

Headquarters

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

MONDAY

June 27, 2022

1:00 p.m.

**Northern Sierra Air Quality Management District
Governing Board of Directors**

**Hardy Bullock, Chair
Nevada County Supervisor**

**Ed Scofield , Vice-Chair
Nevada County Supervisor**

**Peter Huebner
Sierra County Supervisor**

**Paul Roen
Sierra County Supervisor**

**Sharon Thrall
Plumas County Supervisor**

**Dwight Ceresola
Plumas County Supervisor**

Alternates:

Susan Hoek, Nevada County Supervisor

Lee Adams, Sierra County Supervisor

Jeff Engel, Plumas County Supervisor

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
June 27, 2022
1:00 P.M.**

**This meeting will be held by videoconference/telephone 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**

This meeting will also be available through ZOOM. If you would like to join by ZOOM, please email the Air District at Office@myairdistrict.com or call the office at (530) 274-9360 by Friday, June 24 to request the zoom link.

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

- I. Standing Orders:**
Call to Order.
Roll call and determination of quorum.
- II. Public Comment:** For items **NOT** appearing on the agenda and within the jurisdiction of the Board. The public may comment on Agenda items as they are discussed.
- III. Approval and/or Modifications to Agenda**
- IV. Consent Calendar** These Items Are Expected to Be Routine and Noncontroversial. They Will Be Acted on By the Board at One Time Without Discussion. Any Board Member, Staff Member, or Interested Party May Request That an Item Be Removed From the Consent Calendar for Discussion.
 - A. Approval of regular meeting minutes – May 25, 2022
 - B. Payment Details by Vendor Board Report – May 2022

- C. Approve Resolution # 2022-09 which authorizes remote teleconference meetings of the Northern Sierra Air Quality Management District Board pursuant to the Ralph M. Brown Act.
- D. Agreement with Plumas County Fire Safe Council to provide AB617 implementation funding for Chipping
- E. Agreement with the City of Nevada City to utilize Carl Moyer Reserve funds to install light duty public electric charging stations.
- F. Proposed Adoption of FY 2022-2023 Operating and Restricted Budget

V. Director's Report

- A. Status on Portola PM2.5 Nonattainment Area

VI. 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.

VII. Schedule next Meeting – Video/Phone Conference August 22, 2022 @ 1:00 PM

VIII. 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**

To: Northern Sierra Air Quality Management District Board of Directors

From: Gretchen Bennitt, Air Pollution Control Officer

Date: June 27, 2022

Agenda Item: III.A

Agenda Description: Approval and/or Modifications to Agenda

Requested Action: Discuss any modifications to agenda, approve agenda with a roll call vote

ROLL CALL VOTE REQUESTED

To: Northern Sierra Air Quality Management District Board of Directors

From: Gretchen Bennitt, Air Pollution Control Officer

Date: June 27, 2022

Agenda Item: IV.A

Agenda Description: Approval of regular meeting minutes – May 23, 2022

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

ROLL CALL VOTE REQUESTED

Attachments:

1. Draft May 23, 2022 minutes

DISTRICT HEADQUARTERS

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Mailing Address:

Grass Valley, CA 95945

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

email: office@myairdistrict.com or www.myairdistrict.comNORTHERN FIELD OFFICE

257 E. Sierra, Unit E

Mailing Address: P.O. Box 2227

Portola, CA 96122

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email: Julie@myairdistrict.com or www.myairdistrict.com**MINUTES****NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
BOARD OF DIRECTORS SPECIAL MEETING****May 23, 2022****1:00 p.m.****Portola, California****257 E. Sierra, Unit E****Members Present:****Supervisor Scofield, Vice- Chair****Supervisor Roen****Supervisor Ceresola****Supervisor Thrall****Members Absent:****Supervisor Bullock, Chair****Supervisor Huebner****I. Standing Orders:****Call to Order. Roll Call and Determination of Quorum.**

Vice-Chair Scofield called the meeting to order at 1:00 P.M. A quorum was confirmed.

Also present; Gretchen Bennett, Executive Director; Melissa Klundby, APCSII.

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.

Vice-Chair Scofield called for public comment for items not appearing on the agenda. There was no public comment.

III. Approval and/or Modifications to the Agenda

Vice-Chair Scofield asked if there were any requested modifications to the agenda.

Hearing none, Supervisor Roen made a motion to approve the agenda. Supervisor Thrall seconded the motion. The motion was approved unanimously.

IV. Consent Calendar

Supervisor Roen made a motion to approve the consent calendar. Supervisor Ceresola seconded the motion. The motion was approved unanimously.

V. Administrative Reports

A. Public Hearing for FY 2022-2023 Operating and Restricted Budget

Ms. Bennitt opened the public hearing for comment on the Draft Operating and Restricted Budget for 2022-23. Ms Bennitt presented the budget. The Board provided the following direction- with the sudden retirement of Sam Longmire, the Board requested that the Budget be modified to reflect his retirement. Additionally, the Board requested that the budget be modified to show the expenditures of hiring both a part-time APCSI and a full-time APCSI. Another comment the Board requested is that staff should consider purchasing an electric vehicle, but to ascertain whether that electric vehicle would be feasible in the Plumas/Sierra area. Ms. Bennitt closed the public hearing.

B. Revised and Proposed Modifications to Air District Personnel Policies

Ms. Bennitt discussed that Melissa Klundby paid a major role in the proposed modifications. Melissa worked closely with the paid HR contractor, RGS to develop the personnel modifications. After a short discussion, Supervisor Roen made a motion to approve the modified personnel policies and authorized the Vice- Chair to sign the resolution. Supervisor Thrall seconded the motion. The motion was approved unanimously.

VI. Director's Report

A. Status on Portola PM2.5 Nonattainment Area

Ms. Klundby updated the Board on the status of the nonattainment area and grant.

B. Discussion of part-time permanent position for Northern Sierra Air District

Ms. Bennitt presented the cost estimate for a part time permanent APCSI (30 hours/week). Additionally, she presented that the cost for both a full time APCSI and a part-time APCSI was of similar cost to the expenditures for the recently retired employee (full time APCS III). The Board requested that Ms. Bennitt include the costs of both a part-time and full-time APCS to be included in the Final Budget, to be presented in June.

VII. Concerns of the Board – No concerns were raised.

VIII. Schedule next Meeting – Next meeting was scheduled for June 27 at 1:00 PM.

IX. Adjournment

The meeting was adjourned at 1:56 P.M.

To: Northern Sierra Air Quality Management District Board of Directors

From: Gretchen Bennitt, Air Pollution Control Officer

Date: June 27, 2022

Agenda Item: IV.B

Agenda Description: Payment Details by Vendor Board Report – May 2022

Issues: Vendor Reports are available for the Board and Public to review

Requested Action: Review and approve reports.

ROLL CALL VOTE REQUESTED

Attachments:

1. Payment Details by Vendor Board Report – May 2022

Northern Sierra Air Quality Management District Payment details by Vendor Board Report May 2022

Type	Date	Num	Memo	Account	Amount
Adecco					
Bill Pmt -Check	05/20/2022	246653	test	10-1000 · Cash, Operating Ge...	-791.10
Total Adecco					-791.10
All Star Chimney, Eli Marchus					
Bill Pmt -Check	05/20/2022	V957533		20-1000 · Cash, Restricted Fu...	-393.00
Total All Star Chimney, Eli Marchus					-393.00
Asquith Business Service					
Bill Pmt -Check	05/05/2022	V956605	PPE 4/29/22	10-1000 · Cash, Operating Ge...	-536.25
Bill Pmt -Check	05/20/2022	V957514	PPE 05/13/2022	10-1000 · Cash, Operating Ge...	-220.00
Total Asquith Business Service					-756.25
AT&T CALNET 3					
Bill Pmt -Check	05/05/2022	246210		10-1000 · Cash, Operating Ge...	-22.39
Bill Pmt -Check	05/20/2022	246723		10-1000 · Cash, Operating Ge...	-88.48
Bill Pmt -Check	05/20/2022	246724		10-1000 · Cash, Operating Ge...	-43.11
Bill Pmt -Check	05/20/2022	246739		10-1000 · Cash, Operating Ge...	-40.60
Total AT&T CALNET 3					-164.58
B of A					
Bill Pmt -Check	05/05/2022	V956543	PPE 4/29/22	10-1000 · Cash, Operating Ge...	-18,615.97
Bill Pmt -Check	05/20/2022	246660	Retro 6%	10-1000 · Cash, Operating Ge...	-12,401.25
Bill Pmt -Check	05/20/2022	246661	PPE 5/13/22	10-1000 · Cash, Operating Ge...	-18,715.44
Total B of A					-49,732.66
CALPERS (Retirement)					
Bill Pmt -Check	05/05/2022	911280	PPE 4/29/2022	10-1000 · Cash, Operating Ge...	-2,211.28
Bill Pmt -Check	05/05/2022	911282	PPE April 29, 2022	10-1000 · Cash, Operating Ge...	-1,362.43
Bill Pmt -Check	05/05/2022	911279	Monthly ER Classic UAL contri...	10-1000 · Cash, Operating Ge...	-9,053.50
Bill Pmt -Check	05/05/2022	911283	Monthly PERPA unfunded labi...	10-1000 · Cash, Operating Ge...	-81.92
Bill Pmt -Check	05/19/2022	911312	PPE 5/13/2022	10-1000 · Cash, Operating Ge...	-2,283.37
Bill Pmt -Check	05/19/2022	911314	PPE 5/13/2022	10-1000 · Cash, Operating Ge...	-1,378.26
Total CALPERS (Retirement)					-16,370.76
CALPERS 457 PLAN					
Bill Pmt -Check	05/05/2022	911281	PPE 4/29/22	10-1000 · Cash, Operating Ge...	-1,670.00
Bill Pmt -Check	05/19/2022	911313	PPE 5/13/2022	10-1000 · Cash, Operating Ge...	-1,670.00
Total CALPERS 457 PLAN					-3,340.00
English Mountain Ranch					
Bill Pmt -Check	05/20/2022	V957450		10-1000 · Cash, Operating Ge...	-4,308.74
Total English Mountain Ranch					-4,308.74

