

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

Headquarters

200 Litton Drive, Ste. 320

Grass Valley, CA 95945

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

Julie Hunter, IAPCO

Northern Field Office

257 E. Sierra Street, Suite E

Portola, CA 96122

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

NORTHERN SIERRA

AIR QUALITY MANAGEMENT DISTRICT

BOARD OF DIRECTORS

REGULAR BOARD MEETING

MONDAY

April 24, 2023

1:00 p.m.

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

Paul Roen, Chair

Sierra County Supervisor, District Three

Lee Adams, Vice-Chair

Sierra County Supervisor, District One

Hardy Bullock

Nevada County Supervisor, District Five

Ed Scofield

Nevada County Supervisor, District Two

Tom McGowan

Plumas County Supervisor, District Three

Dwight Ceresola

Plumas County Supervisor, District One

Alternates:

Susan Hoek, Nevada County Supervisor, District Four

Lila Heuer, Sierra County Supervisor, District Two

Jeff Engel, Plumas County Supervisor, District Five

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

April 24, 2023

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**

**Site C) VIDEOCONFERENCE/TELEPHONE CONFERENCE
Sierra County Courthouse
100 Courthouse Square,
Downieville, California**

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

I. Standing Orders:

Call to Order.
Roll call and determination of quorum.

- A. **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.

II. Approval and/or Modifications to Agenda (For Action)

- III. Consent Agenda:** 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 Agenda for Discussion.

- A. Approval of regular meeting minutes – March 27, 2023
B. Payment Details by Vendor Board Report – March 2023
C. 3rd Quarterly Report for FY 2022-23
D. Air Pollution Control Officer Position Description
E. Resolution to approve a 6% COLA for Interim APCO

F. Budget Amendment

IV. Administrative Report (Action items/Discussion)

- A. Public Hearing for Architectural Coating Rule
- B. Proposed Approval of CARL Moyer Contract (CMP 2023-01) for Collins Pines for \$74,438.00 of Carl Moyer funding to Replace a 1986 uncontrolled Diesel Forklift with a Tier 4 final Forklift.
- C. Vacant APCO Position - Continued Action/Discussion
- D. CPS HR Assistance
- E. Approval of Northern Sierra Air Quality Management District's AB2766 DMV Surcharge Fund Program RFP – Grant Year 24

V. Director's Report

- A. Program Staff Reports and Updates

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 May 22, 2023 @ 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, Northern Air District office in Portola, 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: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: II

Agenda Description: Approval and/or Modifications to Agenda

Requested Action: Discuss 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: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: III.A

Agenda Description: Approval of regular meeting minutes – March 27, 2023

Requested Action: Approve Draft Minutes

ROLL CALL VOTE REQUESTED

Attachments:

1. Draft March 27, 2023 minutes

DISTRICT HEADQUARTERS
200 Litton Drive, Suite 320
Mailing Address:
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

MINUTES

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

March 27, 2023

1:00 p.m.

(Site A) VIDEOCONFERENCE/TELEPHONE CONFERENCE

Northern Sierra Air Quality Management District (Headquarters)

200 Litton Drive, Conference Room 316

Grass Valley, California

(Site B) VIDEOCONFERENCE/TELEPHONE CONFERENCE

Northern Sierra Air Quality Management District (Northern Office)

257 E. Sierra Street, Unit E

Portola, California

(Site C) Videoconference/TELEPHONE CONFERENCE

10183 Airport Road, Truckee, California 96161

(Site D) videoconference/Telephone Conference

Crowbar Cafe

116 State Highway 127, Shoshone, CA 92384

Members Present:

**Supervisor Roen, Chair
Supervisor Adams, Vice-Chair
Supervisor Scofield
Supervisor Bullock
Supervisor Ceresola
Supervisor McGowan**

Members Absent:

none

I. A. Standing Orders:

Call to Order. Roll Call and Determination of Quorum.

Chair Roen called the meeting to order at 1:01 P.M. A quorum was confirmed. Also present; Gretchen Bennitt, Executive Director; Melissa Klundby, APCSII, Dawn

Lunsford, Clerk of the Board, Mikki Brown, Federal TAG Specialist I, Julie Hunter, APCSIII, CPS HR Consultants – Melissa Asher and David Neimeyer

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

Chair Roen called for public comment for items not appearing on the agenda. There was no public comment.

III. Approval and/or modification to the agenda

Chair Roen asked if there were any requested modifications to the agenda. Hearing none, Supervisor Ceresola made a motion to approve the agenda as presented Supervisor Bullock seconded the motion. The motion was approved unanimously with a roll call vote.

IV. Consent Calendar

Supervisor Adams made a motion to approve the consent calendar. Supervisor Ceresola seconded the motion. The motion was approved unanimously with a roll call vote.

V. Administrative Report

A. Presentation from CPS HR - Recruitment Services

Melissa Asher and David Neimeyer presented options for recruitment services for the vacant APCO position. The Board discussed. No action was taken.

B. Appointment of Interim APCO

The Ad Hoc committee reported out that they had talked to Julie Hunter about the position and compensation. The Ad Hoc Committee recommended a 120 day appointment and that she be compensated at Step B for APCO position (\$43.65/hour).

Supervisor Scofield made a motion to approved the recommendation of the Ad Hoc. Supervisor Bullock seconded the motion. The Motion was approved unanimously with a roll call vote.

C. Proposed Agreement between Rise Gold and Northern Sierra Air Quality Management District

Supervisor Ceresola made a motion to enact a temporary suspension of voting requirements under Policies 5040.20 & 5040.21 as allowed by Policy 5070.61. Supervisor Scofield seconded the motion. The motion was approved unanimously with a roll call vote.

Supervisors Scofield and Bullock recused themselves and left the meeting.

The Board discussed the two variations of the proposed agreements. An Ad Hoc committee of Supervisor Roen and Supervisor Ceresola was formed to discuss modifications to the agreement. No further action was taken.

Supervisors Scofield and Bullock returned to the meeting.

D. Proposed County Contribution for FY 23/24

The Board discussed the options for County Contribution. Supervisor Scofield made a motion to approve Method C. Supervisor Ceresola seconded the motion. The motion was approved unanimously with a roll call vote.

VI. Director's Report

A. Status on Portola PM2.5 Nonattainment Area

Mikki Brown, Federal TAG Specialist discussed her program in Portola and upcoming events.

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

VII. Schedule next Meeting – Next meeting was scheduled for April 24, 2023 at 1:00 PM.

X. Adjournment

The meeting was adjourned at 1:57 P.M.

To: Northern Sierra Air Quality Management District Board of Directors

From: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: III.B

Agenda Description: Payment Details by Vendor Board Report – March 2023

Summary: 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 – March 2023

Northern Sierra Air Quality Management District
Payment details by Vendor Board Report
 March 2023

Type	Date	Num	Memo	Account	Amount
Adecco					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Bill Pmt -Check	03/09/2023	257021	10-5318	10-1000 · Cash, Operating Ge...	-532.98
Bill Pmt -Check	03/09/2023	257021	10-5318	10-1000 · Cash, Operating Ge...	-710.64
Bill Pmt -Check	03/23/2023	257395	10-5318	10-1000 · Cash, Operating Ge...	-1,302.84
Total Adecco					-2,546.46
ADP Fees					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Bill Pmt -Check	03/03/2023	411903	PPE 2/27/23 Processing Char...	10-1003 · Cash, Bank Payroll ...	-56.69
Bill Pmt -Check	03/03/2023	586056	PPE 33/23	10-1003 · Cash, Bank Payroll ...	-56.69
Bill Pmt -Check	03/31/2023	739210	PPE 3/24/23 Processing charg...	10-1003 · Cash, Bank Payroll ...	-40.00
Bill Pmt -Check	03/31/2023	465372	check date 3/23/23 Enhanced ...	10-1003 · Cash, Bank Payroll ...	-56.69
Total ADP Fees					-210.07
All Star Chimney, Eli Marchus					
Bill Pmt -Check	03/23/2023	V970315		20-1000 · Cash, Restricted Fu...	-380.00
Total All Star Chimney, Eli Marchus					-380.00
Asquith Business Service					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Bill Pmt -Check	03/09/2023	V969957	ppe 3/3/23	10-1000 · Cash, Operating Ge...	-288.75
Bill Pmt -Check	03/23/2023	V970291	PPE 3/17/23 TAG2015 3hours	10-1000 · Cash, Operating Ge...	-632.50
Total Asquith Business Service					-921.25
AT&T CALNET 3					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Bill Pmt -Check	03/09/2023	257079		10-1000 · Cash, Operating Ge...	-68.64
Bill Pmt -Check	03/09/2023	257078		10-1000 · Cash, Operating Ge...	-27.11
Bill Pmt -Check	03/23/2023	257445		10-1000 · Cash, Operating Ge...	-52.54
Bill Pmt -Check	03/23/2023	257447		10-1000 · Cash, Operating Ge...	-46.06
Total AT&T CALNET 3					-194.35
B of A					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Bill Pmt -Check	03/09/2023	V969911	PPE 3/3/23	10-1000 · Cash, Operating Ge...	-21,188.73
Bill Pmt -Check	03/23/2023	V970224	Mar 23 paydaye	10-1000 · Cash, Operating Ge...	-21,726.62
Total B of A					-42,915.35
Bennitt, Gretchen					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Total Bennitt, Gretchen					0.00

Northern Sierra Air Quality Management District
Payment details by Vendor Board Report
 March 2023

Type	Date	Num	Memo	Account	Amount
Bill Jacks Vendor					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Total Bill Jacks Vendor					0.00
CALPERS (Health)					
Bill Pmt -Check	03/23/2023	912230	Apr 2023	10-1000 · Cash, Operating Ge...	-8,263.88
Total CALPERS (Health)					-8,263.88
CALPERS (Retirement)					
Bill Pmt -Check	03/09/2023	912191	PPE 3/03/23	10-1000 · Cash, Operating Ge...	-2,135.17
Bill Pmt -Check	03/09/2023	912190	Monthly ER Classic UAL contri...	10-1000 · Cash, Operating Ge...	-10,187.92
Bill Pmt -Check	03/09/2023	912194	Monthly ER PEPRA ual contri...	10-1000 · Cash, Operating Ge...	-133.75
Bill Pmt -Check	03/09/2023	912192	PPE 3/03/23	10-1000 · Cash, Operating Ge...	-1,659.48
Bill Pmt -Check	03/23/2023	912232	PPE 3/17/23	10-1000 · Cash, Operating Ge...	-1,659.48
Bill Pmt -Check	03/23/2023	912231	PPE 3/17/23	10-1000 · Cash, Operating Ge...	-2,135.17
Total CALPERS (Retirement)					-17,910.97
CALPERS 457 PLAN					
Bill Pmt -Check	03/09/2023	912193	PPE 3/03/23	10-1000 · Cash, Operating Ge...	-1,492.12
Bill Pmt -Check	03/23/2023	912233	PPE 3/17/23	10-1000 · Cash, Operating Ge...	-1,492.12
Total CALPERS 457 PLAN					-2,984.24
Einen M Grandi					
Bill Pmt -Check	03/09/2023	257087	Tractor SK#121625	20-1000 · Cash, Restricted Fu...	-96,000.00
Total Einen M Grandi					-96,000.00
English Mountain Ranch					
Bill Pmt -Check	03/09/2023	V969920	April rent and Mar Utility	10-1000 · Cash, Operating Ge...	-4,746.74
Total English Mountain Ranch					-4,746.74
Hahn, J. aka Wolf Creek Wood Stoves					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Total Hahn, J. aka Wolf Creek Wood Stoves					0.00
Heat Transfer Systems					
Bill Pmt -Check	03/23/2023	V970316	EPA TAG2015, #2023-019 Ec...	20-1000 · Cash, Restricted Fu...	-13,500.00
Total Heat Transfer Systems					-13,500.00
House of Print and Copy					
Bill Pmt -Check	03/09/2023	257059	bus. cards	10-1000 · Cash, Operating Ge...	-48.28
Total House of Print and Copy					-48.28

