to 40 CFR part 52 set forth below. The EPA has made, and will continue to make, these documents available through [www.regulations.gov](http://www.regulations.gov) and at the EPA Region IX Office (please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this preamble for more information).

## V. Statutory and Executive Order Reviews

Under CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a).

Thus, in reviewing SIP submissions, the EPA's role is to approve state choices, provided that they meet the criteria of the Act. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Is not an Executive Order 13771 (82 FR 9339, February 2, 2017) regulatory action because SIP approvals are exempted under Executive Order 12866;
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4);
- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the Clean Air Act; and
- Does not provide the EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible

methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP is not approved to apply on any Indian reservation land or in any other area where the EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or pre-empt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. The EPA will submit a report containing this action and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A major rule cannot take effect until 60 days after it is published in the **Federal Register**. This action is not a "major rule" as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by May 4, 2018. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

## List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Particulate matter, Reporting and recordkeeping requirements.

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Dated: February 7, 2018.

Alexis Strauss,  
Acting Regional Administrator, Region IX.

Part 52, chapter I, title 40 of the Code of Federal Regulations is amended as follows:

**PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS**

■ 1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

**Subpart F—California**

■ 2. Section 52.220 is amended by adding paragraph (c)(497)(i)(C) to read as follows:

**§52.220 Identification of plan-in part.**

\* \* \* \* \*

(c) \* \* \*

(497) \* \* \*

(i) \* \* \*

(C) Northern Sierra Air Quality Management District.

(1) City of Portola.

(i) Ordinance No. 344, Portola Municipal Code, Chapter 15.10, "Wood Stove and Fireplace Ordinance," adopted June 22, 2016, except paragraphs 15.10.060(B) and sections 15.10.090 and 15.10.100.

\* \* \* \* \*

[FR Doc. 2018-04316 Filed 3-2-18; 8:45 am]

BILLING CODE 6560-50-P

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 63**

[EPA-R01-OAR-2017-0343; A-1-FRL-9972-97-Region 1]

**Approval of Section 112(l) Authority for Hazardous Air Pollutants; Perchloroethylene Air Emission Standards for Dry Cleaning Facilities; State of Vermont**

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is taking direct final action to grant the Vermont Department of Environmental Conservation (VT DEC) the authority to implement and enforce, with respect to area sources only, the Vermont Perchloroethylene Dry Cleaning Rule in place of the National Emissions Standards for Hazardous Air Pollutants for Perchloroethylene Dry Cleaning Facilities (Dry Cleaning NESHAP).

Pursuant to the Clean Air Act (CAA), the VT DEC submitted a request for approval to implement and enforce the Perchloroethylene Dry Cleaning Rule of the Vermont Air Pollution Control Regulations as a partial substitution for the National Emissions Standards for Hazardous Air Pollutants for Perchloroethylene Dry Cleaning Facilities (Dry Cleaning NESHAP), as it applies to area sources. EPA has reviewed this request and has determined that the Vermont Perchloroethylene Dry Cleaning Rule satisfies the requirements necessary for partial rule substitution. Thus, EPA is hereby granting VT DEC's request. This action does not affect the authority of any party to implement and enforce the Dry Cleaning NESHAP with respect to major source dry cleaners. This approval makes the Vermont Perchloroethylene Dry Cleaning Rule federally enforceable in Vermont.

**DATES:** This direct final rule will be effective June 4, 2018, unless EPA receives adverse comments by April 4, 2018. If EPA receives adverse comment, EPA will publish a timely withdrawal of the direct final rule in the *Federal Register* informing the public that the rule will not take effect. The incorporation by reference of certain publications listed in the rule is approved by the Director of the *Federal Register* as of June 4, 2018.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA-R01-OAR-2017-0343 at <http://www.regulations.gov>, or via email to [lancey.susan@epa.gov](mailto:lancey.susan@epa.gov). For comments submitted at [Regulations.gov](http://Regulations.gov), follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from [Regulations.gov](http://Regulations.gov). For either manner of submission, the EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. The EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.*, on the web, cloud, or other file sharing system). For additional submission methods, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section. For the full EPA public comment policy, information about CBI or multimedia

submissions, and general guidance on making effective comments, please visit <http://www.epa.gov/dockets/commenting-epa-dockets>.