Northern Sierra Air Quality Management District
Payment details by Vendor Board Report
May 2022

Type	Date	Num	Memo	Account	Amount
Intermountain Disposal, Inc. Vendor					
Bill Pmt -Check	05/05/2022	246205		10-1000 · Cash, Operating Ge...	-17.40
Bill Pmt -Check	05/05/2022	246206	Medal Hauling	20-1000 · Cash, Restricted Fu...	-125.00
Bill Pmt -Check	05/20/2022	246714	EPA TAG 2018 Greenwaste	20-1000 · Cash, Restricted Fu...	-216.90
Bill Pmt -Check	05/20/2022	246715	EPA TAG 2018 Greenwaste 9...	20-1000 · Cash, Restricted Fu...	-104.81
Total Intermountain Disposal, Inc. Vendor					
James Merzon					
Bill Pmt -Check	05/20/2022	V957567	JUNE 2022 Rent	10-1000 · Cash, Operating Ge...	-555.00
Total James Merzon					
Janice Buck/Sierra Booster					
Bill Pmt -Check	05/20/2022	246713	EPA TAG 2015 Public Notice	20-1000 · Cash, Restricted Fu...	-140.25
Total Janice Buck/Sierra Booster					
Met One Instruments, Inc.					
Bill Pmt -Check	05/05/2022	246177		10-1000 · Cash, Operating Ge...	-61,716.84
Total Met One Instruments, Inc.					
Quincy Hot Spot					
Bill Pmt -Check	05/20/2022	246674	EPA TAG 2015, #2021-559 Mil...	20-1000 · Cash, Restricted Fu...	-4,500.00
Total Quincy Hot Spot					
R&B Com, Inc.					
Bill Pmt -Check	05/05/2022	246198	March 2022	10-1000 · Cash, Operating Ge...	-3,121.63
Bill Pmt -Check	05/05/2022	246197	EPA 2015 TAG March 2022 W...	20-1000 · Cash, Restricted Fu...	-2,598.00
Bill Pmt -Check	05/20/2022	246678		20-1000 · Cash, Restricted Fu...	-2,388.00
Total R&B Com, Inc.					
Singleton Auman PC					
Bill Pmt -Check	05/05/2022	246208	Final FYE 06/30/21 Audit	10-1000 · Cash, Operating Ge...	-2,500.00
Total Singleton Auman PC					
US Bank					
Bill Pmt -Check	05/19/2022	246628		10-1000 · Cash, Operating Ge...	-5,150.58
Total US Bank					
Wizix Technology Group					
Bill Pmt -Check	05/20/2022	246739		10-1000 · Cash, Operating Ge...	-117.56
Total Wizix Technology Group					
TOTAL					-159,109.06

To: Northern Sierra Air Quality Management District Board of Directors

From: Gretchen Bennett, Air Pollution Control Officer

Date: June 27, 2022

Agenda Item: IV.C

Agenda Description: Approve Resolution # 2022-09 which authorizes remote teleconference meetings of the Northern Sierra Air Quality Management District Board pursuant to the Ralph M. Brown Act.

Issues: In order to meet remote public meeting requirements, the Air District Board is required to consider approval of the attached Resolution # 2022-01.

Requested Action: Consider approval of Resolution # 2022-09

ROLL CALL VOTE REQUESTED

Attachments:

1. Resolution # 2022-09

Northern Sierra Air Quality Management District Resolution 2022-09

In the Matter Of: a resolution authorizing remote teleconference meetings of the Northern Sierra Air Quality Management District Board pursuant to the Ralph M. Brown Act.

WHEREAS, all meetings of the Northern Sierra Air Quality Management District Board are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code §§ 54950 – 54963), so that any member of the public may attend, participate, and watch the legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions and requirements; and

WHEREAS, a required condition of Government Code section 54953(e) is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558(b); and

WHEREAS, a further required condition of Government Code section 54953(e) is that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body holds a meeting to determine or has determined by a majority vote that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, on March 4, 2020, Governor Newsom issued a Proclamation of a State of Emergency declaring a state of emergency exists in California due to the threat of COVID-19, pursuant to the California Emergency Services Act (Government Code section 8625); and

WHEREAS, on June 11, 2021, Governor Newsom issued Executive Order N-07-21, which formally rescinded the Stay-at-Home Order (Executive Order N-33-20), as well as the framework for a gradual, risk-based reopening of the economy (Executive Order N-60-20, issued on May 4, 2020) but did not rescind the proclaimed state of emergency; and

WHEREAS, on June 11, 2021, Governor Newsom also issued Executive Order N-08-21, which set expiration dates for certain paragraphs of the State of Emergency Proclamation dated March 4, 2020 and other Executive Orders but did not rescind the proclaimed state of emergency; and

WHEREAS, as of the date of this Resolution, neither the Governor nor the state Legislature have exercised their respective powers pursuant to Government Code section 8629 to lift the state of emergency either by proclamation or by concurrent resolution the state Legislature; and

WHEREAS, the California Department of Industrial Relations has issued regulations related to COVID-19 Prevention for employees and places of employment. Title 8 of the California Code of Regulations, Section 3205(5)(D) specifically recommends physical (social) distancing as one of the measures to decrease the spread of COVID-19 based on the fact that particles containing the virus can travel more than six feet, especially indoors; and

WHEREAS, the Northern Sierra Air Quality Management District Board finds that state or local officials have imposed or recommended measures to promote social distancing, based on the California Department of Industrial Relations' issuance of regulations related to COVID-19 Prevention through Title 8 of the California Code of Regulations, Section 3205(5)(D); and

WHEREAS, in light of this recommendation, the Northern Sierra Air Quality Management District Board desires to continue to have the flexibility, to meet via teleconference; and

WHEREAS, as a consequence, the Northern Sierra Air Quality Management District Board does hereby find that it shall conduct its meetings by teleconferencing without compliance with Government Code section 54953 (b)(3), as authorized by Section 54953(e), and will continue to provide the public with access to the meetings as prescribed by Government Code section 54953(e)(2).

NOW, THEREFORE, BE IT RESOLVED that the Northern Sierra Air Quality Management District Board does hereby resolve as follows:

SECTION 1: Recitals. The recitals set forth are true and correct and are incorporated into this Resolution by this reference.

SECTION 2: State or Local Officials have Imposed or Recommended Measures to Promote Social Distancing. The Northern Sierra Air Quality Management District Board hereby proclaims that state officials have imposed or recommended measures to promote social (physical) distancing based on the California Department of Industrial Relations' issuance of regulations related to COVID-19 Prevention through Title 8 of the California Code of Regulations, Section 3205(5)(D).

SECTION 3: Remote Teleconference Meetings. The Northern Sierra Air Quality Management District Board will carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

SECTION 4: Effective Date. This Resolution shall take effect immediately upon its adoption.

In a motion by Supervisor _____, and seconded by Supervisor _____, the foregoing resolution was approved and adopted by the Board of Directors of the Northern Sierra Air Quality Management District at a regular meeting held on June 27, 2022, by the following roll call vote:

Ayes:

Noes:

Absent:

Abstaining:

Approve: _____
Chair of Board

Attest: _____
Dawn Lunsford, Clerk of the Board

To: Northern Sierra Air Quality Management District Board of Directors

From: Gretchen Bennett, Air Pollution Control Officer

Date: June 27, 2022

Agenda Item: IV.D

Agenda Description: Agreement with Plumas County Fire Safe Council to provide AB617 implementation funding for Chipping

Issues: The District has \$16,617 remaining in the AB617 implementation fund which must be liquidated by June 30, 2022. The California Air Resources Board (CARB) has specified that the funding must be used to reduce emissions in low income communities and CARB has approved the funding to be used for this purpose.