Northern Sierra Air Quality Management District
Payment details by Vendor Board Report
 March 2023

Type	Date	Num	Memo	Account	Amount
Inc. Senior Citizens of Sierra County					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Total Inc. Senior Citizens of Sierra County					0.00
Intermountain Disposal, Inc. Vendor					
Bill Pmt -Check	03/09/2023	257072		10-1000 · Cash, Operating Ge...	-33.03
Bill Pmt -Check	03/09/2023	257073	EPA 2015	20-1000 · Cash, Restricted Fu...	-165.00
Total Intermountain Disposal, Inc. Vendor					-198.03
James Merzon					
Bill Pmt -Check	03/09/2023	V969982	APR 2023 rent	10-1000 · Cash, Operating Ge...	-555.00
Total James Merzon					-555.00
Mikki Brown					
Bill Pmt -Check	03/23/2023	257478	TAG2015, Travel mileage to/fr...	20-1000 · Cash, Restricted Fu...	-110.04
Total Mikki Brown					-110.04
Nevada County Auditor Controller					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Total Nevada County Auditor Controller					0.00
Plumas Sanitation, Inc.					
Bill Pmt -Check	03/09/2023	257106	AB2023-03 Septic Truck	20-1000 · Cash, Restricted Fu...	-34,116.00
Total Plumas Sanitation, Inc.					-34,116.00
Plumas Unified School District					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Total Plumas Unified School District					0.00
Quincy Hot Spot					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Total Quincy Hot Spot					0.00
R&B Com, Inc.					
Bill Pmt -Check	03/09/2023	257062	Social Medias TAG 2015	20-1000 · Cash, Restricted Fu...	-1,221.00
Bill Pmt -Check	03/09/2023	257061	IT services Jan 2023	10-1000 · Cash, Operating Ge...	-2,319.97
Bill Pmt -Check	03/23/2023	257432	Feb 2023 Statement	10-1000 · Cash, Operating Ge...	-2,865.61
Bill Pmt -Check	03/23/2023	257433	Social Media etc. Feb 2023	20-1000 · Cash, Restricted Fu...	-1,221.00
Total R&B Com, Inc.					-7,627.58

Northern Sierra Air Quality Management District
Payment details by Vendor Board Report
 March 2023

Type	Date	Num	Memo	Account	Amount
Singleton Auman PC					
Bill Pmt -Check	03/09/2023	257076	Preparation & Submission of A...	10-1000 · Cash, Operating Ge...	-1,275.00
Total Singleton Auman PC					-1,275.00
Sonoma Technology					
Bill Pmt -Check	03/09/2023	V969989	Monthly Services Exp.	20-1000 · Cash, Restricted Fu...	-5,500.00
Total Sonoma Technology					-5,500.00
State of California EPA 2015 Grant					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Total State of California EPA 2015 Grant					0.00
Supervisor Adams					
Bill Pmt -Check	03/09/2023	257068	Board Meeting	10-1000 · Cash, Operating Ge...	-100.00
Bill Pmt -Check	03/23/2023	257437	Board Meeting	10-1000 · Cash, Operating Ge...	-100.00
Total Supervisor Adams					-200.00
Supervisor Bullock					
Bill Pmt -Check	03/09/2023	V969967	Board Meeting	10-1000 · Cash, Operating Ge...	-100.00
Bill Pmt -Check	03/23/2023	V970301	Board Meeting	10-1000 · Cash, Operating Ge...	-100.00
Total Supervisor Bullock					-200.00
Supervisor Ceresola					
Bill Pmt -Check	03/09/2023	V969972	Board Meeting	10-1000 · Cash, Operating Ge...	-110.48
Total Supervisor Ceresola					-110.48
Supervisor Paul Roen					
Bill Pmt -Check	03/09/2023	257074	Board Meeting	10-1000 · Cash, Operating Ge...	-100.00
Bill Pmt -Check	03/23/2023	257442	Board Meeting	10-1000 · Cash, Operating Ge...	-120.96
Total Supervisor Paul Roen					-220.96
Supervisor Scofield					
Bill Pmt -Check	03/09/2023	257083	Board Mtg	10-1000 · Cash, Operating Ge...	-100.00
Bill Pmt -Check	03/23/2023	257455	Board Mtg	10-1000 · Cash, Operating Ge...	-100.00
Total Supervisor Scofield					-200.00
Teledyne Instruments					
Bill Pmt -Check	03/09/2023	257089	T700 Calibration, S/N 647676 ...	10-1000 · Cash, Operating Ge...	-15,853.48
Total Teledyne Instruments					-15,853.48

Northern Sierra Air Quality Management District Payment details by Vendor Board Report March 2023

Type	Date	Num	Memo	Account	Amount
US Bank					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Bill Pmt -Check	03/20/2023	257293		20-1000 · Cash, Restricted Fu...	-1,904.17
Bill Pmt -Check	03/20/2023	257293		10-1000 · Cash, Operating Ge...	-6,150.52
Total US Bank					-8,054.69
Various Vendors					
Bill Pmt -Check	03/01/2023		QuickBooks generated zero a...	10-1000 · Cash, Operating Ge...	0.00
Total Various Vendors					0.00
Wizix Technology Group					
Bill Pmt -Check	03/09/2023	257096		10-1000 · Cash, Operating Ge...	-100.66
Bill Pmt -Check	03/23/2023	257465	Savin/C4540	10-1000 · Cash, Operating Ge...	-34.75
Total Wizix Technology Group					-135.41
TOTAL					-264,978.26

To: Northern Sierra Air Quality Management District Board of Directors

From: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: III.C

Agenda Description: 3rd Quarterly Report for FY 2022-23

Summary: The Quarterly report for the 3rd quarter is attached for review.

Requested Action: Approve with roll call vote

Attachments:

1. FY 2022-23 3rd Quarter Report

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

Restricted Actuals as of March 31, 2023

Restricted Budget, Fund Balance		
Restricted Cash Available	3/31/2023	\$1,973,261

Restricted Budget, Fund Balance			
Account #	Description	BUDGET Fiscal Year 2022-2023	Prior Year Carry Over Funds
20-3901	Restricted Funds, AB2766 Encumbered		
20-3901	Planned Expenditures, AB2766 Total Allocation - Nevada County	232,780	514,922
20-3901	Planned Expenditures, AB2766 Total Allocation - Plumas County	34,116	183,829
20-3901	Planned Expenditures, AB2766 Total Allocation - Sierra County	5,828	4,708
20-3901	Planned Expenditures, Carl Moyer	75,907	251,329
20-3901	Planned Expenditures, AB923	357,552	376,498
20-3901	Planned Expenditures, WRP Encumbered	64,137	64,463
20-3901	Planned Expenditures, AB617 Incentive Funds	71,639	
20-3901	Planned Expenditures, AB617 Implementation Funds (Year 3)	16,704	
20-3901	Planned Expenditures, Nox Reduction Measure (NRM)	53,375	
20-3901	Planned Expenditures, AB617 Incentive Funds		71,890
20-3901	Planned Expenditures, EPA Target Grant Match (2015)	23,656	(24,341.75)
20-3901	Planned Expenditures, EPA Target Grant Match (2018)	40,000	(27,783.90)
20-3901	Planned Expenditures, EPA Target Grant		(9,000.00)
20-3901	Nox Reduction Measure (NRM)		19,079
20-3901	Planned Expenditures, FARMER	5,154	5,626
Restricted Budget, Fund Balance Accounts Totals:		\$980,848	\$1,421,801

Restricted Budget, Revenue			
Account #	Description	BUDGET Fiscal Year 2022-2023	ACTUALS as of Mar 31, 2023
20-4500	Govt. Funding, AB 2766 DMV Fees (60% for District Admin)	232,780	108,428
20-4505	Govt. Funding, AB923 (6.25% for district admin)	50,000	31,994
20-4518	Govt. Funding, Carl Moyer HD Diesel (12.5% for district admin)	175,000	175,000
20-4519	Govt. Funding, Carl Moyer Interest		1,911
20-4529	Govt. Funding, EPA Target Grant for Portola 2015	640,000	301,397
20-4536	Woodsmoke Reduction Program (WRP) Interest	300	396
20-4540	Govt. Funding, EPA Target Grant for Portola 2018	300,000	38,980
20-4546	Nox Reduction Measure (NRM) Interest		145
20-4547	Farmers Interest		43
20-4547	Farmers Pooled Share Program		897,923
20-4539	AB 617 Incentive Interest	500	547
20-4540	Govt. Funding, EPA Target Grant for Portola 2020		19,856
20-4600	Other Income, Interest, Restricted (Carl Moyer)	1,000	11,376
Restricted Budget, Revenue Total:		\$1,399,580	\$1,587,995
Total Available Resources (carry over unspent funds and current year revenue)		\$2,380,428	\$3,009,796

Restricted Budget, Expenditures			
Account #	Description	BUDGET Fiscal Year 2022-2023	ACTUALS as of Mar 31, 2023
20-5401	AB2766 Planned Expenditures for 2021	39,944	34,116
20-5402	Town of Truckee (AB 2018-04)	39,542	
20-5402	Nevada County OES (AB 2021 - 10, \$182,153)	7,851	
20-5402	Nevada County OES (AB 2023 - 01, \$182,153)	150,000	
20-5402	Tahoe-Truckee Unified S.D. (AB2022-02, \$75,000)	75,000	75,000
20-5402	Town of Truckee (AB 2022-03)	50,000	
20-5402	Sierra Senior Services (AB2025-05, \$37,800)	37,800	37,800
20-5402	All Phase Landsscape and Excavation (AB2022-06, \$16,835)	16,835	16,835
20-5402/5440	EPA Target Airshed Vehicle (AB2766 2015 & 2018 EPA Grant Match)	63,656	47,143
20-5442	Portola MOU (AB2016-08, \$35,378)	6,077	
20-5404	Inc. Senior citizens of Sierra County (AB2022-01, \$5752)	5,752	2,876
20-5406	Carl Moyer	250,907	96,000
20-5409	AB 923	407,552	
20-5410	EPA Target Grant 2015	560,474	412,275
20-5414	Woodsmoke Reduction Program (WRP)	64,137	30,000
20-5416	Farmer	5,154	132,854
20-5485	EPA Target Grant 2018	300,000	11,801
20-5485	EPA Target Grant 2018 Specialist	79,526	
20-5417	Nox Reduction Measure (NRM)	53,375	
20-5415	AB 617 Implementation	16,704	
20-5486	AB617 Incentive	71,639	
20-5487	EPA Target Grant 2020		15,356
20-5491	EPA TAG 2020 Grant Match		684
Restricted Budget, Expenditures Totals:		2,301,925	\$ 912,740

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

Operating Budget vs. Actuals as of March 31, 2023

Resource Report	
	Operating (Fund 6774) End Balance March31, 2023 \$ 883,973
	Operating (Payroll) End Balance March31, 2023 350,622
	Operating (GovPay) End Balance March31, 2023 104,122
	<i>All Operating Accounts Cash Total</i> \$ 1,338,718