**FOR FURTHER INFORMATION CONTACT:** Susan Lancey, Air Permits, Toxics, and Indoor Programs Unit, U.S. Environmental Protection Agency, EPA New England Regional Office, 5 Post Office Square—Suite 100, (Mail code OEP'05-2), Boston, MA 02109-3912, telephone number 617-918-1656, [lancey.susan@epa.gov](mailto:lancey.susan@epa.gov).

**SUPPLEMENTARY INFORMATION:** Throughout this document whenever "we," "us," or "our" is used, we mean EPA.

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**I. General Information**

**A. Why is the EPA using a direct final rule?**

The EPA is publishing this action without prior proposal because the Agency views this as a noncontroversial submittal and anticipates no adverse comments. However, in the proposed rules section of this *Federal Register* publication, EPA is publishing a separate document that will serve as the proposal to approve the state rule should adverse comments be filed.

If the EPA receives such comments, then EPA will publish a notice withdrawing the direct final rule and informing the public that the rule will not take effect. All public comments received will then be addressed in a subsequent final rule based on the proposed rule. The EPA will not institute a second comment period on the proposed rule. All parties interested in commenting on the proposed rule

**To:** Northern Sierra Air Quality Management District Board of Directors  
**From:** Gretchen Bennitt, Air Pollution Control Officer  
**Date:** March 26, 2018

**Agenda Item: V.E**

**Agenda Description:** Support letter for approval of Southern California Public Power Authority renewable power contract with ARP-Loyalton Cogen LLC

**Issues:** Steve Mueller, President of ARP-Loyalton Cogen LLC contacted Gretchen Bennitt to request a support letter to the LA Department of Water and Light. They were the only utility (1 of 7) that had not approved the agreement. Steve was informed that if he received 20 letters of support, they will act to approve the agreement by March 13-15.

Attached is a letter of support which has been reviewed and approved by the Air District Chait, Supervisor Sanchez.

**Requested Action:**  
None, informational only

**Attachments:**

1. March 8, 2018 letter to Nury Martinez from Gretchen Bennitt.

8 March 2018

The Honorable Nury Martinez, Chairwoman  
Energy, Climate Change & Environmental Justice Committee  
City Hall, Room 470  
200 N. Spring St.  
Los Angeles, CA 90012

**Re: CF#18-0133 – approval of Southern California Public Power Authority renewable power contract with ARP-Loyalton Cogen LLC**

Dear Councilmember Martinez:

The Northern Sierra Air Quality Management District supports the LADWP power purchase agreement (PPA) with the Southern California Public Power Authority (SCPPA) for biomass power to be supplied by ARP-Loyalton Cogen LLC commencing this spring.

The Sierra County and Tahoe Basin regions surrounding the Loyalton facility are in the headwaters—or upper watersheds—of the Sierra Nevada, and supply most of the water used by California's farms and cities. These areas are part of the state's natural water infrastructure. The region is undertaking and complying with Ground Water Sustainability (GSA) efforts to insure ground water sustainability. The water basin will continue to be closely monitored.

A combination of legislated changes to forest and fire management practices as well as climate changes in the past 20 years have resulted in state and national forests that have become overly dense and prone to much more extreme wildfires. The recent drought in the western US has resulted in the loss of more than 129 million trees. This biomass has been a large source of fuel contributing to the massive and increasing number of fires across the state of California.

Large fires raise numerous challenges for water management—they can reduce water quality and reservoir storage capacity, while increasing risks of flooding and landslides. The state, including Los Angeles, needs to support programs that restore and ensure future forest health.