Requested Action:

1. Approve the use of the remaining AB617 Implementation funds for the Plumas County Fire Safe Council Chipping Program.
2. Authorize the APCO to sign an agreement with the Plumas County Fire Safe Council for the remaining AB617 Implementation Funds to be utilized for the Fire Safe Council's Chipping Program.

ROLL CALL VOTE REQUESTED

Attachments:

1. Agreement between Plumas County Fire Safe Council and Northern Sierra Air District

SERVICE AGREEMENT

**BETWEEN THE PLUMAS COUNTY FIRE SAFE COUNCIL
AND
THE NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT**

THIS SERVICE AGREEMENT ("Agreement") is made and entered into this 27th day June, 2022, by the PLUMAS COUNTY FIRE SAFE COUNCIL ("PCFSC") and the NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT ("NSAQMD") to allow the NSAQMD to fund the Chipping Program ("Program") in Plumas County to help reduce fuels while achieving air quality attainment status.

WHEREAS, the United States Environmental Protection Agency (USEPA) has found that the Greater Portola Federal Non-Attainment Area of the NSAQMD in Plumas County has remained an air quality non-attainment area for years; and

WHEREAS, NSAQMD applied to California Air Resources Board (CARB) and received grant funding from the AB617 implementation grant program; and

WHEREAS, CARB has agreed that the AB617 Implementation Grant Funds can be used to provide chipping services to reduce fuels as an alternative to open burning;

WHEREAS, the PCFSC has the capability and workforce to provide chipping services to reduce fuels as an alternative to pile burning; and

WHEREAS, NSAQMD has identified the PCFSC as capable of the tasks presented; and

WHEREAS, NSAQMD Board of Directors and the PCFSC respectively and separately authorized the establishment of an Agreement between the two entities, and for the PCFSC to provide services to Plumas County residents, and for NSAQMD to pay PCFSC for services provided.

NOW THEREFORE, in consideration of the promises and covenants set forth herein, the parties agree as follows:

1. Scope of Services

- 1.1 PCFSC agrees to provide services related to the Program as requested by NSAQMD. Those services may include, but are not limited to, the following:
- a) Provide chipping services to Plumas County residents per PCFSC guidelines.
 - b) Conduct chipping services to the communities in Plumas County areas on a rotating basis as identified in the Chipping Schedule.
 - c) Reduce the amount of pile burning in Plumas County based on the amount of chipping conducted to benefit air quality in Plumas County.
 - d) Maintain an accurate record of the amount and location of chipping conducted.
 - e) Provide copies of chipping records to NSAQMD.

2. Agreement Period

- 2.1 The date of the agreement is in effect upon the final signatures by both parties.
- 2.2 The conditions of this agreement shall remain in effect until the funds are exhausted.
- 2.3 Funds must be spent by December 31, 2022 after receipt.

3. Requirements

The PCFSC will provide chipping services throughout Plumas County as identified in the PCFSC Chipping Schedule. PCFSC employees shall perform the duties outlined in this Agreement as PCFSC Employees, and not as employees of NSAQMD. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any suit, action, or proceeding brought under the scope of this Agreement shall be brought and maintained to the extent allowed by law in the County of Plumas, California.

4. Record Keeping and Recording

PCFSC shall keep, and provide to NSAQMD or its agents, upon request, accurate records (including invoices and records of services performed) necessary to enable NSAQMD to review PCFSC performance of this Agreement. These records shall demonstrate the grant funding has been used for the purchase of services as described in this Grant Agreement. PCFSC shall maintain all such records for at least five years after the date on which Grant funds were received.

5. Compensation

NSAQMD will reimburse PCFSC for up to Fourteen thousand dollars (\$16,617.00) ("Total Grant Award") if and when such funds become available to NSAQMD and are budgeted for this purpose by NSAQMD.

Only expenditures incurred by PCFSC in the direct performance of this Agreement can be reimbursed by NSAQMD. PCFSC shall invoice the NSAQMD the final payment once the chipping has been conducted

Payments by NSAQMD to PCFSC for the services detailed, shall be issued only after said services have been satisfactorily render and after a written request and claim from PCFSC 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 PCFSC.

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

NSAQMD shall review and pay PCFSC additional sums toward the Total Grant Award if and when (a) NSAQMD receives additional AB617 grant funds for the next funding cycle, and (b) NSAQMD budgets and allocates such funds for the purpose of funding this Agreement.

PCFSC expressly understands, acknowledges and agrees that NSAQMD will use reasonable efforts to budget and allocate funds to support this Agreement, however NSAQMD cannot make any guarantees as to the availability or amount of any future reimbursement pursuant to this Agreement except for the Total Grant Award expressly set forth above.

Any and all future decisions to budget for or expend monies to support this reimbursement agreement are subject to the sole discretion of the NSAQMD Board and, therefore, this Agreement creates no right or entitlement to any future reimbursement whatsoever. NSAQMD

shall have no obligation whatsoever to budget or expend monies for the purpose of fully funding this reimbursement agreement nor to use any funds other than AB617 grant funds for the purpose of funding this Agreement.

Any and all obligations or commitments to reimburse PCFSC under this Agreement shall expire as of the earlier of (a) December 31, 2022 or (b) termination of the Agreement pursuant to Section 7 below; and this Agreement may be terminated whether or not PCFSC has received its full reimbursement for the Total Grant Award. Therefore, PCFSC further understands, acknowledges, and agrees that this Agreement may terminate before full reimbursement for the Total Grant Award may be made.

The amount to be paid to PCFSC 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 PCFSC.

6. 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. PCFSC breaches any requirements of the AB617 program.

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 PCFSC, 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 PCFSC the repayment to NSAQMD of any funds disbursed to PCFSC 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. PCFSC 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. Upon such termination, all the work, if any, produced by PCFSC shall be promptly delivered to NSAQMD.

7. Hold Harmless

NSAQMD agrees to defend, indemnify and hold harmless PCFSC, its directors, officers, servants and agents for any and all reasonable expenses, claims, liabilities, lawsuits and judgments which may occur as a result of any negligent willful acts or omissions on the part of PCFSC, or its directors, officers, employees, and agents, in any way connected with the performance of its duties and obligations pursuant to the Agreement. This provision shall survive any termination of the Agreement.

PCFSC agrees to defend, indemnify and hold harmless the NSAQMD, its directors, officers, servants and agents for any and all reasonable expenses, claims, liabilities, lawsuits and judgments which may occur as a result of any negligent willful acts or omissions on the part of NSAQMD, or its directors, officers, employees, and agents, in any way connected with the performance of its duties and obligations pursuant to this Agreement. This provision shall survive any termination of this Agreement.

Each Party shall be financially responsible for all damages and losses caused by the negligent or willful misconduct of that Party, its officers, and employees.

Neither Party shall be liable to the other Party for any loss, damage, liability, claim or cause of action for damage to or destruction of property or for the injury to or death of persons arising solely from any act or omission of the other Party's officers, agents, or employees.

A Party against whom any claim arising from any subject matter of this Agreement is filed shall give prompt written notice of the filing of the claim to all other Party.

8. Insurance

Without limiting NSAQMD's right to obtain indemnification from PCFSC or any third parties, PCFSC, 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 PCFSC is exempt from the requirement of maintaining workers compensation insurance, PCFSC shall provide to the District satisfactory evidence of such exemption.

Prior to finalizing this Agreement, PCFSC 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 PCFSC'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 PCFSC's policies herein. This insurance shall not be canceled or changed without a minimum of thirty (30) days advance, written notice given to NSAQMD. 9

In the event PCFSC 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.

9. Notices

All notices relative to this Agreement shall be given in writing and shall be personally served or sent by certified mail and become effective upon receipt. The Parties shall be addressed as follows, or at any other address designated by notice:

Plumas County Fire Safe Council
Hannah Hepner
PO Box 1225
Quincy, CA 95971

NSAQMD:
Gretchen Bennitt
Air Pollution Control Officer
200 Litton Dr., #320
Grass Valley, CA 95945

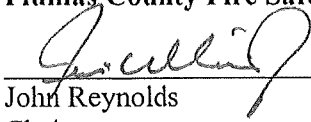
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed, the day and year first-above written.

Northern Sierra Air Quality Management District

Gretchen Bennitt
Air Pollution Control Officer

Date

Plumas County Fire Safe Council

for > 

John Reynolds
Chair

6/15/2022
Date

To: Northern Sierra Air Quality Management District Board of Directors
From: Gretchen Bennett, Air Pollution Control Officer
Date: June 27, 2022

Agenda Item: IV.E

Agenda Description: Agreement with the City of Nevada City to utilize Carl Moyer Reserve funds to install light duty public electric vehicle charging stations.

Issues: The District was awarded \$43,750 to be utilized to install light duty public electric vehicle charging stations. This funding was awarded by the California Air Resources Board through the Carl Moyer Reserve program.