Revenue			
		ACTUALS as of Mar 31, 2023	BUDGET Fiscal Year 2022-2023
Account #	Description		
10-4002	Fees, Permit to Operate	37,977	35,000
10-4004	Fees, Vapor Recovery	9,619	22,000
10-4005	Fees, Variance Application	860	3,000
10-4006	Fees, Source Test	-	9,000
10-4007	Fees, Prescribed Burning	10,650	22,000
10-4008	Fees, Woodstove Inspections	918	3,000
10-4010	Fees, Title V, Fed Op Permit	(4,527)	41,500
10-4013	Fees, Fire Dept Response	-	1,500
10-4100	Penalties, Permitted Source	3,850	10,000
10-4101	Penalties, Open Burning	-	2,500
10-4201	Gov't Funding, State Subvention	114,151	132,000
10-4202	Gov't Funding, Subvention Supplemental	-	3,500
10-4203	Gov't Funding, County Contribution	63,773	62,669
10-4204	Gov't Funding, EPA Monitoring	60,400	57,000
10-4205	Gov't Funding, EPA Monitoring Supplemental		
10-4206	Gov't Funding, AB 2766 DMV Fees	162,642	360,000
10-4207	Gov't Funding, PERP Pass thru	27,928	25,000
10-4208	Gov't Funding, AB 923 Operating	1,256	3,125
10-4209	Gov't Funding, EPA Target 2015	67,574	75,000
10-4210	Gov't Funding, EPA Target 2018	595	45,000
10-4211	Gov't Funding, AB 197	-	8,583
10-4212	Rx Fire Funding, Monitoring	-	1,000
10-4213	Rx Fire Funding, Staff	-	75,000
10-4214	EPA 2015 Burnwise Coordinator	2,569	
10-4215	Carl Moyer, Admin Fee	25,000	25,000
10-4219	CAPCOA 103 GRANT		
10-4222	Farmer Pooled Share	98,616	
10-4223	RAP, Carl Moyer Rural Assistance admin		
10-4225	Gov't Funding, EPA Target 2020	188	
10-4302	Other Income, Sale of Asset		
10-4303	Other Income, Rules, Copies, Subscr.		
10-4304	Other Income, Miscellaneous		100
10-4310	Other Income, Interest Earned	19,688	25,000

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

**Operating Budget vs. Actuals
as of March 31, 2023**

Revenue Total:		\$ 703,727	1,047,477
-----------------------	--	------------	-----------

Expenditures		Salaries and Benefits (Object Level)	
Account #	Description	ACTUALS as of Mar 31, 2023	BUDGET Fiscal Year 2022-2023
10-5002	Permanent Salaries	409,810	584,615
10-5003	Overtime	316	1,000
10-5021	TaxMed (elect not to utilize the District-provided health insurance)	5,619	7,681
10-5011	Vehicle Allowance	2,000	-
10-5011	Medicare/FICA	5,919	8,699
10-5013	EDD Training Tax	-	784
10-5013	CA State Unemployment	1,095	-
10-5015	Workers' Comp Insurance	5,033	5,352
10-5017	PERS Health Insurance Retired Employees	23,727	27,900
10-5018	PERS Health Insurance Active Employees	43,079	55,800
10-5019	Dental/Vision Care	4,519	10,000
10-5020/21/23	PERS Retirement (ER & EE Paid)	50,624	70,589
10-5022/5024	PERS Unfunded Accrued Liability	92,895	123,860
10-5027	457 (b) Plan ER Contribution	2,400	-
Salaries and Benefits Total:		\$ 647,035	896,280

Expenditures		Services and Supplies (Object Level)	
Account #	Description	ACTUALS as of Mar 31, 2023	BUDGET Fiscal Year 2022-2023
10-5202	Office Supplies	13,580	7,000
10-5204	Postage, Shipping	549	650
10-5207	Office Equipment - non capitalized	3,452	3,400
10-5259	Legal Notices, Public	651	1,000
10-5301	Information Technology	27,391	22,000
10-5390	Miscellaneous	40	1,000
10-5201	PM Monitoring Expenses (supplies)	9,663	8,700
10-5206	Ozone Monitoring Expenses	1,254	4,800
10-5203	References, Subscriptions	202	300
10-5205	Memberships	5,203	5,000
10-5253	Rent, Structures, Grass Valley, Main	27,390	33,000
10-5254	Rent, Structures - Portola	5,550	6,800
10-5255	Utilities, Grass Valley	2,404	2,700
10-5256	Utilities, Portola	1,664	2,500
10-5257	Rent, PM2.5 (Conf room and roof)	16,260	19,000
10-5251	Communications	11,828	22,000
10-5258	Liability Insurance	12,118	14,000

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

Operating Budget vs. Actuals as of March 31, 2023

10-5311	Profession Services: Legal	-	3,000
10-5313	Profession Services: Accounting (Nevada County, Accountant, and ADP)	40,669	18,056
10-5314	Profession Services: Financial Auditor	15,075	15,500
10-5315	Profession Services: Board - Directors and Variance	2,600	4,000
10-5319	Profession Services: Human Resources	-	5,000
10-5303	Maintenance: Office Equipment	1,468	500
10-5305	Maintenance: Vehicles	6,352	3,000
10-5351	Training, Tuition	2,333	3,000
10-5352	Travel	5,061	10,000
10-5353	Gasoline	4,801	7,000
10-5354	Private Car Mileage	512	2,000
Services and Supplies Total:		\$ 218,070	\$ 224,906

Expenditures Pass-thru Funds / Internal Programs / Contributions to Other Agencies (Object Level)			
Account #	Description	ACTUALS as of Mar 31, 2023	BUDGET Fiscal Year 2022-2023
10-5402	Alternate Commute Program		750
10-5404	ARB: AB 2588 Fees		1,400
10-5405	Public Education Program	2,062	10,000
10-5406	Fire Dept Response Reimbursement		1,500
Contribution to Other Agencies / Internal Grants Total:		\$ 2,062	\$ 13,650

Expenditures Fixed Asset Purchases (Object Level)			
Account #	Description	ACTUALS as of Mar 31, 2023	BUDGET Fiscal Year 2022-2023
10-5601	Office Equipment (2 PC towers)		4,000
10-5602	Field Equipment (fixed assets over \$5,000)	23,066	5,000
10-5603	Vehicle		50,000
Fixed Asset Purchases Total:		\$ 23,066	59,000

Budget Summary		Available Funding & Expenditures	
Expenditures		ACTUALS as of Mar 31, 2023	BUDGET Fiscal Year 2022-2023
Salaries and Benefits (Object Level)		647,035	896,280
Services and Supplies (Object Level)		218,070	224,906
Pass-thru Funds / Internal Programs / Contributions to Other Agencies (Object Level)		2,062	13,650
Fixed Asset Purchases (Object Level)		23,066	59,000
Expenditure Total:		\$ 890,232	1,193,836

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
Restricted
Budget vs Unaudit Actuals
as of June 30, 2022

Restricted Budget, Fund Balance		
Restricted Cash Available	June 30, 2022	\$1,421,801
Restricted Fund Balance	Per Audit June 30, 2021	598,315

Restricted Budget, Revenue						NOTE ONLY
Account #	Description	UNAUDITED ACTUALS as of June 30, 2022	BUDGET Fiscal Year 2021-2022	Unearned Revenue (to be carried over to FY22-23)	Year End Revenue	Program Cash Balance
20-4500	AB2766 Accrual Balances: Nevada \$394,856; Sierra (\$6,802); Plumas \$190,668 AB2766 Cash Balances: Nevada \$514,921; Sierra (\$4,708); Plumas \$183,829 Govt. Funding, AB 2766, prior year planned/encumbered	220,935	240,000		220,935	694,042
20-4505	Govt. Funding, AB923	40,339	50,000			
20-4505	Govt. Funding, AB923, prior year planned/encumbered	305,610	314,639			
20-4505	Govt. Funding, AB923, Unspent funds			345,948		376,498
20-4518	Govt. Funding, Carl Moyer HD Diesel	218,750	175,000			
20-4518	Govt. Funding, Carl Moyer HD Diesel, prior year planned/encumbered		274,915			
20-4520	Govt. Funding, Carl Moyer Interest	1,212				
20-4718	Govt. Funding, Unspent			219,962		251,329
20-4529	Govt. Funding, EPA Target Grant for Portola 2015	204,076	398,400		204,076	(24,342)
20-4536	Woodstove Reduction Program (WRP), prior year planned/encumbered	73,599	165,000	64,464	9,874	64,464
20-4536	Woodstove Reduction Program (WRP), Interest	738				
20-4538	AB 617 Implementation (20,183, 22,659, 16,015)	16,617	14,848		16,617	
20-4539	AB 617 interest		500			
20-4540	Govt. Funding, EPA Target Grant for Portola 2018	77,235	300,000		77,235	(27,784)
20-4541	Nox Reduction, prior year planned/encumbered	71,861	-		53,376	19,079
20-4541	Nox Reduction, Interest	593	-			
20-4541	Nox Reduction, Unspent			19,079		
20-4542	Farmers, Pooled Share Program, prior year planned/encumbered	162,646	546,514		158,402	5,626
20-4542	Farmers, Pooled Share Program, Interest	1,382	-			
20-4542	Farmers, Pooled Share Program, Unspent		-	5,625		
20-4544	AB617 Incentives,	71,241	-			
20-4544	AB617 Incentives, Interest	650	70,695			71,890
20-4544	AB617 Incentives, Unspent		-	71,890		
20-4540	Govt. Funding, EPA Target Grant for Portola 2020	9,000	-		9,000	(9,000)
20-4600	Other Income, Interest, Restricted	Allocated to program	1,000			
Restricted Budget, Total Resources:		\$1,476,484	\$2,909,041	\$726,968	\$749,515	\$1,421,801

Restricted Budget, Expenditures					
Account #	Description	UNAUDITED ACTUALS as of June 30, 2022	BUDGET Fiscal Year 2021-2022	Budget Amendment	Final Budget
20-5401	AB2766 Planned Expenditures for 2022		219,230	(150,000)	69,230
20-5402	Town of Truckee (AB 2018-04, \$39,542)		39,542		39,542
20-5402	Nevada County OES (AB 2021-10, \$182,153)		7,851		7,851
20-5402	Nevada County OES (AB 2023-01, \$150,000)	150,000		150,000	150,000
20-5402	Sierra Commons (AB 2020-05, \$24,000)		8,019		8,019
20-5402	Sierra Commons (AB2020-06,\$26,000)		1,647		1,647
20-5402	Bear Yuba Land Trust (AB2020-09, \$15,000)		11,508		11,508
20-5403	McGarr Excavation AB2022-07	16,835	-		-
20-5403/5440	Portola PM Mitigation(AB2015-08)	1,484	16,867	6,789	23,656
20-5403/5442	Portola MOU (AB2016-08)		18,032	(11,955)	6,077
20-5403/5490	EPA TAG 2018 Match (AB2021-11, 34,834 + 5,166)	420	34,834	5,166	40,000
20-5404	AB2766 Sierra County	7,200	-		-
20-5406	Carl Moyer		449,915		449,915
20-5416	Farmer	158,402	546,514		546,514
20-5409	AB 923		364,639		364,639
20-5410	EPA Target Grant 2015	215,099	398,400		398,400
20-5414	Woodstove Reduction Program (WRP)		9,874	45,000	45,000
20-5417	Nox Reduction Measure (NRM)		53,376	70,212	70,212
20-5415	AB 617 Implementation (\$20,183, \$22,659, \$16,015)		16,617	14,848	16,618
20-5485	EPA Target Grant 2018		77,235	300,000	300,000
20-5486	AB617 Incentive		70,695		70,695
20-5487	EPA Target Grant 2020	9,000		9,000	9,000
Restricted Budget, Expenditures Totals:		715,542	2,617,753	10,770	2,628,523

To: Northern Sierra Air Quality Management District Board of Directors

From: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: III.D

Agenda Description: Air Pollution Control Officer Position Description

Summary: APCO position is currently vacant, and the position description needs updating. The last time this description was updated was in December 2000.