A white paper recently released by the non-partisan Public Policy Institute of California (PPIC) ([www.ppic.org/content/pubs/report/R\\_1016JM4R.pdf](http://www.ppic.org/content/pubs/report/R_1016JM4R.pdf)) describes the threats and potential responses to this wildfire danger. One conclusion from this report that support for lumber mills and biomass generation plants in proximity to forests is warranted. To argue that the mulch market can absorb the volumes of dead and dying trees, or that these trees are suitable for lumber is inaccurate. Most, if not all of the dead trees, have little commercial value because of damage caused by bark beetles. Furthermore, all of the biomass power plant fuel is sourced from tops and limbs from timber production. This source of fuel has no other commercial value and otherwise remains in the forest as a highly combustible material.

Biomass facilities like the Loyalton Cogen plant are an integral part of the long-term protection of the

headwaters forests in the Sierras. These watersheds have been severely impacted by vast forest fires over the past decade. The Loyalton plant ensures that hundreds of thousands of tons of residual biomass can be removed from the national forests under careful supervision of the US Forest Service and CALFire for years to come.

During 2017, California suffered the single most damaging wildfires in its history. Here are the facts:

- 9,133 fires
- 1,381,405 acres burned
- \$13 billion of damages and firefighting costs
- 10,800 structures destroyed
- 46 deaths
- 230,000 persons evacuated

And this was in a year when we had historical rainfall and a passing presumption that wild fire damage and our drought were no longer a risk.

Biomass power plants in California remove more than 6,000,000 tons of dangerous fuels, provide employment for thousands of skilled individuals in our rural communities, and deliver renewable energy 24 hours a day, 365 days a year.

Additionally, the Loyalton Cogeneration facility is a critical solution to reducing smoke emissions from yard waste and forest biomass that would otherwise be burned in an uncontrolled manner in both Plumas and Sierra Counties. The District supports this facility since it plans to utilize biomass as a fuel in a controlled setting—reducing emissions of particulate matter and other pollutants up to 98%, as compared to the open burning of biomass.

Fine particulate matter (PM 2.5) is the main pollutant of concern in Plumas and Sierra County, and the three major sources contributing to high levels of PM2.5 are woodstoves, open burning of yard waste and prescribed burning of forest biomass.

PM2.5 is particulate matter with a diameter of 2.5 microns or less, and has been shown to contribute to asthma development, lung capacity reduction among children, breathing difficulty, eye irritation, exacerbation of cardiovascular problems, and even premature death. It is especially damaging for sensitive individuals such as children, elderly citizens, individuals with pre-existing health conditions and people who are exercising outdoors.

The Northern Sierra Air Quality Management District respectfully ask for your support of the Loyalton contract with LADWP at this time. Favorable consideration of this request will be in the best interest of the citizens in the region as well as the surrounding environment. If you or any member of the committee have any questions pertaining to our active support for Loyalton Cogeneration facility, please call me directly at (530) 274-9360.

Sincerely,



Gretchen Bennitt, Executive Director  
Northern Sierra Air Quality Management District

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

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

**Date:** March 26, 2018

**Agenda Item: V.F**

**Agenda Description:** Little Hoover Commission Report on Forest Health

**Issues:** The Little Hoover Commission completed their report on Forest Health in February 2018. Attached is the Executive Summary of the report.

**Requested Action:** Discussion, provide direction.

**Attachments:** Executive Summary of Little Hoover Commissions' Report on Forest Health

# Executive Summary

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California's forests are reaching a breaking point. Poor management policies that interrupted the natural and historical cycle of fire, combined now with a changing climate, have left forests vulnerable to disease, insects, catastrophic fire and drought. If the state does not take appropriate action soon, Californians risk losing the priceless benefits provided by forests. One forest supervisor told the Commission that management decisions made during the next five to 10 years will determine the forests' condition in 100 to 200 years.

The Commission is encouraged that state leaders recognize the need for decisive action to restore California's forests to resiliency. But much work is needed to change a culture focused almost solely on emergency firefighting to one that supports long-term forest restoration and management.