Requested Action: Approve and authorize the Chair and Executive Director to sign the agreement with the City of Nevada City

ROLL CALL VOTE REQUESTED

Attachments:

1. Agreement # CMP Reserve 2022-01

1. The text of this Agreement;
2. Exhibit A, to this Agreement;
3. The NSAQMD Year 23 (Moyer Year) Carl Moyer Incentive Program Policy and Procedures prepared by the NSAQMD; and,
4. The Carl Moyer Program Guidelines (April 27, 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.

Eligible costs are limited to the purchase and installation of the equipment for power delivery or fueling directly related to the infrastructure project. The eligible costs listed below must utilize commercially available technologies.

Eligible project costs include:

- Cost of design and engineering, (i.e., labor, site preparation, Americans with Disabilities Act accessibility, signage).
- Cost of equipment (e.g., charging/fueling units, electrical parts, energy storage equipment, materials).
- Cost of installation directly related to the construction of the station.
- On-site power generation system that fuels or powers covered sources (i.e., solar and wind power generation equipment).
- Federal, sales, and other taxes.
- Shipping and delivery costs.
- Fees incurred pre-contract execution (i.e., permits, design, engineering, site preparation), license fees, environmental fees, commissioning fees (safety testing), and onsite required safety equipment.
- Consulting fees associated with the preparation of Environmental Assessment, Environmental Impact Statement, Environmental Impact Report, or other California Environmental Quality Act (CEQA) documents, etc.

Ineligible costs include but are not limited to:

- Existing station upgrade.
- Fuel and energy costs.
- Non-essential equipment hardware.
- Operation cost (e.g., operational fees, maintenance, repairs, improvements, spare parts).
- Extended warranty.
- Insurance.
- Data collection and reporting.
- Grantee administrative costs.
- Travel/lodging.
- Employee training and salaries.
- Legal fees.
- Real estate property purchases/leases.
- Performance bond costs.
- Construction management.

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- Storm water plan costs.
- Security costs.
- Testing and soil sampling.
- Hazardous materials, including permitting, handling and disposal.

2. PERIOD OF PERFORMANCE/TIMETABLE

Participant 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. REQUIREMENTS

- A.** The applicant must be able to demonstrate to the air district that the applicant can obtain all required land use permits from agencies needed to install and operate the station. Failure to comply with these conditions will constitute a breach of this Agreement.
- B.** For a publicly accessible station, the applicant must provide a description of the geographic location, including an aerial map (i.e. satellite view from an internet based map or city/county map) and specific street address of the proposed station. Failure to comply with these conditions will constitute a breach of this Agreement.
- C.** Applicants must demonstrate that they either own the land on which the project will be located, or control it through a long-term lease, easement or other legal arrangement, for the duration of the project life. For a proposed project where the land is not owned by the applicant, an executed lease agreement or letters of commitment lasting for the duration of the project life must be signed by property owners/authorized representatives and must be submitted with the application. Failure to comply with these conditions will constitute a breach of this Agreement.
- D.** Applicants must be able to provide documentation that power or fuel is being provided to the site (e.g. application, payment to the local utility company for power installation, or contract). Failure to comply with these conditions will constitute a breach of this Agreement.
- E.** Applicant will ensure that the equipment be in operating condition throughout the contract term.

4. QUALIFICATIONS

- A. The project must be installed and located in California.
- B. The project must comply with all applicable federal, State, local laws and requirements including environmental laws, and State building, environmental and fire codes.
- C. The grantee shall obtain at least 3 competitive bids from local contractors, if 3 such contractors are available, before choosing an installation contractor. If there are no local contractors available to do the installation work, then the grantee may seek bids from contractors outside the Northern Sierra AQMD jurisdiction.
- F. Work must be performed by a licensed contractor.
- G. Publicly accessible station must at a minimum be accessible to the public daily during regular business hours.
- H. Equipment and parts must be new. Remanufactured or refurbished equipment and parts are not eligible.
- I. Applicant will ensure that the equipment be in operating condition throughout the contract term.
- J. Infrastructure projects must maintain a 95 percent successful charging rate with 24/7 customer service available on site, via toll free telephone number and if public accessible equipment is not functional, the grantee is responsible for ensuring that repairs are made and station is up and running within 48 hours.
- K. If during the project life the fuel/energy meter fails for any reason, the fuel/energy meter must be repaired or replaced as soon as possible and is considered a maintenance expense, therefore not an eligible cost.

4.1 Battery Charging Station Qualifications

- a. Chargers must be a level 2 and higher to support non-residential stations.
- b. Publicly accessible light-duty charging stations must use a valid and universally accepted charge connector protocol (e.g. Society of Automotive Engineers (SAE), CHAdeMO).
- c. Charger must be certified by a Nationally Recognized Testing Laboratory (e.g., Underwriter's Laboratories, Intertek) located at <https://www.osha.gov/dts/otpca/nrtl/nrtllist.html>.
- d. Equipment must have at least a one year warranty.

5. RECORD KEEPING AND REPORTING

Annually, through the term of this Agreement or any amendments to it and starting one year from the day of the NSAQMD post-inspection, participant shall provide the NSAQMD access to inspect the infrastructure and its related records.

Applicant must allow NSAQMD staff with access to the site to verify and document that the infrastructure project is operational. Inspections will include verification of operation by witnessing the connecting a vehicle or equipment to the charging or fueling station. In the event the NSAQMD does not possess such a vehicle, applicants will provide a demonstration with a vehicle provided by the applicant. For projects that incorporate solar or wind power, the inspection will verify that infrastructure has been installed and connected to the power generation equipment (i.e. solar panels or wind turbines).

Applicant will report anticipated usage in terms of projected throughput and/or number of vehicles that will be using the station for the term of the contract. The grantee must notify air districts of any downtime beyond the 48 hours and work with air districts to ensure publicly accessible stations are operational.

For non-publicly accessible infrastructure projects, if equipment is not functional, the grantee has 15 business days to report the problem to the air district and begin working with the air district promptly to ensure infrastructure equipment is operational.

Participant 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 Participant's performance of this Agreement. These records shall demonstrate the grant funding has been used for the purchase the infrastructure and/or provision of services as described in Exhibit A to this Grant Agreement, Statement of Grant Obligations. Participant shall maintain all such records for at least five years after the date on which Grant funds were received.

NSAQMD will take photos of the equipment and keep photos in the project file. At the minimum, the photos will include equipment manufacturers, model number, and serial number. For a Battery Charging Station, NSAQMD will document the following: Name of manufacturer, serial number and date of manufacture, amperage/voltage, and equipment recharge rate.

6. COMPENSATION

NSAQMD may reimburse Participant for up to: **\$43,750** ("Total Grant Award") if and when such funds become available to NSAQMD and are budgeted for this purpose by NSAQMD.

A. Payments: Only expenditures incurred by Participant in the direct performance of this Agreement can be reimbursed by NSAQMD. Participant shall invoice the NSAQMD final payment once the necessary infrastructure has been installed and connected to the power generation equipment (i.e., solar panels, wind turbine) and/or electricity grid and has been demonstrated to the air district that it is fully operational during a post-inspection.

Payments by NSAQMD to Participant 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 Participant 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 Participant. 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: Joe Fish.

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

NSAQMD shall review and pay Participant additional sums toward the Total Grant Award if and when (a) NSAQMD receives additional Carl Moyer grant funds for the next funding cycle, and (b) NSAQMD budgets and allocates such funds for the purpose of funding this Agreement.

Participant expressly understands, acknowledges and agrees that NSAQMD will use reasonable efforts to budget and allocate funds to support this Agreement, however NSAQMD cannot make any guarantees as to the availability or amount of any future reimbursement pursuant to this Agreement except for the Total Grant Award expressly set forth above. Any and all future decisions to budget for or expend monies to support this reimbursement agreement are subject to the sole discretion of the NSAQMD Board and, therefore, this Agreement creates no right or entitlement to any future reimbursement whatsoever. NSAQMD shall have no obligation whatsoever to budget or expend monies for the purpose of fully funding this reimbursement agreement nor to use any funds other than Carl Moyer grant funds for the purpose of funding this Agreement.

Any and all obligations or commitments to reimburse Participant under this Agreement shall expire as of the earlier of (a) December 31, 2022 or (b) termination of the Agreement pursuant to Paragraph 9, below; and that this Agreement may be terminated whether or not Participant has received its full reimbursement for the Total Grant Award. Therefore, Participant further understands, acknowledges, and agrees that this Agreement may terminate before full reimbursement for the Total Grant Award may be made.

The amount to be paid to Participant 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 Participant.

B. Surplus Funds: Any part or all of a payment by NSAQMD to Participant, which is not utilized for any reason by Participant to pay costs pursuant to the terms and conditions of this Agreement or as detailed in a claim by Participant,

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 Participant 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.