Requested Action: Adopt Position Description for Air Pollution Control Officer for Northern Sierra Air Quality Management District

Attachments:

1. Proposed Position Description for Air Pollution Control Officer for Northern Sierra Air Quality Management District

AIR POLLUTION CONTROL OFFICER (APCO)/EXECUTIVE OFFICER (EO)

DEFINITION

The APCO/EO shall plan, organize and direct overall activities of the Northern Sierra Air Quality Management District (District) including enforcement of Federal, State and local air pollution control statutes and regulations; assess District needs and ensure adequate legal, financial, political and technical resources are available to attain and maintain State and Federal ambient air quality standards in the counties of Nevada, Sierra and Plumas; encourage and facilitate the provision of services to District residents and businesses; and foster cooperative working relationships with intergovernmental and regulatory agencies and various public and private stakeholders. To provide highly responsible and complex administrative support to the Governing Board of Directors, in the capacity of an Executive Officer.

DISTINGUISHING CHARACTERISTICS

The executive officer level recognizes classes with full responsibility for the administration of a public agency.

SUPERVISION RECEIVED AND EXERCISED

Receives policy direction from the Northern Sierra Air Quality Management District Board of Directors. The APCO serves as an at will employee, serving at the will and pleasure of the NSAQMD Board of Directors. The APCO exercises direct supervision over assigned clerical, technical, and professional personnel.

EXAMPLES OF ESSENTIAL DUTIES – Duties may include, but are not limited to, the following:

- Recommend and administer policies and procedures.
- Work closely with and advise the Board of Directors concerning all matters related to air quality management within the District.
- Coordinate District activities with those of other outside agencies and organizations.
- Provide staff assistance to the District Board; prepare and present staff reports and other necessary correspondence.
- Direct, oversee and participate in the development of the District's work plan; assign work activities, projects and programs; monitor work flow; review and evaluate work products, methods and procedures.
- Review new or proposed legislation and regulations and determine the effect on existing or proposed District programs; facilitate changes to existing District plans, procedures and rules, response to new legislation and regulations; work with District counsel on actual and potential litigation; lobby state and federal legislatures on behalf of the District
- Develop and administer the District budget; direct the forecast of additional funds needed for staffing, equipment, materials and supplies; monitor and approve expenditures; implement mid-year adjustments.
- Select, train, motivate and evaluate personnel; provide or coordinate staff training;

conduct performance evaluations; implement discipline procedures; maintain discipline and high standards necessary for the efficient and professional operation of the District.

- Represent the District to outside groups and organizations; participate in outside community and professional groups and committees; provide technical assistance as necessary.
- Research and prepare technical and administrative reports and studies; prepare written correspondence as necessary.
- Build and maintain positive working relationships with other public agency employees and the public using principles of good customer service.
- Represent the District in various negotiations with other governmental agencies, industry stakeholders, and consultants regarding funding, program development, fines, permits, variance conditions, contracts and District regulations.
- Develop goals and objectives for the District; direct the implementation of approved policies, procedures; evaluate programs, procedures and systems for overall effectiveness.
- Represent the District before the media, other agencies, and the public.
- Perform related duties as assigned.

MINIMUM QUALIFICATIONS

Knowledge of:

- Principles and practices of environmental science as applied to evaluating and controlling sources of air pollution.
- Fundamentals of land and transportation planning.
- Principles and practices of leadership, motivation, team building and conflict resolution.
- Pertinent local, State and Federal laws, rules, and regulations.
- Organizational and management practices as applied to the analysis and evaluation of programs, policies, and operational needs.
- Principles and practices of organization, administration, and personnel management.
- Principles and practices of budget preparation and administration.
- Principles of supervision, training, and performance evaluation.

Ability to:

- Develop and implement District policies and procedures.
- Gain cooperation through discussion and persuasion.
- Successfully develop, control, and administer District budget and expenditures.
- Analyze problems, identify alternative solutions, project consequences of proposed actions and implement recommendations in support of goals.
- Interpret and apply District policies, procedures, rules, and regulations.
- Work with various cultural and ethnic groups in a tactful and effective manner.
- Communicate clearly and concisely, both orally and in writing.
- Supervise, train, and evaluate assigned personnel.
- Establish and maintain effective working relationships with those contacted in the course of work.
- Analyze budget and technical reports; interpret and evaluate staff reports; know laws, regulations and codes; observe performance and evaluate staff; problem solve District related issues; explain and interpret policy.

- On a continuous basis, sit at a desk and in meetings for long periods of time.
- Intermittently twist to reach equipment surrounding desk; perform simple grasping and fine manipulation; use telephone and communicate through written means; regularly lift heavy weight.

Experience and Training

Any combination of experience and training that would provide the required knowledge and abilities is qualifying. A typical way to obtain the required knowledge and abilities would be:

Experience:

Seven years of increasingly responsible experience in air pollution control enforcement and regulation, including four years of administrative and management responsibility.

Training:

Equivalent to a Bachelor's degree from an accredited college or university with major course work in engineering, environmental health science, life science or a related field. A master's degree or PhD in a science field is desirable.

License or Certificate

May need to possess a valid California driver's license as required depending on the position. Proof of adequate vehicle insurance and medical clearance may also be required.

FAIR LABOR STANDARDS ACT (FLSA) STATUS

Exempt

Approved: December 12, 2000

Revised: April 24, 2023

To: Northern Sierra Air Quality Management District Board of Directors

From: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: III.E

Agenda Description: Resolution #2023-05 - The Governing Board of Directors' intent to approve a 6% COLA (Cost of Living Adjustment) for the position of Interim Air Pollution Control Officer on July 1, 2023

Summary: On February 28, 2022, the Board adopted a COLA for the following positions: Deputy Air Pollution Control Officer, Air Pollution Control Specialist I-II-III, Accounting Clerk/Administrative Assistant, and Federal Target Grant Specialist. The COLA adopted by the Board granted a 6% increase for FY 21/22.

On February 28, the Board also approved an additional Cost of Living Allowance (COLA) of 6.0% for the Air District positions of Deputy Air Pollution Control Officer, Air Pollution Control Specialist I-II-III, Accounting Clerk/Administrative Assistant, and Federal Target Grant Specialist to be effective annually for the following two years on July 1, 2022 and July 1, 2023.

Resolution # 2022-06 - the Governing Board of Directors' intent to approve a Three-Year Phased Approach with Cost of Living Adjustment (COLA) for the District staff did not include the position of Interim Air Pollution Control Officer.

Resolution # 2023-05 authorizes this action by the Board.

Requested Action: If deemed appropriate, authorize the Chair to sign Resolution 2023-05.

ROLL CALL VOTE REQUESTED

Attachments:

1. Resolution # 2023-05

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
RESOLUTION #2023-05**

In the matter of: The Governing Board of Directors' intent to approve a 6% Cola (Cost of Living Adjustment) for the position of Interim Air Pollution Control Officer.

Whereas, the Governing Board of Directors for the Northern Sierra Air Quality Management District (District) has the authority to set wages, salaries, and benefits for all employees of the District; and

Whereas, at a regularly scheduled Air District Board meeting on February 28, 2022, the Board of Directors approved a COLA of 6.0% for the Air District positions of Deputy Air Pollution Control Officer, Air Pollution Control Specialist I-II-III, Accounting Clerk/Administrative Assistant, and Federal Target Grant Specialist for FY 21/22; and

Whereas, at a regularly scheduled Air District Board meeting on March 28, 2022, the Board of Directors conducted a performance review to the Air Pollution Control Officer and approved a COLA of 6.0% for the Air District positions of Air Pollution Control Office for FY 21/22, effective February 28, 2022; and

Whereas, additionally at the regularly scheduled Air District Board meeting on March 28, 2022, the Board of Directors approved an additional COLA of 6.0% for the Air District position of Air Pollution Control Officer to be effective annually for the following two years on July 1, 2022 and July 1, 2023. The July 1, 2022 and July 1, 2023 allowances are subject to rescission and/or modification if the Board of Directors determines, before the effective date of the allowance, that there are insufficient funds to cover those increases; and

Whereas, the APCO resigned on April 7, 2023 and an Interim APCO was appointed on March 27, 2023 to begin appointment on April 10, 2023; and

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, by the Northern Sierra Air Quality Management District Governing Board of Directors approve a 6% COLA for the position of Interim Air Pollution Control Officer in July 1, 2023.

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 April 24, 2023, by the following roll call vote:

Ayes:
Noes:
Absent:
Abstaining:

Attest: _____
Dawn Lunsford, Clerk of the Board

Date

Chair of the Board Date

To: Northern Sierra Air Quality Management District Board of Directors

From: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: III.F

Agenda Description: Budget Amendment

Summary: The former APCO, Gretchen Bennitt resigned from the District on April 7, 2023. Her sick leave, administrative leave and vacation leave were disbursed to her upon her resignation. The total amount disbursed to her was \$32,260.48.

Account # 10-3905 (Leave Liability) – current amount \$90,000

Account # 10-5002 (Permanent Salaries) current amount \$584,615

Budget Amendment

Account # 10-3905 - \$32,260.48 balance \$57,739.52

Account # 10-5002 + \$32,260.48 balance \$616,875.48

Requested Action: Approve a Budget Amendment to the Salary and Benefits Object level

ROLL CALL VOTE REQUESTED

Attachments:

1. Fiscal Year 2022/2023 Capital Budget – Final June 7, 2022

DISTRICT HEADQUARTERS

200 Litton Drive, Suite 320
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 lox 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 Legislatures 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.

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 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

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 (Nevada County, Accountant, and ADP)	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: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: IV.A

Agenda Description: Public Hearing and Proposed Adoption of Air District Rule 230 – Architectural Coatings

Summary: A requirement of the Clean Air Act is that federal ozone nonattainment areas must adopt a federally approvable contingency measure in the State Implementation Plan (SIP). This rule has been reviewed and commented on by the Environmental Protection Agency, they believe it is federally approvable.

Rule 230 will be implemented only if the EPA issues a final rulemaking that triggers the requirement for contingency measure implementation in the Ozone Nonattainment Area of western Nevada County.

On February 13, the District held a public workshop to receive comments on the proposed rule which had been publicly noticed. The District received comments during the workshop and comments have been incorporated.

Following a public hearing to receive public comments today, the Board will consider the adoption of proposed District Rule 230.

Requested Action:

1. Open a public hearing to receive comments on District Rule 230.
2. Approve District Rule 230 by authorizing Resolution 2023-03.

ROLL CALL VOTE REQUESTED

Attachments:

1. Staff Report for Rule 230
2. Proposed District Rule 230
3. Resolution # 2023-03

STAFF REPORT FOR PROPOSED RULE ADOPTION

RULE 230: Architectural Coatings

Prepared by Northern Sierra AQMD Staff, December 2022

Date of Workshop: Feb 13, 2023

Date of Public Hearing: April 24, 2023

Public Comment Deadline: April 21, 2023

Anticipated Date of Rule Adoption: April 24, 2023

INTRODUCTION

The Northern Sierra Air Quality Management District (NSAQMD) is proposing to adopt Rule 230 in fulfillment of federal requirements for an Architectural Coatings under the Clean Air Act (CAA) as amended 1990. The proposed rule would apply only in the portions of the District designated as Nonattainment for National Ambient Air Quality Standards under the 2015 Ozone National Ambient Air Quality Standard (NAAQS) - western Nevada County.

BACKGROUND

Western Nevada County has been designated under the CAA as a Nonattainment area for the 8-hour ozone National Ambient Air Quality Standards. CAA Sections 172(c)(9) and 182 (c)(9) require ozone Nonattainment Areas to include contingency measures (i.e. additional air pollution controls) in SIPs that will go into effect without further regulatory action on the part of the District, State or the EPA if attainment is not achieved as predicted. Further, EPA guidance recommends that SIPs contain trigger mechanisms for such contingency measures, such as a schedule for implementation if the area fails to satisfy an RFP milestone or attainment deadline. The proposed rule was developed by the NSAQMD in close coordination with the EPA.