Prioritizing forest management for the long run – for the healthier, less overgrown forests that enhance watersheds and wildlife, reduce the scale of catastrophic wildfires and better withstand the scourges of bark beetles and a warming climate – will require more money and staff. The Commission typically does not recommend increasing financial and human resources to fix problems, but here it recognizes the savings that ultimately will result from such investment.

Today, California spends all too much for the immediate, emergency consequences of its long-neglected forests. Massive landscapes once sustained by beneficial, low-intensity wildfire are overrun with fire-intolerant trees and thick carpets of forest fuels that can turn even the smallest campfire or sparking power line into a raging firestorm. Property damage and firefighting costs for local, state and federal governments run into the billions of dollars annually. Property damage for the wildfires in October 2017 alone exceeded \$9 billion dollars, and the state spent approximately \$700 million fighting fires between July 2017 and mid-January 2018.<sup>1</sup> After devastating fires, local water districts pay millions more to remove tons of eroded soils from mountain reservoirs that

supply downstream customers. Now state government has invested millions of dollars responding to the horrific damage of bark beetles and the tree mortality crisis in the Sierra Nevada; when CAL FIRE testified before the Commission in January 2017, only 15 months following Governor Brown's declaration of a State of Emergency for tree mortality, it already had allocated more than 80,000 hours of staff time and \$43.6 million dollars solely to responding to the crisis. Local governments and private landowners also are spending heavily to remove hazard trees as a result of the tree mortality crisis. The costs of long neglecting and mismanaging forests have become an unsustainable burden in California.

The new investments the Commission recommends are intended to drive a strategy in which the state pays more for front-end forest management, and eventually, pays less reacting to crises and disasters.

The Commission's findings and recommendations (listed in full at the end of this section) fall into five categories:

- ***Increasing Pace and Scale of Forest Restoration through Collaboration.*** Speeding up and expanding treatments to restore forests to good health demands greater teamwork between state government and the federal government, which owns nearly 60 percent of the forest land in California. California has authority to conduct forest restoration work on federal land through the Good Neighbor Authority authorized in the 2014 Farm Bill. Success will depend on joint government plans and work at the ecosystem and watershed level.
- ***Creating a Culture where Fire is a Tool, not a Threat.*** California's forests evolved with fire and were shaped by fire. Though the increasing number of homes built in or near forests means fire cannot feasibly be returned to the forest everywhere, prescribed fire, where possible, should be used to treat forests. Prescribed fires

work in calm conditions that prevent fire from burning out of control and limit smoke and carbon emissions.

- **Developing a Long-Term Plan for Forest Materials.** Appropriate management will result in trees being removed from the forest. When possible, this wood should generate income for forest management. The state already is working to boost demand, within state government and externally, for California forest products, particularly from smaller-diameter trees that historically have had little value. Bioenergy from forest biomass is another option for smaller-diameter wood. The Commission heard important arguments for and against forest bioenergy. As the Commission monitors state efforts to maximize demand for removed wood, it would like the state to develop a long-term bioenergy plan – one that clearly delineates the state’s position on bioenergy and mitigates the effects of using or rejecting it.
- **Educating Californians on Forest Resiliency.** Californians are woefully uneducated on the importance of healthy forests and the benefits they provide. The state should invest in a large-scale outreach and education campaign to inform the public about the ecological importance of forests and the necessity for prescribed burns to bring about a lasting culture change in how the state views and treats its forests. Fortunately, a model already exists in California in how the state has approached drought education.
- **Planning for the Long Term and Ensuring Accountability.** Formalizing a multijurisdictional planning process will be necessary to undertake the long-term work of restoring California’s forests. Here, too, the state has a successful model in the Tree Mortality Task Force. A scaled-down version of this task force could be used as a steering committee for the larger forest restoration effort. Ensuring accountability for goals stated in the state’s Forest Carbon Plan also will be critical in successfully managing the forests of California. The Commission recommends regular reporting on progress toward these goals, and may hold future hearings on the topic.