D. Repossession: If for any reason the lien holder of the new equipment is required to repossess said equipment, the Participant shall be liable for the repayment of the Total Grant Award to the NSAQMD and agrees to reimburse the NSAQMD the full amount of the Total Grant Award as specified herein within 30 days of such repossession of said equipment.

7. NON-ALLOCATION OF FUNDS

The terms of this Agreement and the services to be provided there under are contingent on the approval and appropriation of funds by the NSAQMD, the State of California and the federal government. NSAQMD upon giving **seven (7) calendar days written notice** to Participant, shall have the right to terminate its obligations under this Agreement if the NSAQMD, the Federal Government or the State of California, as the case may be, does not appropriate funds sufficient to discharge NSAQMD's obligations coming due under this Agreement.

8. INDEPENDENT PARTICIPANT

In performance of the work, duties, and obligations assumed by Participant under this Agreement, it is mutually understood and agreed that Participant, including any and all of Participant's officers, agents, and employees, will at all times be acting and performing as an independent Participant 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 Participant shall perform its work and function. However, NSAQMD shall retain the right to administer this Agreement so as to verify that Participant is performing its obligations in accordance with the terms and conditions thereof. Participant 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 Participant, Participant shall have absolutely no right to employment rights and benefits available to NSAQMD employees. Participant shall be solely liable and responsible for providing to, or on behalf of, itself all legally required employee benefits. In addition, Participant shall be solely responsible and hold NSAQMD harmless from all matters relating to payment of Participant'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, Participant 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. Participant breaches any requirements of the Carl Moyer Program Guidelines (April 27, 2017) 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 Participant, 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 Participant the repayment to NSAQMD of any funds disbursed to Participant 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. Participant 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. Upon such termination, all the work, if any, produced by Participant shall be promptly delivered to NSAQMD. Additional terms and conditions may apply in the event of termination by the Participant, 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.

12. INDEMNIFICATION

Participant 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 Participant, its officers, agents, subcontractors, or employees in their performance of this Agreement.

In addition, by signing this agreement, Participant 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 Participant or any third parties, Participant, 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 Participant is exempt from the requirement of maintaining workers compensation insurance, Participant shall provide to the District satisfactory evidence of such exemption.

B. Prior to finalizing this Agreement, Participant 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 Participant'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 Participant's policies herein. This insurance shall not be canceled or changed without a minimum of thirty (30) days advance, written notice given to NSAQMD.

C. In the event Participant 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

Participant 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 Participant's engine(s)/equipment and/or records necessary to determine Participant's compliance with the terms of this Agreement.

Participant shall be subject to an audit by NSAQMD, the ARB or their designee(s) to determine if the revenues received by Participant 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 Participant pursuant to this Agreement were not spent in conformance with this Agreement or any other applicable provisions of law, Participant agrees to immediately reimburse NSAQMD all funds determined to have been expended not in conformance with this Agreement.

Participant 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 Participant 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:

PARTICIPANT

Sean Grayson
City Manager
City of Nevada City
317 Broad Street
Nevada City, CA 95959

NSAQMD

Gretchen Bennitt
Air Pollution Control Officer
Northern Sierra Air Quality Management District
200 Litton Drive, Suite 320
Grass Valley, CA 95945

Any and all notices between NSAQMD and Participant 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.

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. Participant 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, Plumas or Sierra County(ies), 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 Participant's performance under this Agreement, time is of the essence. The parties reasonably anticipate that Participant 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 Participant 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 Participant under this Agreement shall become the exclusive

property of NSAQMD, provided, however, Participant shall be allowed to retain a copy of any non-confidential data received, collected, produced, or developed by Participant under this Agreement, subject to NSAQMD's exclusive ownership rights stated herein. Accordingly, Participant 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 Participant under this Agreement. No reports, professional papers, information, inventions, improvements, discoveries, or data obtained, prepared, assembled, or developed by Participant, 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 Participant'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 Participant. Participant 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 Participant. 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 Participant 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, Participant transfers and conveys to NSAQMD all rights and claim to ownership of the emission reductions achieved through the project funded by this Agreement. Participant shall not use or attempt to use the emission reductions achieved by the project as emission reduction credits. Participant

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.

B. Termination: Participant may terminate its obligation to operate the low emissions equipment funded under this Agreement for good cause provided that Participant 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 Participant's obligation under Paragraphs 1 (Project) and 2 (Period of Performance / Timetable) of this Agreement.

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

1. Replacement: If for any reason, the new infrastructure is (are) rendered inoperable during the life of this Agreement, the Participant 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) Participant shall replace the infrastructure with infrastructure that has (have) equal or lesser air emissions, as determined by the NSAQMD. Once the replacement infrastructure is (are) determined, the NSAQMD will amend the Agreement to specify the replacement infrastructure. The amendment will also extend the life of the Agreement to account for the time that the infrastructure 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 Participant 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 Participant elects not to replace the inoperable infrastructure with infrastructure that has (have) greater air emissions, as determined by the NSAQMD, then the Participant shall repay the NSAQMD based upon the percentage of the useful life left in the project.

2. Sale: If for any reason, the new infrastructure is (are) to be sold by the Participant during the life of this Agreement, the Participant 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) Participant 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 infrastructure can only occur within Nevada, Sierra or Plumas counties. Copies of all forms pertaining to the sale of the engine(s)/equipment 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 Participant elects to sell the infrastructure without the completion of the grant Agreement obligations or the engine(s)/equipment is sold outside of Nevada, Sierra or Plumas counties, the Participant shall repay the full amount of the original grant award or less at the discretion of the APCO.

3. Relocation: If for any reason during the life of this Agreement the Participant wants to relocate outside of Nevada, Sierra or Plumas counties and continue to use the new infrastructure inside California, Participant 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, Participant shall repay the NSAQMD the full amount of the original grant award or less at the discretion of the APCO.

4. Damage: If for any reason, the new infrastructure is (are) damaged but repairable during the life of this Agreement, the Participant 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) Participant shall have the damaged infrastructure repaired by an agent that is authorized by the manufacturer to complete the repairs. Use of an unauthorized agent for the infrastructure 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 infrastructure 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 Participant repaying the NSAQMD a portion of the grant amount at the discretion of the APCO.

(b) If the Participant elects not to have the damaged infrastructure repaired, then the Participant shall repay the NSAQMD the full amount of the original grant award or less at the discretion of the APCO.

28. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between Participant 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. Electronic signatures are acceptable. Contract will be finalized upon receipt of wet signature of Participant in District office.

Approved: _____
Sean Grayson, City Manager Nevada City
Grantee

Date: _____

Approved: _____
Northern Sierra Air Quality Management District
Hardy Bullock, Chair

Date: _____

Approved: _____
Northern Sierra Air Quality Management District
Gretchen Bennitt
Air Pollution Control Officer

Date: _____

EXHIBIT A

STATEMENT OF GRANT OBLIGATIONS

General

Pursuant to Health and Safety Code 44281(c), the NSAQMD promotes programs that include financial assistance or other incentives for the funding of projects that enable the deployment of alternative, advanced, and cleaner technologies to support the State's air quality goals.

The new infrastructure is based in Nevada County.

Project Agreement number:

Name, Email, Phone and address of Participant:

Project Description

Insert description here. Must include the following:

A description of the geographic location, including an aerial map (i.e. satellite view from an internet based map or city/county map) and specific street address of the proposed station.

A description that they either own the land on which the project will be located, or control it through a long-term lease, easement or other legal arrangement, for the duration of the project life. For a proposed project where the land is not owned by the applicant, an executed lease agreement or letters of commitment lasting for the duration of the project life must be signed by property owners/authorized representatives and must be submitted with the application.

Description of anticipated usage in terms of projected throughput and/or number of vehicles that will be using the station for the term of the contract.

A description that documents that power or fuel is being provided to the site (e.g. application, payment to the local utility company for power installation, or contract).

A description that outlines how the project will be installed and located in California, complies with all applicable federal, State, local laws and requirements including environmental laws, and State building, environmental and fire codes.

A description that publicly accessible infrastructure projects have been solicited and selected through a bidding process.

A verification that the work is being performed by a licensed contractor.

A statement that a publicly accessible station must at a minimum be accessible to the public daily during regular business hours.

A description that all equipment and parts are new.

Total Grant Award

The Total Grant Award for this project shall not exceed **\$43,750.00**.

Matching Funds

Costs incurred in excess of the Total Grant Award for the project will be the responsibility of the Participant and shall constitute their matching and/or in-kind contribution for the project.

Term of Agreement

1. For the purposes of this Agreement, the term of the Grant Agreement life is defined herein to be **THREE (3)** years from the date of the final post inspection (To be filled in once final post inspection occurs. **Date:**
2. Installation Deadline: Project shall be completed as soon as possible but must be completed before **Date: December 31, 2022**
3. No work may begin until contract is fully executed.