SUMMARY OF PROPOSED RULE, INCLUDING POTENTIAL IMPACTS TO AFFECTED SOURCES AND THE ENVIRONMENT

Rule 230: Architectural Coatings

Architectural coatings, as defined in the rule, are coatings that are applied to stationary structures and their appurtenances at the site of installation, to portable buildings at the site of installation, to pavements, or to curbs. To be classified as an architectural coating, a coating must be applied in the field, at the site of installation, rather than in a shop or factory where pollution control equipment may be installed. If adopted by the district, the proposed rule would apply to anyone who supplies, sells, offers for sale, or manufactures architectural coatings for use in western Nevada County. It would also apply to anyone who applies or solicits the application of architectural coatings for use in western Nevada County. Those who are subject to the rule include, but are not limited to, the following: Manufacturers, Paint Contractors, Distributors, Construction Workers, Retailers, Maintenance Staff, Importers and Public Works Personnel. The “appurtenances” included in the definition range from pipes to downspouts. Architectural coatings include, but are not limited to paints, varnishes, stains, industrial maintenance coatings,

and traffic coatings. General use flat and non-flat (eggshell, satin, semi-gloss, gloss) coatings account for about 61 percent of the sales of architectural coatings. The remaining sales consist of a variety of specialty coating categories.

Widespread regulation of emissions from architectural coatings in California began with the approval of the Suggested Control Measures (SCM) for architectural coatings by CARB in 1977. Subsequently, many of the air districts adopted rules based on this SCM, currently there are 21 of California's 35 air districts have an architectural coatings rule based on CARB's 2019 Staff for Proposed Updates to the Report SCM for Architectural Coatings.

It is anticipated that the proposed rule will have no serious economic impact and will not result in any high costs or burdens to affect who supplies, sells, offers for sale, or manufactures architectural coatings.

AUTHORITY AND RULE ADOPTION REQUIREMENTS

The District is authorized to regulate sources of air pollutants under the California Health and Safety Code (HSC) §40001 and §40702.

HSC §40728.5 requires a socioeconomic analysis for proposed rules in districts having a population greater than 500,000 persons. The NSAQMD's population is approximately 130,000 so this requirement does not apply.

California Health and Safety Code (HSC) §40703 requires that all air quality districts consider and make public findings relating to the cost effectiveness of implementing an emission control measure. No cost is associated with implementing the proposed rule.

These rules are exempt from the requirements of CEQA per Class 8 (§15308) of the CEQA guidelines.

The California Health and Safety Code requires air districts to comply with a rule adoption protocol as set forth in §40727 of the Code. There are six findings the District must make when developing, amending or repealing a rule:

FINDINGS	DEFINITION	REFERENCE
Authority	A provision of law or of a state or federal regulation permits or requires the regional agency to adopt, amend, or repeal the regulation.	HSC Sections 40001, 40702, and 41511. Clean Air Act, Title 1, §179(c)(9) and §182(c)(9).
Necessity	A need exists for the regulation, or its amendment, or appeal, as demonstrated by the record or rule making authority.	It is necessary for the NSAQMD to revise these rules in order to comply with the Clean Air Act and thereby avoid federal sanctions.
Clarity	The regulation is written or displayed so that its meaning can be easily	The proposed rules are written in such a manner that they can be easily

	understood by the persons directly affected by it.	understood by affected sources, and their subsections are descriptively titled.
Consistency	The regulation is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulation.	The NSAQMD has determined these rules are consistent with State and federal regulations.
Non-duplication	A regulation does not impose the same requirements as an existing state or federal regulation unless a district finds that the requirements are necessary or proper to execute the powers and duties granted to, and imposed upon, a district.	The NSAQMD has evaluated the proposed rule revisions in light of existing rules and has found no duplication.
Reference	Any statute, court decision, or other provision of law that the district implements, interprets, or makes specific by adopting, amending, or repealing a regulation.	This rule is being proposed consistent with the requirements of CAA, Title 1, §179(c)(9) and §182(c)(9), EPA guidance, and 40 CFR Part 51.

RECOMMENDATION

Approval by the Northern Sierra Air Quality Management District Board of Directors of the above findings and proposed Rule 230.

**REGULATION II
PROHIBITIONS**

RULE 230

ARCHITECTURAL COATINGS

CONTENTS

1 GENERAL

- 1.1 Purpose
- 1.2 Applicability
- 1.3 Exemptions

2 DEFINITIONS

- 2.1 Adhesive
- 2.2 Aerosol Coating Product
- 2.3 Aluminum Roof Coating
- 2.4 Appurtenances
- 2.5 Architectural Coating
- 2.6 ASTM
- 2.7 Basement Specialty Coating
- 2.8 BAAQMD
- 2.9 Bitumens
- 2.10 Bituminous Roof Coating
- 2.11 Bituminous Roof Primer
- 2.12 Bond Breaker
- 2.13 Building Envelope
- 2.14 Building Envelope Coating
- 2.15 CARB
- 2.16 Coating
- 2.17 Colorant
- 2.18 Concrete Curing Compound
- 2.19 Concrete/Masonry Sealer
- 2.20 Conversion Varnish
- 2.21 Driveway Sealer
- 2.22 Dry Fog Coating
- 2.23 Exempt Compound
- 2.24 Faux Finishing Coating
- 2.25 Fire-Resistive Coating
- 2.26 Flat Coating
- 2.27 Floor Coating
- 2.28 Form-Release Compound

- 2.72 VOC Content
- 2.73 VOC Regulatory
- 2.74 Waterproofing Membrane
- 2.75 Western Nevada County
- 2.76 Wood Coating
- 2.77 Wood Preservative
- 2.78 Wood Substrate
- 2.79 Zinc-Rich Primer

3 STANDARDS

- 3.1 VOC Content Limits
- 3.2 Coating Not Listed in Table 1
- 3.3 Most Restrictive VOC Content Limits
- 3.4 Sell-through Provisions
- 3.5 Thinning
- 3.6 Painting Practices
- 3.7 Colorants

4 CONTAINER LABELING REQUIREMENTS

- 4.1 Date Code
- 4.2 Thinning Recommendations
- 4.3 VOC Content
- 4.4 Faux Finishing Coatings
- 4.5 Industrial Maintenance Coatings
- 4.6 Reactive Penetrating Sealers
- 4.7 Rust Preventative Coatings
- 4.8 Specialty Primers, Sealers, and Undercoaters
- 4.9 Stone Consolidants
- 4.10 Wood Coating
- 4.11 Zinc Rich Primers

5 REPORTING REQUIREMENTS

- 5.1 Sales Data

6 COMPLIANCE PROVISIONS AND TESTING REQUIREMENTS

- 6.1 Calculations of VOC Content
- 6.2 VOC Content of Coatings
- 6.3 Alternative Test Method
- 6.4 Methacrylate Traffic Marking Coatings
- 6.5 Test Methods

7 VIOLATIONS

1 GENERAL

1.1 Purpose: To limit the quantity of Volatile Organic Compounds (VOCs) in architectural coatings supplied, sold, offered for sale, applied, solicited for application, or manufactured for use within the Western Nevada County (definition, see Section 2.74).

1.2 Applicability: Except as provided in Section 1.3 below, this Rule is applicable to any person who: (1) supplies, sells, offers for sale, or manufactures any architectural coating for use within the Western Nevada County; (2) manufactures, blends, or repackages any architectural coating for use within Western Nevada County; (3) applies or solicits the application of any architectural coating within the Western Nevada County.

1.2.1 On and after 60 days following the effective date of the U.S. Environmental Protection Agency's (EPA) final determination that the Western Nevada County ozone nonattainment area has failed to meet a Reasonable Further Progress (RFP) milestone for the 2015 8-hour Ozone National Ambient Air Quality Standard or failed to reach attainment by the prescribed attainment date of August 3, 2027, as described in Clean Air Act Sections 172(c)(9) and 182(c)(9), this rule shall be implemented only in the Western Nevada County nonattainment area.

1.3 Exemptions: This Rule does not apply to:

1.3.1 Any architectural coating that is sold or manufactured for use outside of the Western Nevada County or for shipment to other manufacturers for reformulation or repackaging.

1.3.2 Any aerosol coating product.

1.3.3 With the exception of section 5, this rule does not apply to any architectural coating that is sold in a container with a volume of one liter (1.057 quart) or less provided the following requirements are met:

1.3.3.1 The coating container is not bundled together with other containers of the same specific coating category (listed in **Table 1**) to be sold as a unit that exceeds one liter (1.057 quart), excluding containers packed together for shipping to a retail outlet, and

1.3.3.2 The label or any other product literature does not suggest combining multiple containers of the same specific category (listed in **Table 1**) so that the combination exceeds one liter (1.057 quart).

1.3.4 Colorant added at the factory or at the worksite is not subject to the VOC limit in **Table 2**. In addition, containers of colorant sold at the point of sale for use in the field or on a job site are also not subject to

the VOC limit in **Table 2**.

2 DEFINITIONS

- 2.1 Adhesive:** Any chemical substance that is applied for the purpose of bonding two surfaces together other than by mechanical means.
- 2.2 Aerosol Coating Product:** A pressurized coating product containing pigments or resins that dispense product ingredients by means of a propellant and is packaged in a disposable can for hand-held application, or for use in specialized equipment for ground traffic/marketing applications.
- 2.3 Aluminum Roof Coating:** A coating labeled and formulated exclusively for application to roofs and containing at least 84 grams of elemental aluminum pigment per liter of coating (at least 0.7 pounds per gallon). Pigment content shall be determined in accordance with SCAQMD Method 318-95, incorporated by reference in Section 6.5.4.
- 2.4 Appurtenances:** Any accessory to a stationary structure coated at the site of installation, whether installed or detached, including but not limited to: bathroom and kitchen fixtures; cabinets; concrete forms; doors; elevators; fences; hand railings; heating equipment, air conditioning equipment, and other fixed mechanical equipment or stationary tools; lampposts; partitions; pipes and piping systems; rain-gutters and down-spouts; stairways, fixed ladders, catwalks, and fire escapes; and window screens.
- 2.5 Architectural Coating:** A coating to be applied to stationary structures and their appurtenances at the site of installation, to portable buildings at the site of installation, to pavements, or to curbs. Coatings applied in shop applications or to non-stationary structures such as airplanes, ships, boats, railcars, and automobiles, and adhesives are not considered architectural coatings for the purpose of this Rule.
- 2.6 ASTM:** ASTM International
- 2.7 Basement Specialty Coating:** A clear or opaque coating that is labeled and formulated for application to concrete and masonry surfaces to provide a hydrostatic seal for basements and other below-grade surfaces. Basement Specialty Coatings must meet the following criteria:
- 2.7.1** Coating must be capable of withstanding at least 10 psi of hydrostatic pressure, as determined in accordance with ASTM D7088-17, which is incorporated by reference in Section 6.5.12; and
- 2.7.2** Coating must be resistant to mold and mildew growth and must achieve a microbial growth rating of 8 or more, as determined in accordance with ASTM D3273-16 and ASTM D3274-09 (2017), incorporated by reference in Section 6.5.19.
- 2.8 BAAQMD:** Bay Area Air Quality Management District.