## Little Hoover Commission Recommendations on Forest Management

**Recommendation 1:** Led by CAL FIRE, the State of California must engage in collaborative landscape-level forest management for long-term forest resiliency. This planning process should include stakeholders at all levels of government, Native American tribes, scientists, environmental and environmental justice groups, private industry representatives and local residents. Because forest health impacts Californians in urban and coastal areas, efforts should be made to include representatives from non-forested regions to elevate the importance of California’s forests to the entire state’s wellbeing. Leaders also should review existing forestry practices and procedures, including the state’s Forest Practice Rules, to assess whether they facilitate forest resiliency in a changing climate.

- Over time, funding gradually should be shifted from reacting to the consequences of poor forest management to preventative treatments that promote forest health and resilience. This should include spreading the costs among a greater array of beneficiaries of healthy forests statewide.
- State agencies should plan to make greater use of the Good Neighbor Authority to perform treatments on federal land.
- State leaders should continue to remind federal lawmakers and policymakers of federal obligations to its forests within California.

**Recommendation 2:** On CAL FIRE funds that have time constraints for encumbrance and liquidation, the Department of Finance should allow longer timelines to facilitate collaborative large-scale forest management planning.

**Recommendation 3:** The State of California should lead a policy shift from fire suppression to using fire as a tool.

- This should include creating dedicated prescribed fire crews. These job classifications should be designed to attract the state’s top talent, with pay comparable to non-prescribed fire crews.



**Recommendation 4:** Treating the land at the scale outlined in the draft Forest Carbon Plan will require more resources. CAL FIRE, local air districts and other affected agencies should develop a list of positions they will need to meet the draft Forest Carbon Plan goals of treating 500,000 acres of nonfederal land per year, 500,000 acres of USDA Forest Service land per year and 10,000 to 15,000 acres of Bureau of Land Management land per year. State agencies should assume that at least part of the federal lands acreage treated will be by state entities working under the Good Neighbor Authority, and predict their staffing needs accordingly. The Legislature should then fund these extra positions, including the positions at the local level.

- As more funding – such as the jump from \$40 million to more than \$200 million in Greenhouse Gas Reduction Funds between FY 2016-17 and 2017-18 – is allocated for forest management to CAL FIRE and other agencies, these entities must be responsible for properly planning for its use, including an adequate number of staff with necessary skills. If new positions are necessary, CAL FIRE and other agencies and departments should not be penalized for developing the resources needed to successfully administer the forest management program.

**Recommendation 5:** The California Air Resources Board, land managers and other stakeholders should continue to actively work to find ways to increase prescribed burning through better use of technology, including modeling software, traditional portable air quality monitoring and new low-cost sensor monitoring.

- State agencies and other stakeholders should continue to participate to the extent possible in the Fire MOU and Air, Land and Water meetings, as well as other collaborative cross-jurisdictional efforts to overcome the barriers to prescribed fire. Pertinent agencies that currently do not participate in these efforts should participate.

**Recommendation 6:** The State of California should encourage the development of additional infrastructure to utilize material removed from the forests as part of long-term forest management.

- The California Natural Resources Agency, along with members of the steering committee and the interagency leads for each recommendation, should report back to the Commission on the implementation of the SB 859 working group's recommendations.
- The state should issue grants to small communities so they can develop infrastructure according to their needs.

- The state should develop a statewide biomass policy that takes into account the needs of different parts of the state. All stakeholder communities, including environmental justice, should provide input into this policy.
- Part of this plan should explore the potential of biomass near forested communities with newer, cleaner facilities vis-à-vis the economies of scale provided by larger facilities.
- Additionally, this should include research on the public benefits provided by biomass energy within the context of the Renewables Portfolio Standard policy of “least cost best fit,” and whether those benefits qualify biomass energy as the best fit in certain situations. Further, analysis of public benefits should give consideration to whether biomass should receive subsidies to lower costs in certain cases, particularly in facilities developed or retrofitted with cleaner technology.