To: Northern Sierra Air Quality Management District Board of Directors
From: Gretchen Bennett, Air Pollution Control Officer
Date: June 27, 2022

Agenda Item: V.A

Agenda Description: Final Approval for FY 2022-2023 Operating and Restricted Budget

Issues: At a regularly scheduled Air District Board meeting on May 23, 2022, a public hearing that was properly noticed was held to receive comments on the FY 2022-2023 Capital and Operating Budget. During the meeting, the Board reviewed and provided direction and comment on the preliminary FY 2022-2023 Capital and Operating Budget.

Requested Action:

1. Adopt FY 2022-2023 Capital and Operating Budget and authorize the Chair to sign Resolution #2022-10.

ROLL CALL VOTE REQUESTED

Attachment:

1. District's Fiscal Year 2022/2023 Capital and Operating Budget
2. Resolution # 2022-10

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

RESOLUTION #2022-10

Whereas, the Governing Board of Directors for the Northern Sierra Air Quality Management District (District) is required by the California Health and Safety Code (HSC) Section 40130 to adopt a budget in an open process in order to educate the public of the costs and benefits of air quality improvement, and

Whereas, the District has prepared and made available to the public at least 30 days prior to public hearing, a summary of its budget and any supporting documents, and

Whereas, the District has noticed and held a public hearing for the exclusive purpose of reviewing its budget and providing the public with the opportunity to comment on the proposed budget, and

Whereas, the Board reviewed and provided direction to staff concerning the FY 2022-2023 Budget on May 23, 2022, and

Whereas, the District provided a public hearing on May 23, 2022, which was properly noticed.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, by the Northern Sierra Air Quality Management District Governing Board of Directors the FY 2022-2023 Capital and Operating Budget be adopted as presented in Exhibit A.

On a motion by Supervisor _____, and seconded by Supervisor _____, the foregoing resolution was approved and adopted by the Governing Board of Directors of the Northern Sierra Air Quality Management District at a regular meeting held on June 27, 2022, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approve: _____
Chair of Board

Attest: _____
Dawn Lunsford, Clerk of the Board

DISTRICT HEADQUARTERS

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Grass Valley, CA 95945
(530) 274-9360 / FAX (530) 274-7546
Email: office@myairdistrict.com or 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

**FISCAL YEAR 2022/2023
CAPITAL BUDGET
Final**

June 27, 2022

EXECUTIVE SUMMARY

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

RESTRICTED GRANTS BUDGET

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

AB2766 Grant Programs

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

Project proponents go through a competitive process to request full or partial sponsorship for projects which reduce vehicle emissions. \$39,944 of AB2766 funding is slated for approval to be used during Fiscal Year 2022/23 for projects. This is only for the two counties of Plumas and Sierra. Nevada County's allocation (\$150,000 was allocated during the February 2022 Board meeting towards one project approved by the board. Because of this early allocation, there will be no remaining AB funds available for Nevada County during FY 2022/23. Final grant approvals will be made in September or October 2022. After the Board allocates funds for individual AB projects, any funds which are not allocated to a project go into each county's AB 2766 total allocation account as carryover. These amounts will be added back in to each county's AB allocation in time for the following year's Board approval of projects.

In addition to the FY 2022/2023 AB projects, there is \$232,780 expected to be expended for various encumbered projects. These funds are earmarked in the Restricted Grants Fund Balance.

AB923 DMV Surcharge Fees and Programs

AB923 is only implemented in Plumas County. This funding comes from a DMV surcharge fee of \$2 per each vehicle registered in the county. The District receives 6.25% as an administrative fee. This year, the District expects to receive approximately \$50,000, \$3,125 is utilized for administrative funding. This funding is to be utilized for replacing old diesel school buses per the state's Lower Emission School Bus program or for reducing heavy duty diesel emissions, similar to the Carl Moyer program. Recently the state has approved that this funding can also be utilized for infrastructure for alternatively fueled, low emission school busses. The current fund balance of AB923 funding is \$357,552 providing a total of \$407,552 available for expenditure during FY 2022/2023.

Carl Moyer Heavy Duty Diesel Emission Reduction Program

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

For fiscal year 2022/2023, the District expects to receive revenue of Carl Moyer funding of \$200,000. The District receives 12.5% administrative fee, leaving \$175,000 for the grant program and \$25,000 administrative fee which is revenue for the internal operating budget. The current fund balance amount of Carl Moyer funding is \$75,907. An estimate of \$1,000 is expected to be earned on the interest, which goes back into the program. This provides a total \$250,907 available for expenditure during FY 2022/2023.

EPA's Targeted Air Shed Grants

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

2015 EPA Targeted Airshed Grant: \$2,523,607

During 2015, the Air District was approved for a \$2.5 million grant from the U.S. Environmental Protection Agency (U.S. EPA) to reduce air pollution from residential woodstoves in the Portola PM2.5 Nonattainment Area. The grant is part of the U.S. EPA's 2015 Targeted Air Shed Grant Program intended to improve air quality in areas of the U.S. with the highest levels of pollution. This will be a five year program (2016-2021) based upon a reimbursement basis from EPA. Estimates were based upon how much would be spent and reimbursed for each of the five years. The amount of \$1,992,000 for woodstove replacements in the nonattainment area is not to be exceeded over five years. The district estimates that approximately \$560,474 per year

will be expended from the restricted budget to replace stoves in the nonattainment area. The District estimates approximately \$75,000 per year will be reimbursed for administrative uses annually, this includes the reimbursement of administrative costs for staff running the program.

U.S. EPA grant funds are administered by the Air District and the California Air Resources Board for a five-year voluntary residential wood stove replacement program to encourage owners to replace older wood stoves with cleaner burning devices and significantly improve air quality and public health in the Portola area. In 2019, the EPA approved an amendment to the 2015 grant, extending the grant an additional two years and adding a new administrative position – the Burnwise Coordinator.

2018 EPA Targeted Airshed Grant: \$3,172,525

In order to achieve emission reduction goals, it is necessary to continue to implement a Wood Stove Change-out Program past 2020 and add further program elements. The additional elements added to the program are as follows: increased public education (burnwise coordinator), extension and expansion of woodstove changeout program, electric heat pump program, chimney sweep vouchers, residential yard waste collection, wood shed program, development of wood bank program, weatherization and enforcement coordinator for enforcing the mandatory woodstove curtailment program. The District estimates approximately \$300,000 per year will be expended from the restricted budget and \$45,000 will be expended from the operating budget for administrative costs.

Voluntary Nox Reduction Measure (VNRM)

The State California Air Resources Board has awarded various air districts a grant which shall be used to “voluntarily remediate potential past emissions through remedial measures supporting air district-level NOx mitigation projects targeting engines, such as the replacement of existing diesel engines with low Nox engines.” The VNRM program is modeled on the criteria and requirements in the Moyer Guidelines. The District has earmarked \$53,375 of funds to be utilized for local projects.

FARMER Shared Pool

California's state legislature allocated \$35 million to the California Air Resources Board (CARB) from Fiscal Year 2017-2018 through Assembly Bill 134 and 109. CARB staff developed the Funding Agricultural Reduction Measure for Emission Reductions (FARMER) Program to meet the Legislature's objectives and help meet the State's criteria, toxic and greenhouse gas emission reduction goals. CARB created a Shared Allocation Pool of funding (\$5 million) that was specifically designated for 18 air districts with less than one percent of statewide agricultural equipment emission inventory to

ensure farmers in those districts have the opportunity to access FARMER funding. The Shared Allocation Pool is managed by the Placer County Air Pollution Control District (Placer APCD) and the California Air Pollution Control Officers Association (CAPCOA) in accordance with the grant provisions outlined in the agreement between CARB and Placer APCD and provisions outlined in the subsequent agreement between CAPCOA and Placer APCD. Placer APCD will enter into independent contracts with Northern Sierra Air District. The District has \$5,154 in the FARMER fund balance. The District anticipates that \$5,154 will be expended on FARMER projects during FY 2022-2023.

AB617

Assembly Bill 109 provides funding for the Community Air Protection Program. Assembly Bill 109 approved the Cap-and-Trade Expenditure Plan which appropriated approximately \$1.6 billion in discretionary funds. The Northern Sierra Air Quality Management District has been approved by the California Air Resources Board (CARB) for a grant under the Community Air Protection Program. The grant award is for expenses necessary for implementation of Assembly Bill 617. The District receives two separate AB617 grants; AB 617 Incentive Grants and AB 617 Implementation Grants. The AB 617 Incentive Grants require projects to be approved by the Board so as to receive public comments on the use of the funds. Funds can only be used in AB1550 areas. Recently, the Board received public comments on Year 3 of AB 617 Incentive funds. The Board approved that the funds should be used for Carl Moyer projects. The District received \$71,639 in project funds for FY 2022-23.

The District's Fund Balance has \$16,704 of funds under the AB 617 Implementation Grant Program. There are no administrative funds provided to the District for this grant.