- 2.9 Bitumens:** Black or brown materials including, but not limited to, asphalt, tar, pitch, and asphaltite that are soluble in carbon disulfide, consist mainly of hydrocarbons, and are obtained from natural deposits or as residues from the distillation of crude petroleum or coal.
- 2.10 Bituminous Roof Coating:** A coating which incorporates bitumens that is labeled and formulated exclusively for roofing.
- 2.11 Bituminous Roof Primer:** A primer which incorporates bitumens that is labeled and formulated exclusively for roofing.
- 2.12 Bond Breaker:** A coating labeled and formulated for application between layers of concrete to prevent a freshly poured top layer of concrete from bonding to the layer over which it is poured.
- 2.13 Building Envelope:** The ensemble of exterior and demising partitions of a building that enclose conditioned space.
- 2.14 Building Envelope Coating:** The fluid applied coating applied to the building envelope to provide a continuous barrier to air or vapor leakage through the building envelope that separates conditioned from unconditioned spaces. Building Envelope Coatings are applied to diverse materials including, but not limited to, concrete masonry units (CMU), oriented strand board (OSB), gypsum board, and wood substrates and must meet the following performance criteria:
- 2.14.1** Air Barriers formulated to have an air permeance not exceeding 0.004 cubic feet per minute per square foot under a pressure differential of 1.57 pounds per square foot (0.004 cfm/ft² @ 1.57 psf), [0.02 liters per square meter per second under a pressure differential of 75 Pa (0.02 L/(s m²) @ 75 Pa)] when tested in accordance with ASTM E2178-13, incorporated by reference in Section 6.5.9; and/or
- 2.14.2** Water Resistive Barriers formulated to resist liquid water that has penetrated a cladding system from further intruding into the exterior wall assembly and is classified as follows:
- 2.14.2.1** Passes water resistance testing accordance to ASTM E331-00(2016), incorporated by reference in Section 6.5.24; and
- 2.14.2.2** Water vapor permeance is classified in accordance with ASTM E96/E96M-16, incorporated by reference in Section 6.5.25.
- 2.15 CARB:** California Air Resources Board.
- 2.16 Coating:** A material applied onto or impregnated into a substrate for protective, decorative, or functional purposes. Such materials include, but are not limited

to, paints, varnishes, sealers, and stains.

- 2.17 Colorant:** A concentrated pigment dispersion in water, solvent, and/or binder that is added to an architectural coating after packaging in sale units to produce the desired color.
- 2.18 Concrete Curing Compound:** A coating labeled and formulated for application to freshly poured concrete to perform one or more of the following functions:
- 2.18.1** Retard the evaporation of water; or
 - 2.18.2** Harden or dustproof the surface of freshly poured concrete.
- 2.19 Concrete/Masonry Sealer:** A clear or opaque coating that is labeled and formulated primarily for application to concrete and masonry surfaces to perform one or more of the following functions:
- 2.19.1** Prevent penetration of water;
 - 2.19.2** Provide resistance against abrasion, alkalis, acids, mildew, staining, or ultraviolet light; or
 - 2.19.3** Harden or dustproof the surface of aged or cured concrete.
- 2.20 Conversion varnish:** A clear acid curing coating with an alkyd or other resin blended with amino resins and supplied as a single component or two component products. Conversion varnishes produce a hard, durable, clear finish designed for professional application to wood flooring. The film formation is the result of an acid-catalyzed condensation reaction, affecting a transesterification at the reactive ethers of the amino resins.
- 2.21 Driveway Sealer:** A coating labeled and formulated for application to worn asphalt driveway surfaces to perform one or more of the following functions:
- 2.21.1** Fill cracks; or
 - 2.21.2** Seal the surface to provide protection; or
 - 2.21.3** Restore or preserve the appearance.
- 2.22 Dry Fog Coating:** A coating labeled and formulated only for spray application such that overspray droplets dry before subsequent contact with incidental surfaces in the vicinity of the surface coating activity.
- 2.23 Exempt Compound:** A compound identified as exempt under the definition of Volatile Organic Compound (VOC), Section 2.69.
- 2.24 Faux Finishing Coating:** A coating labeled and formulated to meet one or more of the following criteria:
- 2.24.1** A glaze or textured coating used to create artistic effects, including, but not limited to: dirt, suede, old age, smoke damage, and simulated marble and wood grain; or

- 2.24.2 A decorative coating used to create a metallic, iridescent, or pearlescent appearance that contains at least 48 grams of pearlescent mica pigment or other iridescent pigment per liter of coating as applied (at least 0.4 pounds per gallon); or
 - 2.24.3 A decorative coating used to create a metallic appearance that contains less than 48 grams of elemental metallic pigment per liter of coating as applied (less than 0.4 pounds per gallon), when tested in accordance with SCAQMD Method 318-95, incorporated by reference in Section 6.5.4; or
 - 2.24.4 A decorative coating used to create a metallic appearance that contains greater than 48 grams of elemental metallic pigment per liter of coating as applied (greater than 0.4 pounds per gallon) and which requires a clear topcoat to prevent the degradation of the finish under normal use conditions. The metallic pigment content shall be determined in accordance with SCAQMD Method 318-95, incorporated by reference in Section 6.5.4; or
 - 2.24.5 A clear topcoat to seal and protect a Faux Finishing coating that meets the requirements of Section 2.23.1, 2.23.2, 2.23.3, or 2.23.4. These clear topcoats must be sold and used solely as part of a Faux Finishing coating system and must be labeled in accordance with Section 4.4.
- 2.25 Fire-Resistive Coating:** An opaque coating labeled and formulated to protect the structural integrity by increasing the fire endurance of interior or exterior steel and other structural materials, that has been fire tested and rated by a testing agency approved by building code officials for use in bringing assemblies of structural materials into compliance with federal, state, and local building code requirements. The fire-resistive coating and the testing agency must be approved by building code officials. The fire-resistive coating shall be tested in accordance with the ASTM Designation E 119-98. The fire-resistive coatings and the testing agency must also be approved by building code officials.
- 2.26 Flat Coating:** A coating that is not defined under any other definition in this Rule and that registers gloss less than 15 on an 85-degree meter, or less than 5 on a 60-degree meter in accordance with ASTM D523-14(2018) incorporated by reference in Section 6.5.3.
- 2.27 Floor Coating:** An opaque coating that is labeled and formulated for application to flooring, including, but not limited to, decks, porches, steps, and other horizontal surfaces which may be subject to foot traffic.
- 2.28 Form-Release Compound:** A coating labeled and formulated for application to a concrete form to prevent the freshly poured concrete from bonding to the form. The form may consist of wood, metal, or some other material other than concrete.
- 2.29 Graphic Arts Coating (Sign Paint):** A coating labeled and formulated for hand-application by artists using brush or roller techniques to indoor and outdoor

signs (excluding structural components) and murals including lettering enamels, poster colors, copy blockers, and bulletin enamels.

- 2.30 High-Temperature Coating:** A high performance coating labeled and formulated for application to substrates exposed continuously or intermittently to temperatures above 204°C (400°F).
- 2.31 Industrial Maintenance Coating:** A high performance architectural coating, including primers, sealers, undercoats, intermediate coats, and topcoats formulated for application to substrates, including floors, exposed to one or more of the following extreme environmental conditions listed in Sections 2.30.1 through 2.30.5, and labeled as specified in Section 4.5:
- 2.31.1** Immersion in water, wastewater, or chemical solutions (aqueous and non-aqueous solutions), or chronic exposure of interior surfaces to moisture condensation;
 - 2.31.2** Acute or chronic exposure to corrosive, caustic, or acidic agents, or to chemicals, chemical fumes, or chemical mixtures or solutions;
 - 2.31.3** Repeated exposure to temperatures above 121°C (250°F);
 - 2.31.4** Repeated (frequent) heavy abrasion, including mechanical wear and repeated (frequent) scrubbing with industrial solvents, cleansers, or scouring agents; or
 - 2.31.5** Exterior exposure of metal structures and structural components.
- 2.32 Interior Stain:** A stain labeled and formulated exclusively for use on interior surfaces.
- 2.33 Intumescent:** A material that swells as a result of heat exposure, thus increasing in volume and decreasing in density.
- 2.34 Low-Solids Coating:** A coating containing 0.12 kilogram or less of solids per liter (1 pound or less of solids per gallon) of coating material.
- 2.35 Magnesite Cement Coating:** A coating labeled and formulated for application to magnesite cement decking to protect the magnesite cement substrate from erosion by water.
- 2.36 Manufacturer's Maximum Thinning Recommendation:** The maximum recommendation for thinning that is indicated on the label or lid of the coating container.
- 2.37 Market:** To facilitate sales through third party vendors including, but not limited to, catalog or ecommerce sales that bring together buyers and sellers. For the purposes of this rule, market does not mean to generally promote or advertise coatings.
- 2.38 Mastic Texture Coating:** A coating labeled and formulated to cover holes and minor cracks and to conceal surface irregularities and is applied in a single coat

of at least 10 mils (0.010 inch) dry film thickness.

- 2.39 Medium Density Fiberboard (MDF):** A composite wood product, panel, molding, or other building material composed of cellulosic fibers (usually wood) made by dry forming and pressing of a resinated fiber mat.
- 2.40 Metallic Pigmented Coating:** A coating containing at least 48 grams of elemental metallic pigment per liter of coating as applied (0.4 pounds per gallon), when tested in accordance with SCAQMD Method 318-95.
- 2.41 Multi-Color Coating:** A coating that is packaged in a single container and that exhibits more than one color when applied in a single coat.
- 2.42 Nonflat Coating:** A coating that is not defined under any other definition in this rule and that registers a gloss of 15 or greater on an 85-degree meter and 5 or greater on a 60-degree meter according to ASTM D523-14(2018).
- 2.43 Particleboard:** A composite wood product panel, molding, or other building material composed of cellulosic material (usually wood) in the form of discrete particles, as distinguished from fibers, flakes, or strands, which are pressed together with resin.
- 2.44 Pearlescent:** Exhibiting various colors depending on the angles of illumination and viewing, as observed in mother-of-pearl.
- 2.45 Plywood:** A panel product consisting of layers of wood veneers or composite core pressed together with resin. Plywood includes panel products made by either hot or cold pressing (with resin) veneers to a platform.
- 2.46 Post-consumer Coating:** Finished coatings generated by a business or consumer that have served their intended end uses, and are recovered from or otherwise diverted from the waste stream for the purpose of recycling.
- 2.47 Pre-Treatment Wash Primer:** A primer that contains a minimum of 0.5 percent acid, by weight, and labeled and formulated for application directly to bare metal surfaces to provide corrosion resistance and to promote adhesion of subsequent topcoats. The acidity of a Pretreatment Wash Primer shall be measured by ASTM D1613-17.
- 2.48 Primer, Sealers and Undercoater:** Coatings labeled, formulated, and applied to substrates to:
- 2.48.1** Provide a firm bond between the substrate and subsequent coats; or
 - 2.48.2** Prevent subsequent coatings from being absorbed by the substrate; or
 - 2.48.3** Prevent harm to subsequent coatings by materials in the substrate; or
 - 2.48.4** Provide a smooth surface for the substrate application of coatings; or
 - 2.48.5** Provide a clear finish coat to seal the substrate; or
 - 2.48.6** Block materials from penetrating into or leaching out of a substrate.

2.49 Reactive Penetrating Sealer: A clear or pigmented coating that is labeled and formulated for application to above-grade concrete and masonry substrates to provide protection from water and waterborne contaminants, including, but not limited to, alkalis, acids, and salts. Reactive Penetrating Sealers must penetrate into concrete and masonry substrates and chemically react to form covalent bonds with naturally occurring minerals in the substrate. Reactive Penetrating Sealers line the pores of concrete and masonry substrates with a hydrophobic coating, but do not form a surface film. Reactive Penetrating Sealers must meet all of the following criteria:

- 7.1.1** The Reactive Penetrating Sealer must improve water repellency at least 80 percent after application on a concrete or masonry substrate. This performance must be verified on standardized test specimens, in accordance with one or more of the following standards, incorporated by reference in Section 6.5.19: ASTM C67/C67M-18, or ASTM C97/97M-18, or ASTM C140/C140M-18a; and
- 7.1.2** The Reactive Penetrating Sealer must provide a breathable waterproof barrier for concrete or masonry surfaces that does not prevent or substantially retard water vapor transmission. This performance must be verified on standardized test specimens, in accordance with ASTM E96/96M-16 or ASTM D6490-99 (2014), incorporated by reference in Section 6.5.20; and
- 7.1.3** Products labeled and formulated for vehicular traffic surface chloride screening applications must meet the performance criteria listed in the National Cooperative Highway Research Report 244 (1981), incorporated by reference in Section 6.5.21.