**Recommendation 7:** To better educate Californians about the suite of benefits healthy forests provide to the state, the state should consider the following:

- The state should invest in a long-term forest health campaign similar to Save our Water by contracting with an organization that can use its expertise to raise public awareness of forest health issues. A high-ranking person within the Governor's Administration – preferably the Governor – must champion this effort. Outreach messages should be based on research.
- The Legislature should fund extensive statewide public outreach campaigns for CAL FIRE to continue to educate the public on the benefits of healthy forests and prescribed fire.
- The California Natural Resources Agency should work with the Department of Education to catalog existing educational resources on resilient forests, the history of fire in California's ecological development and from where pupils' water originates to allow teachers to easily access and incorporate the information into their curricula. Additionally, the California Natural Resources Agency should advertise this collection to teachers to spread awareness of these resources.
- The California Natural Resources Agency should collaborate with state colleges and universities offering forestry programs to increase awareness of forest health concerns in their communities, to both educate the public and increase enrollment



- in these programs. Forestry technical advisors affiliated with universities should be consulted on where they are encountering educational gaps to help identify where efforts should be targeted.
- Water districts should play a greater role in educating their customers on the sources of their water. To facilitate this, the state should provide funding for an organization to create educational toolkits that water agencies easily can customize.
- The state should provide grant funding for an educational organization to bring lawmakers, policymakers and their staff to forests to teach them about the benefits provided by forests, the consequences of forest neglect and the different forest treatment outcomes. The organization should work closely with the Legislature and other appropriate bodies to overcome logistical hurdles.
- Californians' knowledge levels and attitudes toward forest health should be measured at the onset of educational campaigns, and policymakers should set clear goals for the changes they would like to see in those attributes. These should be measured throughout the campaigns, with course corrections designed as necessary if the state does not meet its outcomes.

**Recommendation 8:** The Tree Mortality Task Force should evolve into a forest management planning entity, with dedicated funding.

- It should help set a strategic direction for forest management, identify measureable goals, decide how to track results and recommend course corrections to better achieve those goals.
- It should advise on how to incorporate technology in assessing and improving forest health.
- This should include reviewing the planning process and developing recommendations on where streamlining can occur.

**Recommendation 9:** The California Natural Resources Agency, its relevant departments and the California Environmental Protection Agency should regularly report to the Legislature and post online progress on the metrics listed in the Forest Carbon Plan, as well as the steps it is taking to begin implementing the plan. The Commission may hold a follow-up hearing on these steps as well as the progress made on its recommendations.

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

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

**Date:** March 26, 2018

**Agenda Item:** V.G

**Agenda Description:** Sierra Club California Launches Advertising Campaign

**Issues:** Attached is a press release from the Kathryn Phillips of the Sierra Club California

**Requested Action:** Discussion, provide direction.

**Attachments:**

1. February 12, 2018 Press release from Sierra Club California



For Immediate Release  
February 12, 2018

Contact:  
Kathryn Phillips 916-893-8494 (mobile)

## **Sierra Club California Launches Advertising Campaign to Protect Air & Forests from Waste Industry Incinerators**

### **Zeal for Incineration Threatens Air Quality, Forest Sustainability, Clean Renewables**

SACRAMENTO – Sierra Club California launched an advertising campaign today that aims to push back against growing pressure by waste incinerators to extend and expand their industry, including in Fresno, in one of the most polluted air basins in the country.

A series of billboards and online ads in Fresno and Sacramento note that trees, dead or alive, are an essential component of a healthy forest ecosystem. The campaign promotes the hashtag #IAmNotFuel and implores that California stop burning trees in incinerators to create dirty, polluting energy.

In 2015, Governor Brown signed an executive order requiring utilities to purchase a minimum amount of electricity from biomass incineration facilities that burn dead trees from California's forests. This executive order and subsequent legislation saved five old, non-economic waste incinerators in California that were slated to shut down due to high energy costs and competition from cheaper wind and solar facilities.