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

Final Restricted Budget
Fiscal Year 2022 - 2023

Restricted Budget, Fund Balance			
Account #	Description	FY 2021-2022	FY 2022-2023
20-3901	Restricted Funds, AB2766 Encumbered	138,300	232,780
20-3902	Planned Expenditures, AB2766 Total Allocation - Nevada County	179,808	-
20-3903	Planned Expenditures, AB2766 Total Allocation - Plumas County	33,670	34,116
20-3904	Planned Expenditures, AB2766 Total Allocation - Sierra County	5,765	5,828
20-3906	Planned Expenditures, Carl Moyer	274,915	75,907
20-3908	Planned Expenditures, AB923	314,639	357,552
	Planned Expenditures, WRP Encumbered	120,000	64,137
	Planned Expenditures, AB617 Incentive Funds	70,695	71,639
	Planned Expenditures, AB617 Implementation Funds (Year 3)	14,848	16,704
	Planned Expenditures, Nox Reduction Measure (NRM)	70,212	53,375
	Planned Expenditures, EPA Target Grant Match (2015)		23,656
	Planned Expenditures, EPA Target Grant Match (2018)		40,000
	Planned Expenditures, FARMER	546,514	5,154
Restricted Budget, Fund Balance Accounts Totals:		\$1,769,366	\$980,848

Restricted Budget, Revenue			
Account #	Description	FY 2021-2022	FY 2022-2023
20-4500	Govt. Funding, AB 2766 DMV Fees (60% for District Admin)	240,000	232,780
20-4505	Govt. Funding, AB923 (6.25% for district admin)	50,000	50,000
20-4518	Govt. Funding, Carl Moyer HD Diesel (12.5% for district admin)	175,000	175,000
20-4535	Govt. Funding, WRP (~10% for district admin)	0	0
20-4536	WRP interest	0	300
20-4542	FARMER Pooled Share	0	0
20-4538	AB 617 Implementation (20,183, 22,659, 16,015)	0	0
20-4539	AB 617 interest	850	500
20-4544	AB617 Incentives	0	0
20-4529	Govt. Funding, EPA Target Grant for Portola 2015	398,400	640,000
20-4540	Govt. Funding, EPA Target Grant for Portola 2018	300,000	300,000
	Govt. Funding, EPA Target Grant for Portola 2020		0
20-4600	Other Income, Interest, Restricted (Carl Moyer)	1,000	1,000
Restricted Budget, Revenue Total:		\$1,165,250	\$1,399,580

Restricted Budget, Expenditures			
Account #	Description	FY 2021-2022	FY 2022-2023
20-5402	Town of Truckee (AB 2018-04, \$39,542)	39,542	39,542
20-5402	Nevada County OES (AB2021-10, \$182,153)	-	7,851
	Inc. Senior Citizens of Sierra County (AB2022-01, \$5752)		5,752
	Tahoe-Truckee Unified S.D. (AB2022-02, \$75,000)		75,000
	Town of Truckee (AB2022-03, \$50,000)		50,000
	Sierra Senior Services (AB2022-05, \$ 37,800)		37,800
	All Phase Landscape and Excavation (AB2022-06, \$16,835)		16,835
	Nevada County OES (AB2023-01, \$150,000)		150,000
20-5442	Portola MOU (AB2016-08, 35,378)	18,032	6,077
20-5401	AB2766 Planned Expenditures for 2023	219,230	39,944
20-5406	Carl Moyer	449,915	250,907
20-5416	Farmer	546,514	5,154
20-5409	AB 923	364,639	407,552
20-5410	EPA Target Grant 2015	398,400	560,474
	EPA Target Grant 2018	300,000	300,000
	EPA Targeted Airshed Specialist (salary + .27 fringe)	-	79,526
5440, 5402	EPA Targeted AirShed Vehicle (will use both 2015 and 2018 Match)		63,656
20-5414	WRP	45,000	64,137
20-5417	Nox Reduction Measure (NRM)	70,212	53,375
20-5415	AB 617 Implementation (\$20,183, \$22,659, \$16,015)	14,848	16,704
20-5486	AB617 Incentive	70,695	71,639
Restricted Budget, Expenditures Totals:		2,537,027	\$ 2,301,925

OPERATING BUDGET

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

Operating Revenue

Overall, Expenditures exceed Revenues by \$146,362. There is an increase of \$88,000 of predicted revenue from last year's budget. The main reason for the increase is a \$75,000 grant for RX fire. To be conservative, the District did not assume any administrative funds from the FARMER grant. This is because FARMER grants are highly competitive and are not decided until Fall of 2022. The District may or may not receive a FARMER grant next year, but to be conservative, the District has assumed that no grants will be received.

AB 2766 revenue is 34% of total operating revenue. Last year, AB revenue was 35% of total revenue. This revenue is used internally for activities that are related to clean air planning and technical studies necessary to implement the California Clean Air Act, and these technical activities should be funded by AB 2766 funds proportionate to the relative contribution of mobile source emissions.

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

Operating Expenditures

There is an estimated increase of total expenditures from the previous fiscal year of \$94,325. There is no one line item that is significant compared to others, instead there are a few small increases across all expenditures. Specifically, the Salaries and Benefits Object level saw an increase of \$99,142. Salaries increased by \$62,609, and PERS unfunded liability is expected to increase \$14,235 from last year.

One key piece of equipment has reached the end of its shelf life and needs to be replaced – the Ford Escape. The District estimates a new vehicle will be around \$50,000, and the District will endeavor to purchase an electric plug in vehicle. The estimated cost of the vehicle was included in last year's budget, however, due to low use of district vehicles due to the pandemic, a new vehicle was not purchased.

The District provides certain postretirement healthcare benefits, as established by Board Policy, to eligible employees through a single-employer plan governed by the Public Employees' Medical & Hospital Care Act (PEMHCA) and administered by the District. Employees who retire from the District shall be eligible to be enrolled in a

PERS-provided health insurance plan. If the retiree is enrolled in a PERS-provided health insurance plan, the District shall pay 100% of the first \$9,600 of the retiree's annual premium. Employees hired after July 1, 2014 shall still be eligible to be enrolled in a PERS-provided health insurance plan upon retirement, but the District shall pay 0% of the retiree's annual premium, upon retirement.

The District has two separate accounts to express health insurance expenditures. Account #10-5017 is for retired employees, and Account #10-5016 is for current employees. However, two current employees have elected not to utilize the PERS-provided health benefits plan. According to District Policy, in recognition of the subsequent cost savings to the District, the District will pay the employees 40% of the premium costs saved by the District, or \$3,840, whichever is less. Since there are two employees electing not to utilize the PERS provided plan, this total amount is \$7,681. This \$7,681 expenditure is not included in the Health Insurance expenditure, instead it is included in Account #10-5021 TaxMed.

Staffing for Northern Sierra Air Quality Management District FY 22-23

Air Pollution Control Officer	(1 full-time position)
Deputy Air Pollution Control Officer	(1 full-time position)
Air Pollution Specialist III	(1 full-time position)
Air Pollution Specialist II	(1 full-time position)
Air Pollution Specialist I	(2 full-time position)
Air Pollution Specialist I	(1 part-time position)
Federal Targeted Airshed Specialist	(1 full-time position)
Accounting Clerk/Admin Assistant	(1 full-time position)

Fund Balance Accounts (Reserves)

Prudent fiscal management requires careful budgeting and stringent budget control to avoid over-expenditure. Successfully staying under budget for all budget line items means that fund balances (in the form of reserves) will occur at year-end. Such fund balances are saved in reserves for various uses, such as equipment replacements, litigation, contingencies, leave liability, etc. It is prudent that the reserves are placed in earmarked and encumbered fund balances. The Board approves the fund balances with the adoption of the budget. Program needs justify budgeting expenditures that sometimes exceed expected revenue on a short-term basis. Spending down reserves is then prudent, rather than increasing fees sporadically, as long as short-term short-falls don't place the District in a precarious fiscal position. Timely program cuts or revenue adjustments would eventually be needed to prevent over-erosion of reserves. The rule of thumb is to keep at least 6 months worth of expenses in reserves. Total monthly expense is estimated to be \$92,000/month, based upon average monthly expenditures. Three months equals \$276,000. For this fiscal year, it is projected that Expenditures will exceed Revenues by \$146,362. This amount is projected to decrease the Reserves (fund balance amounts) by \$146,362.

The District has committed to adding \$50,000 annually to the District's Other Post-Employment Benefits (OPEB) account. This account will increase by \$50,000 annually as required by GASB45. GASB 45 determines the annual OPEB financial obligations based upon the current number of eligible employees and retirees. The net OPEB obligation at the end of the year 2020 was determined to be \$859,554. The District's financial auditor recommended and the Board of Directors agreed that the District expend at least \$50,000/annually and add it to the Fund Balance specific to account until the obligation is fulfilled. Staff has recommended increasing the OPEB amount by \$50,000 during FY 22/23, bringing the total OPEB amount to \$500,000. This expense of \$50,000 will be repeated annually until the District's annually determined OPEB obligation is met.