Reactive Penetrating Sealers must be labeled in accordance with Section 4.6.

2.50 Recycled Coating: An architectural coating formulated such that it contains a minimum of 50% by volume post-consumer coating, with a maximum of 50% by volume secondary industrial materials or virgin materials.

2.51 Residential: Areas where people reside or lodge, including, but not limited to, single and multiple family dwellings, condominiums, mobile homes, apartment complexes, motels, and hotels.

2.52 Roof Coating: A non-bituminous coating labeled and formulated for application to roofs for the primary purpose of preventing water penetration, reflecting ultraviolet light, or reflecting solar radiation.

2.53 Rust Preventative Coating: A coating formulated to prevent the corrosion of metal surfaces for one or more of the following applications:

- 2.53.1** Direct-to-metal coating; or
- 2.53.2** Coating intended for application over rusty, previously coated surfaces.

The Rust Preventative category does not include the following:

- 2.53.3** Coatings that are required to be applied as a topcoat over a primer; or
- 2.53.4** Coatings that are intended for use on wood or any other nonmetallic surface.

Rust Preventative coatings are for metal substrates only and must be labeled as such, in accordance with the labeling requirements in Section 4.7.

- 2.54 Secondary Industrial Materials:** Products or by-products of the paint manufacturing process that are of known composition and have economic value but can no longer be used for their intended purpose.
- 2.55 Semitransparent Coating:** A coating that contains binders and colored pigments and is formulated to change the color of the surface but not conceal its grain patterns or texture.
- 2.56 Shellac:** A clear or opaque coating formulated solely with the resinous secretions of the lac beetle (*Laccifer lacca*), thinned with alcohol, and formulated to dry by evaporation without a chemical reaction.
- 2.57 Shop Application:** Application of a coating to a product or a component of a product in or on the premises of a factory or a shop as part of a manufacturing, production, or repairing process (e.g., original equipment manufacturing coatings).
- 2.58 Solicit:** To require for use or to specify, by written or oral contract.
- 2.59 SCAQMD:** South Coast Air Quality Management District.
- 2.60 Specialty Primer, Sealer, and Undercoater:** Coatings formulated for application to a substrate to block water-soluble stains resulting from: fire damage, smoke damage; or water damage.

Specialty Primers, Sealers, and Undercoaters must be labeled in accordance with Section 4.8.

- 2.61 Stain:** A clear, semitransparent, or opaque coating labeled and formulated to change the color of a surface but not conceal the grain pattern or texture.
- 2.62 Stone Consolidant:** A coating that is labeled and formulated for application to stone substrates to repair historical structures that have been damaged by weathering or other decay mechanisms. Stone Consolidants must penetrate into stone substrates to create bonds between particles and consolidate deteriorated material. Stone Consolidants must be specified and used in accordance with ASTM E2167-01 (2008), incorporated by reference in Section 6.5.22.

Stone Consolidants are for professional use only and must be labeled as such, in accordance with the labeling requirements in Section 4.9.

- 2.63 Swimming Pool Coating:** A coating labeled and formulated to coat the interior of swimming pools and to resist swimming pool chemicals. Swimming pool coatings include coatings used for swimming pool repair and maintenance.
- 2.64 Tile and Stone Sealers:** A clear or pigmented sealer that is used for sealing tile, stone or grout to provide resistance against water, alkalis, acids, ultraviolet light or straining and which meet one of the following subcategories:
- 2.64.1** Penetrating sealers are polymer solutions that cross-link in the substrate and must meet the following criteria:
 - 2.64.1.1** A fine particle structure to penetrate dense tile such as porcelain with absorption as low as 0.10 percent per ASTM C373-18, ASTM C97/C97M-18, or ASTM C642-13, incorporated by reference in Section 6.5.26;
 - 2.64.1.2** Retain or increase static coefficient of friction per ANSI A137.1 (2019), incorporated by reference in Section 6.5.27.;
 - 2.64.1.3** Not create a topical surface film on the tile or stone; and
 - 2.64.1.4** Allow vapor transmission per ASTM E96/E96M-16, incorporated by reference in Section 6.5.28.
 - 2.64.2** Film forming sealers which leave a protective film on the surface.
- 2.65 Tint Base:** An architectural coating to which colorant is added after packaging in sale units to produce a desired color.
- 2.66 Traffic Marking Coating:** A coating labeled and formulated for marking and striping streets, highways, or other traffic surfaces, including, but not limited to, curbs, berms, driveways, parking lots, sidewalks, and airport runways. This coating category also includes Methacrylate Multicomponent Coatings used as traffic marking coatings. The VOC content of Methacrylate Multicomponent Coatings used as traffic marking coatings shall be analyzed by the procedures in 40 CFR Part 59, Subpart D, Appendix A, incorporated by reference in Section 6.5.11.
- 2.67 Tub and Tile Refinish Coating:** A clear or opaque coating that is labeled and formulated exclusively for refinishing the surface of a bathtub, shower, sink, or countertop. Tub and Tile Refinish coatings must meet all of the following criteria:
- 2.67.1** The coating must have a scratch hardness of 3H or harder and a gouge hardness of 4H or harder. This must be determined on bonderite 1000, in accordance with ASTM D3363-05 (2011)e2, incorporated by reference in Section 6.5.14; and
 - 2.67.2** The coating must have a weight loss of 20 milligrams or less after 1000 cycles. This must be determined with CS-17 wheels on bonderite 1000, in accordance with ASTM D4060-14, incorporated by reference in Section 6.5.15; and

- 2.67.3** The coating must withstand 1000 hours or more of exposure with few or no #8 blisters. This must be determined on unscribed bonderite, in accordance with ASTM D4585-99, and 2020 CARB SCM for Architectural Coatings California Air Resources Board 12 May 2020 ASTM D714-02 (2017), incorporated by reference in Section 6.5.16; and
- 2.67.4** The coating must have an adhesion rating of 4B or better after 24 hours of recovery. This must be determined on unscribed bonderite, in accordance with ASTM D4585-/D4585M-18 and ASTM D3359-17, incorporated by reference in Section 6.5.13.
- 2.68 Veneer:** Thin sheets of wood peeled or sliced from logs for use in the manufacture of wood products such as plywood, laminated veneer lumber, or other products.
- 2.69 Virgin Materials:** Materials that contain no post-consumer coatings or secondary industrial materials.
- 2.70 Volatile Organic Compound (VOC):** Any volatile compound containing at least one atom of carbon, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, and ammonium carbonate, and excluding the following:
- 2.70.1** methane;
 methylene chloride (dichloromethane);
 1,1,1-trichloroethane (methyl chloroform);
 trichlorofluoromethane (CFC-11);
 dichlorodifluoromethane (CFC-12);
 1,1,2-trichloro-1,2,2-trifluoroethane (CFC-113);
 1,2-dichloro-1,1,2,2-tetrafluoroethane (CFC-114);
 chloropentafluoroethane (CFC-115);
 chlorodifluoromethane (HCFC-22);
 1,1,1-trifluoro-2,2-dichloroethane (HCFC-123);
 2-chloro-1,1,1,2-tetrafluoroethane (HCFC-124);
 1,1-dichloro-1-fluoroethane (HCFC-141b);
 1-chloro-1,1-difluoroethane (HCFC-142b);
 trifluoromethane (HFC-23);
 pentafluoroethane (HFC-125);
 1,1,2,2-tetrafluoroethane (HFC-134);
 1,1,1,2-tetrafluoroethane (HFC-134a);
 1,1,1-trifluoroethane (HFC-143a);
 1,1-difluoroethane (HFC-152a);
 cyclic, branched, or linear completely methylated siloxanes; the following classes of perfluorocarbons:
 cyclic, branched, or linear, completely fluorinated alkanes;
 cyclic, branched, or linear, completely fluorinated ethers with no unsaturations;

cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations; and
 sulfur-containing perfluorocarbons with no unsaturations and with the sulfur bonds only to carbon and fluorine; and
2.70.2 the following low-reactive organic compounds which have been exempted by the U.S. EPA:
 acetone;
 ethane;
 parachlorobenzotrifluoride (1-chloro-4-trifluoromethyl benzene); perchloroethylene; and
 methyl acetate

2.71 VOC Actual: VOC Actual is the weight of VOC per volume of coating or colorant and it is calculated with the following equation:

$$\text{VOC Actual} = \frac{(W_s - W_w - W_{ec})}{(V_m)}$$

Where:

VOC Actual = the grams of VOC per liter of coating (also known as “Material VOC”).
 W_s = weight of volatiles, in grams.
 W_w = weight of water, in grams.
 W_{ec} = weight of exempt compounds, in grams.
 V_m = volume of coating, in liters.

2.72 VOC Content: The weight of VOC per volume of coating or colorant. VOC Content is VOC Regulatory, as defined in Section 2.72, for all coatings or colorants except those in the Low Solids category. For coatings or colorants in the Low Solids category, the VOC Content is VOC Actual, as defined in Section 2.70. If the coating is a multi-component product, the VOC content is VOC Regulatory as mixed or catalyzed. If the coating contains silanes, siloxanes, or other ingredients that generate ethanol or other VOCs during the curing process, the VOC content must include the VOCs emitted during curing.

2.73 VOC Regulatory: VOC Regulatory is the weight of VOC per volume of coating or colorant, less the volume of water and exempt compounds. It is calculated with the following equation:

$$\text{VOC Regulatory} = \frac{(W_s - W_w - W_{ec})}{(V_m - V_w - V_{ec})}$$

Where:

VOC Regulatory = the grams of VOC per liter of coating, less water and exempt compounds (also known as “Coating VOC”).
 W_s = weight of volatiles, in grams.
 W_w = weight of water, in grams.
 W_{ec} = weight of exempt compounds, in grams.
 V_m = volume of coating, in liters.
 V_w = volume of water, in liters.
 V_{ec} = volume of exempt compounds, in liters.

2.74 Waterproofing Membrane: A clear or opaque coating labeled and formulated for application to concrete and masonry surfaces to provide a seamless waterproofing membrane that prevents penetration of water into the substrate. Waterproofing Membranes are intended for the following waterproofing applications: below-grade surfaces, between concrete slabs, inside tunnels, inside concrete planters, and under flooring materials. The Waterproofing Membrane category does not include topcoats that are included in the Concrete/Masonry Sealer category (e.g., parking deck topcoats, pedestrian deck topcoats, etc.). Waterproofing Membranes must meet the following criteria:

- 2.74.1** Coating must be applied in a single coat of at least 25 mils (at least 0.025 inch) dry film thickness; and
- 2.74.2** Coatings must meet or exceed the requirements contained in ASTM C836/C836M-18 incorporated by reference in Section 6.5.17.

The Waterproofing Membrane category does not include topcoats that are included in the Concrete/Masonry Sealer category (e.g., parking deck topcoats, pedestrian deck topcoats, etc.).