About three years later, the biomass incinerator near the Malaga neighborhood in Fresno is still burning 24 hours a day. The facility features outdated emissions controls and releases pollutants that are linked to chronic bronchitis, lung cancer and heart disease. Nearly 30 percent of Fresno's population is under the age of 18 and at least one in five students in local school districts suffer from chronic lung ailments, such as asthma.

"The last place that should be increasing waste incinerator activity is California," said Kathryn Phillips, director of Sierra Club California, the legislative and regulatory advocacy arm of the Sierra Club's 13 local chapters in California. "The California legislature has established goals to cut climate pollution and local air pollution and increase the amount of non-combustion, clean renewable energy we use. Waste incinerators undercut those goals even as they dirty the air."

Drought and beetle infestation have contributed to massive tree deaths in forests around California, with the most impacted areas in the Southern Sierra. U.S. Forest Service estimates are that 129 million trees have died.

Most of those trees are in remote areas, away from roads or people. Dead trees near homes, powerlines or roads could be life threatening and should be removed. However, when dead trees are in the remote forest they provide habitat and soil nutrients and they sequester carbon. Additionally, a relatively short period after their death, the dead trees are no more fire-prone than a living tree.

Policy makers and others are debating what should be done with the trees that must be removed. The waste incineration industry has grabbed onto the debate to try to extend and expand their activity in California.

“The advertising campaign is intended to alert people that polluting waste incineration facilities are the worst use of the trees,” said Phillips. “We hope it will help open up the conversation so alternatives to burning the trees that must be removed—from processing for mulch or milling for lumber—get more consideration.”

The billboard artwork is available at <http://bit.ly/IAmNotFuel>.

###

*Sierra Club California is the legislative and regulatory advocacy arm of Sierra Club's 13 local chapters in California, representing more than 400,000 members and supporters.*

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

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

**Date:** March 26, 2018

**Agenda Item: VI.A**

**Agenda Description:** **Closed Session Item** - Performance Evaluation of the Air Pollution Control Officer, Gretchen Bennitt (Government Code Section 54957).

**Issues:** The Executive Director's Annual Performance Evaluation is due. All Board members have been provided with a checksheet that will assist in determining her performance for the past year. Closed session will be provided for frank discussions concerning performance.

**Attachments:**

1. Northern Sierra Air Pollution Control Officer Evaluation Checksheet

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT  
BOARD EVALUATION OF  
AIR POLLUTION CONTROL OFFICER PERFORMANCE**

		<u>Unsatisfactory</u>	<u>Adequate</u>	<u>Good</u>	<u>Outstanding</u>
<b><u>RELATIONSHIP WITH BOARD OF DIRECTORS</u></b>					
1.	Keeps Board informed about issues, needs, and operations.	_____	_____	_____	_____
2.	Offers professional advice to Board on items requiring Board action, with appropriate recommendations based on thorough study and analysis.	_____	_____	_____	_____
3.	Interprets and executes the intent of Board policy.	_____	_____	_____	_____
4.	Supports Board policy and actions to the public and staff.	_____	_____	_____	_____
5.	Seeks and accepts constructive criticism of his work.	_____	_____	_____	_____
6.	Remains impartial, treating all Board members alike.	_____	_____	_____	_____
7.	Maintains an effective liaison between the Board and employees working toward a high degree of understanding and respect between staff and Board.	_____	_____	_____	_____
8.	Refrains from criticism of individual or group members of the Board.	_____	_____	_____	_____
9.	Feels free to maintain an independent opinion on matters under discussion by the Board until an official decision has been reached. Effectively implements subsequent Board action.	_____	_____	_____	_____
10.	Has a good working relationship with the Board.	_____	_____	_____	_____
<b><u>ADMINISTRATION OF THE DISTRICT</u></b>					
11.	Distinguishes between major and minor issues.	_____	_____	_____	_____
12.	Plans own time so that matters of greatest importance are dealt with thoroughly.	_____	_____	_____	_____
13.	Has strong organizational skills and is able to engage in short- and long-range planning.	_____	_____	_____	_____
14.	Encourages teamwork and creativity among employees.	_____	_____	_____	_____