1. Equipment Replacements/Fixed Assets

\$4,000 will be expended to purchase office equipment such as three new laptops, 1 new computer tower. The District keeps a list of equipment and their respective depreciation rates.

\$50,000 will be expended to replace the District vehicle, the Ford Escape. This vehicle has had many issues during the last year, and vehicles are a key piece of equipment for District staff to respond to complaints, perform inspections, conduct air quality monitoring, and attend meetings and classes.

2. Air Monitoring Program

The Air District receives \$57,000 from the Environmental Protection Agency for the continued operation of the District's Federal Reference Method (FRM) Network for particulate matter. The District will also continue to pay rent for its monitoring laboratory and purchase miscellaneous equipment to continue to run its existing air quality monitoring network.

3. Public Education

The District will utilize \$10,000 to fund its public education program for FY 2022-2023. This includes purchasing ads for emission reductions, incentive and grant programs.

Summary

Expected operating expenditures exceeds expected operating revenues by \$146,362. The funds received in previous years are encumbered in the District's fund balance accounts, and will be utilized to demonstrate a balanced budget in the final summary, if needed.

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
Final Operating Budget
Fiscal Year 2022 - 2023

Resource Report	
Cash available	04/01/22 \$ 1,068,308

Fund Balance Accounts <i>(Used to track earmarked or encumbered funds)</i>			
Account #	Description	FY 2021-	
		2022	FY 2022-2023
10-3901	General Fund, Undesignated	661	1,308
10-3903	Other Post-Employment Benefits	450,000	500,000
10-3904	Equipment Replacements / Depreciation	250,000	150,000
10-3905	Leave Liability	90,000	90,000
10-3906	Air Monitoring Program	80,000	50,000
10-3907	Public Education Program	25,000	10,000
10-3908	Contingency, Leashold Improvements	77,000	77,000
10-3909	Contingency, Emergency Funds	180,000	110,000
10-3910	Contingency, Litigation	280,000	80,000
Fund Balance Accounts Totals		1,432,661	1,068,308

Revenue			
Account #	Description	FY 2021-22	
		FY 2021-22	FY 22-23
10-4002	Fees, Permit to Operate	40,000	35,000
10-4004	Fees, Vapor Recovery	20,000	22,000
10-4005	Fees, Variance Application	3,000	3,000
10-4006	Fees, Source Test	9,000	9,000
10-4007	Fees, Prescribed Burning	25,000	22,000
10-4008	Fees, Woodstove Inspections	1,500	3,000
10-4010	Fees, Title V, Fed Op Permit	41,000	41,500
10-4013	Fees, Fire Dept Response	1,500	1,500
10-4100	Penalties, Permitted Source	10,000	10,000
10-4101	Penalties, Open Burning	2,500	2,500
10-4201	Gov't Funding, State Subvention	132,000	132,000
10-4202	Gov't Funding, Subvention Supplemental	3,500	3,500
10-4203	Gov't Funding, County Contribution	62,669	62,669
10-4204	Gov't Funding, EPA Monitoring	57,000	57,000
10-4206	Gov't Funding, AB 2766 DMV Fees	360,000	360,000
10-4207	Gov't Funding, PERP Pass thru	23,000	25,000
10-4208	Gov't Funding, AB 923 Operating	3,125	3,125
10-4209	Gov't Funding, EPA Target 2015	75,000	75,000
10-4209	Gov't Funding, EPA Target 2018	30,000	45,000
10-4211	Gov't Funding, AB 197	8,583	8,583
10-4213	Rx Fire Funding, Staff	-	75,000
10-4212	Rx Fire Funding, Monitoring	1,000	1,000
10-4215	Carl Moyer, Admin Fee	25,000	25,000
10-4222	Farmer Pooled Share	-	-
10-4303	Other Income, Rules, Copies, Subscr.	100	100
10-4310	Other Income, Interest Earned	25,000	25,000
Revenue Total: \$		959,477	1,047,477

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NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
Final Operating Budget
Fiscal Year 2022 - 2023

Expenditures		Salaries and Benefits (Object Level)	
Account #	Description	FY 2021-	
		2022	FY 2022-2023
10-5002	Permanent Salaries	522,006	584,615
10-5021	TaxMed (elect not to utilize the District-provided health insur	11,520	7,681
10-5003	Overtime	1,000	1,000
10-5011	Medicare/FICA	7,736	8,699
10-5013	CA State Unemployment	784	784
10-5015	Workers' Comp Insurance	6,943	5,352
10-5016	PERS Health Insurance Active Employees	38,400	55,800
10-5017	PERS Health Insurance Retired Employees	18,300	27,900
10-5019	Dental/Vision Care	8,750	10,000
10-5020/5023	PERS Retirement (ER & EE Paid)	72,074	70,589
10-5022/5024	PERS Unfunded Accrued Liability	109,625	123,860
Salaries and Benefits Total:		\$ 797,138	896,280

Expenditures		Services and Supplies (Object Level)	
Account #	Description	FY 2021-	
		2022	FY 2022-2023
10-5201	PM Monitoring Expenses (supplies)	15,000	8,700
10-5202	Office Supplies	10,000	7,000
10-5203	References, Subscriptions	500	300
10-5204	Postage, Shipping	1,000	650
10-5205	Memberships	3,500	5,000
10-5207	Office Equipment - non capitalized	3,300	3,400
10-5206	Ozone Monitoring Expenses	1,000	4,800
10-5251	Communications	25,000	22,000
10-5253	Rent, Structures, Grass Valley, including PM2.5	33,000	33,000
10-5254	Rent, Structures - Portola	6,800	6,800
10-5255	Utilities, Grass Valley	2,700	2,700
10-5256	Utilities, Portola	2,500	2,500
10-5257	Rent, PM2.5 (Conf room and roof)	19,000	19,000
10-5258	Liability Insurance	12,700	14,000
10-5259	Legal Notices, Public	1,000	1,000
10-5301	Information Technology	22,000	22,000
10-5303	Maintenance: Office Equipment	500	500
10-5305	Maintenance: Vehicles	3,000	3,000
10-5311	Profession Services: Legal	6,000	3,000
10-5312	Profession Services: Office Assistance	1,200	-
10-5313	Profession Services: Accounting <small>(Nevada County, Accountant, and ADP)</small>	22,000	14,000
10-5318	Profession Services: TAG2015 Office Assistance	1,200	3,933
10-5320	Profession Services: TAG 2018 Office Assistance	123	123
10-5314	Profession Services: Financial Auditor	16,000	15,500
10-5315	Profession Services: Board - Directors and Variance	5,000	4,000
	Profession Services: Human Resources Contractor	10,000	5,000
10-5351	Training, Tuition	1,500	3,000
10-5352	Travel	3,000	10,000
10-5353	Gasoline	5,000	7,000
10-5354	Private Car Mileage	2,000	2,000
10-5390	Miscellaneous	1,000	1,000
Services and Supplies Total:		\$ 236,523	\$ 224,906

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
Final Operating Budget
Fiscal Year 2022 - 2023

Expenditures Pass-thru Funds / Internal Programs / Contributions to Other Agencies (Object Level)			
Account #	Description	FY 2021-	
		2022	FY 2022-2023
10-5402	Alternate Commute Program	750	750
10-5404	ARB: AB 2588 Fees	1,400	1,400
10-5405	Public Education Program	25,000	10,000
10-5406	Fire Dept Response Reimbursement	1,500	1,500
Contribution to Other Agencies / Internal Grants Total:		\$ 28,650	\$ 13,650.00

Expenditures Fixed Asset Purchases (Object Level)			
Account #	Description	FY 2021-	
		2022	FY 2022-2023
10-5601	Office Equipment (3 laptops, 1 computer)	2,200	4,000
10-5602	Field Equipment (fixed assets over \$5,000)	5,000	5,000
	Vehicle	30,000	50,000
Fixed Asset Purchases Total:		\$ 37,200	59,000

Budget Summary		Available Funding & Expenditures	
		FY 2021-	
Available Funding		2022	FY 2022-2023
Fund Balance Total (<i>encumbered & earmarked reserves</i>)		1,432,661	1,068,308
Petty Cash		75	75
Revenue		959,477	1,047,477
Available Funding Total:		2,392,213	2,115,860
Salaries and Benefits (Object Level)		797,138	896,280
Services and Supplies (Object Level)		236,523	224,906
Pass-thru Funds / Internal Programs / Contributions to Other Agencies (Object Level)		28,650	13,650
Fixed Asset Purchases (Object Level)		37,200	59,000
Expenditure Total:		\$ 1,099,511	1,193,836

To: Northern Sierra Air Quality Management District Board of Directors

From: Gretchen Bennitt, Air Pollution Control Officer

Date: June 27, 2022

Agenda Item: VI.A

Agenda Description: Status on Portola PM2.5 Nonattainment Area

Issues: Staff will report on the status of the State Implementation Plan and the Target Grants for the PM2.5 nonattainment area.

Requested Action: None, informational only

Attachment:
none