**COMMUNITY AND INTERGOVERNMENTAL RELATIONSHIPS**

- |     |   |       |       |       |       |
|-----|---|-------|-------|-------|-------|
| 15. | Works effectively with other governmental and private agencies.                               | _____ | _____ | _____ | _____ |
| 16. | Has gained respect and support of the community on the functioning of the District operation. | _____ | _____ | _____ | _____ |
| 17. | Gives attention to issues and opinions of all groups and individuals.                         | _____ | _____ | _____ | _____ |
| 18. | Develops cooperative relationships with news media.   | _____ | _____ | _____ | _____ |

**STAFF AND PERSONNEL RELATIONSHIPS**

- |     |   |       |       |       |       |
|-----|---|-------|-------|-------|-------|
| 19. | Develops and executes sound personnel procedures and practices.   | _____ | _____ | _____ | _____ |
| 20. | Develops good staff morale and loyalty.   | _____ | _____ | _____ | _____ |
| 21. | Treats all personnel fairly, without favoritism or discrimination, while insisting on performance of duties.  | _____ | _____ | _____ | _____ |
| 22. | Delegates authority to staff members appropriate to the position each holds.  | _____ | _____ | _____ | _____ |
| 23. | Encourages participation of appropriate staff members and groups in planning, procedures, and policy implementation.  | _____ | _____ | _____ | _____ |
| 24. | Evaluates performance of staff members, giving commendation for good work as well as constructive suggestions for improvement.  | _____ | _____ | _____ | _____ |
| 25. | Takes an active role in development of salary schedules for all personnel, And recommends to the Board the levels which, within budgetary limitations, will best serve the interests of the District. | _____ | _____ | _____ | _____ |
| 26. | Within parameters set by the Board, provides overall guidance to the meet-and-confer process with employees.  | _____ | _____ | _____ | _____ |

**BUSINESS AND FINANCE**

- |     |  |       |       |       |       |
|-----|--|-------|-------|-------|-------|
| 27. | Supervises operations, insisting on competent and efficient performance.   | _____ | _____ | _____ | _____ |
| 28. | Recommends a realistic annual budget for District operations.              | _____ | _____ | _____ | _____ |
| 29. | Evaluates financial need and makes recommendations for adequate financing. | _____ | _____ | _____ | _____ |

**PERSONAL QUALITIES**

- |     |  |       |       |       |       |
|-----|--|-------|-------|-------|-------|
| 30. | Defends principle and conviction in the face of pressure and partisan influence.                     | _____ | _____ | _____ | _____ |
| 31. | Maintains high standards of ethics, honesty, and integrity in all personal and professional matters. | _____ | _____ | _____ | _____ |
| 32. | Earns respect and standing among professional colleagues.  | _____ | _____ | _____ | _____ |
| 33. | Devotes time and energy effectively to job.  | _____ | _____ | _____ | _____ |
| 34. | Demonstrates ability to work well with individuals and groups.                                       | _____ | _____ | _____ | _____ |
| 35. | Maintains professional manner in the full range of professional activities.                          | _____ | _____ | _____ | _____ |
| 36. | Writes clearly and concisely.  | _____ | _____ | _____ | _____ |
| 37. | Speaks well in front of large and small groups, expressing ideas in a logical and forthright manner. | _____ | _____ | _____ | _____ |

**BOARD OBSERVATIONS**

Things the APCO does now that I would like him/her to continue:

Things the APCO does now that I would like him/her to discontinue:

Things the APCO does now that I would like him/her to do:

Any other observation you would like to share regarding the APCO's performance:

Board Member: \_\_\_\_\_

Date: \_\_\_\_\_

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