2.75 Western Nevada County: Is based on a divide line that runs north/south near the Sierra crest, less than a mile east of the town of Soda Springs; the western portion of Nevada County, which lies west of a line, described as follows: Beginning at the Nevada-Placer County boundary and running north along the western boundaries of Sections 24, 13, 12, 1, Township 17 North, Range 14 East, Mount Diablo Base and Meridian, and Sections 36, 25, 24, 13, 12, Township 18 North, Range 14 East to the Nevada-Sierra County boundary.

2.76 Wood Coating: Coatings labeled and formulated for application to wood substrates only. The Wood Coatings category includes the following clear and semitransparent coatings: lacquers; varnishes; sanding sealers; penetrating oils; clear stains; wood conditioners used as undercoats; and wood sealers used as topcoats. The Wood Coatings category also includes the following opaque wood coatings: opaque lacquers; opaque sanding sealers; and opaque lacquer undercoaters. The Wood Coatings category does not include the following: clear sealers that are labeled and formulated for use on concrete/masonry surfaces; or coatings intended for substrates other than wood. Wood Coatings must be labeled “For Wood Substrates Only”, in accordance with Section 4.10.

2.77 Wood Preservative: A coating labeled and formulated to protect exposed wood from decay or insect attack, that is registered with both the EPA under the Federal Insecticide, Fungicide, and Rodenticide Act (7 United States Code (U.S.C.) Section 136, *et seq.*) and with the California Department of Pesticide Regulation.)

2.78 Wood Substrate: A substrate made of wood, particleboard, plywood, medium density fiberboard, rattan, wicker, bamboo, or composite products with exposed wood grain. Wood Products do not include items comprised of

simulated wood.

2.79 Zinc-Rich Primer: A coating that meets all of the following specifications:

- 2.79.1** Contains at least 65 percent metallic zinc powder or zinc dust by weight of total solids; and
- 2.79.2** Is formulated for application to metal substrates to provide a firm bond between the substrate and subsequent applications of coatings; and
- 2.79.3** Is intended for professional use only and is labeled as such, in accordance with the labeling requirements in Section 4.11.

3 STANDARDS

3.1 VOC CONTENT LIMITS: Except as provided in and 3.3 and 3.4 no person shall:

- a. manufacture, blend, or repackage for use within Western Nevada County;
- b. supply, sell, market, or offer for sale within Western Nevada County; or
- c. solicit for application or apply within the Western Nevada County, any architectural coating with a VOC content in excess of the corresponding limit specified in **Table 1**, after the specified effective date in **Table 1**. Limits are expressed as VOC Regulatory, thinned to the manufacturer's maximum thinning recommendation, excluding any colorant added to tint bases.

TABLE 1: VOC CONTENT LIMITS FOR ARCHITECTURAL COATINGS

Coating Category	Effective 1/1/2022)
Flat Coatings	50
Nonflat Coatings	100
Nonflat-High Gloss	150
Specialty Coatings:	
Aluminum Roof Coating	100
Basement Specialty Coating	400
Bituminous Roof Coating	50
Bituminous Roof Primers	350
Bond Breakers	350
Building Envelope Coatings	50
Concrete Curing Compounds	350
Concrete/Masonry Sealers	100
Conversion Varnish	550
Driveway Sealers	50
Dry Fog Coating	50
Faux Finishing Coating	350
Fire Resistant Coating	150
Floor Coatings	50

Form-Release Compounds	100
Graphic Arts Coating (Sign Paints)	500
High Temperature Coating	420
Industrial Maintenance Coatings	250
Low Solids Coatings	120
Magnesite Cement Coatings	450
Mastic Texture Coatings	100
Metallic Pigmented Coatings	500
Multi-Color Coatings	250
Pre-Treatment Wash Primers	420
Primers, Sealers, and Undercoaters	100
Reactive Penetrating Sealers	350
Recycled Coatings	250
Roof Coatings	50
Rust Preventative Coatings	250
Shellacs:	
• Clear	730
• Opaque	550
Specialty Primers, Sealers, and Undercoaters	100
Stains (Exterior/Dual, Interior)	100
Stone Consolidants	450
Swimming Pool Coatings	340
Tile and Stone Sealers	100
Traffic Marking Coatings	100
Tube and Tile Refinish Coatings	420
Waterproofing Membrane	100
Wood Coating	275
Wood Preservatives	350
Zinc-Rich Primers	340

3.2 Coating Not Listed in Table 1. VOC Content of Coatings : For any coating that does not conform with any of the definitions for the specialty coating categories listed in **Table 1**, the VOC content limit shall be determined by classifying the coating as a Flat or Nonflat coating, based on its gloss, as defined in Sections 2.25 and 2.41 and the corresponding Flat or Nonflat VOC limit in **Table 1** shall apply.

3.3 Most Restrictive VOC Content Limits: If a coating meets the definition in Section 2 for one or more specialty coating categories that are listed in **Table 1**, then that coating is not required to meet the VOC limits for Flat or Nonflat, but is required to meet the VOC limit for the applicable specialty coating listed in **Table 1**.

With the exception of the specialty coating categories specified in Sections 3.3.1 through 3.3.12, if a coating is recommended for use in more than one of the specialty coating categories listed in **Table 1**, the most restrictive (or lowest) VOC content limit shall

apply. This requirement applies to: usage recommendations that appear anywhere on the coating container, anywhere on any label or sticker affixed to the container, or in any sales, advertising, or technical literature supplied by a manufacturer or anyone acting on their behalf. This provision does not apply to the specialty coating categories specified below:

- 3.3.1 Metallic pigmented coatings.
- 3.3.2 Shellacs.
- 3.3.3 Pretreatment wash primers.
- 3.3.4 Industrial maintenance coatings.
- 3.3.5 Low-solids coatings.
- 3.3.6 Wood preservatives.
- 3.3.7 High temperature coatings.
- 3.3.8 Bituminous roof primers.
- 3.3.9 Specialty primers, sealers, and undercoaters.
- 3.3.10 Aluminum roof coatings.
- 3.3.11 Zinc-rich primers.
- 3.3.12 Wood Coatings

3.4 Sell-through Provisions: Coatings or colorants manufactured prior to January 1, 2022, shall comply with the following requirements:

3.4.1 A coating manufactured prior to January 1, 2022, may be sold, supplied, or offered for sale for up to three years after January 1, 2022. In addition, a coating manufactured before January 1, 2022, may be applied at any time, both before and after January 1, 2022, so long as the coating complied with all applicable provisions of this rule. This provision does not apply to any coating that does not display the date or date-code required by Section 4.1.

3.4.2 A colorant manufactured prior to January 1, 2022, may be sold, supplied, or offered for sale for up to three years after January 1, 2022. In addition, a colorant manufactured before January 1, 2022, may be applied at any time, both before and after January 1, 2022, so long as the colorant complied with all applicable provisions of this rule. This provision does not apply to any colorant that does not display the date or date-code required by Section 4.12.1.

3.5 Thinning: No person who applies or solicits the application of any architectural coating shall apply or specify the application of a coating that is thinned to exceed the applicable VOC limit specified in **Table 1**.

3.6 Painting Practices: All architectural coating containers used to apply the contents therein to a surface directly from the container by pouring, siphoning, brushing, rolling, padding, ragging or other means, shall be closed when not in use. These architectural coating containers include, but are not limited to, drums, buckets, cans, pails, trays or other application containers. Containers of

any VOC-containing materials used for thinning and cleanup shall also be closed when not in use.

- 3.7 Colorants:** No person within Western Nevada County shall, at the point of sale of any architectural coating subject to Section 3.1, add to such coating any colorant that contains VOC in excess of the corresponding applicable VOC limit specified in **Table 2. VOC Content of Colorants.** The point of sale includes retail outlets that add colorant to a coating container to obtain a specific color.

Table 2. VOC Content of Colorants

Colorant Added To	VOC
Coating Categories	Grams/liter
Architectural Coatings, excluding Industrial Maintenance Coatings	50
Solvent-Based Industrial Maintenance Coatings	600
Waterborne Industrial Maintenance Coatings	50
Wood Coatings	600

4 CONTAINER LABELING REQUIREMENTS

4.1 Date Code: The date the coating was manufactured, or a date code representing the date, shall be indicated on the label, lid, or bottom of the container. If the manufacturer uses a date code for any coating, the manufacturer shall file an explanation of each code with the Executive Officer of the Air Resources Board (ARB).

4.2 Thinning Recommendations: The manufacturer’s thinning recommendations shall be indicated on the label or lid of the container. This requirement does not apply to the thinning of architectural coatings with water. If thinning of the coating prior to use is not necessary, the recommendation must specify that the coating is to be applied without thinning.

4.3 VOC Content: Each container of any coating subject to this rule shall display one of the following values in grams of VOC per liter of coating:

- 4.3.1** Maximum VOC Content as determined from all potential product formulations; or
- 4.3.2** VOC Content as determined from actual formulation data; or
- 4.3.3** VOC Content as determined using the test methods in Section 6.2.

If the manufacturer does not recommend thinning, the container must display the VOC Content, as supplied. If the manufacturer recommends thinning, the container must display the VOC Content, including the maximum amount of thinning solvent recommended by the manufacturer. If the coating is a multi-component product, the container must display the

VOC content as mixed or catalyzed. If the coating contains silanes, siloxanes, or other ingredients that generate ethanol or other VOCs during the curing process, the VOC content must include the VOCs emitted during curing. VOC Content shall be determined as defined in Sections 2.70, 2.71, and 2.72.

- 4.4 Faux Finishing Coatings:** The labels of all clear topcoat faux finishing coatings shall prominently display the following statement: “This product can only be sold or used as a part of a Faux Finishing coating system”.
- 4.5 Industrial Maintenance Coatings:** The labels of all Industrial Maintenance coatings shall prominently display the statement “For industrial use only” or “For professional use only”.
- 4.6 Reactive Penetrating Sealers:** The labels of reactive penetrating sealers shall prominently display the statement “Reactive Penetrating Sealer”.
- 4.7 Rust Preventative Coatings:** The labels of all rust preventative coatings shall prominently display the statement “For Metal Substrates Only”.
- 4.8 Specialty Primers, Sealers, and Undercoaters:** The labels of all specialty primers, sealers, and undercoaters shall prominently display the statement “Specialty Primer, Sealer, Undercoater”.
- 4.9 Stone Consolidants:** The labels of Stone Consolidants shall prominently display the statement “Stone Consolidant – For Professional Use Only”.
- 4.10 Wood Coating:** The labels of Wood Coatings shall prominently display the statement “For Wood Substrates Only”.
- 4.11 Zinc Rich Primers:** The labels of Zinc-Rich Primers shall prominently display the statement “For professional use only”.
- 4.12** Effective January 1, 2022, each manufacturer of any colorant subject to this rule shall display the information listed in Sections 4.12.1 and 4.12.2 on the container (or its label) in which the colorant is sold or distributed.
 - 4.12.1 Date Code:** The date the colorant was manufactured, or a date code representing the date, shall be indicated on the label, lid, or bottom of the container. If the manufacturer uses a date code for any colorant, the manufacturer shall file an explanation of each code with the Executive Officer.
 - 4.12.2 VOC Content:** Each container of any colorant subject to this rule shall display one of the following values in grams of VOC per liter of colorant:
 - 4.12.2.1 Maximum VOC Content** as determined from all

- potential product formulations; or
- 4.12.2.2** VOC Content as determined from actual formulation data; or
- 4.12.2.3** VOC Content as determined using the test methods in Section 6.2.

If the colorant contains silanes, siloxanes, or other ingredients that generate ethanol or other VOCs during the curing process, the VOC content must include the VOCs emitted during curing. VOC Content shall be determined as defined in Sections 2.69, 2.70, and 2.71.

5 REPORTING REQUIREMENTS

5.1 Sales Data: A responsible official from each manufacturer shall upon request of the Executive Officer of the CARB, or his or her delegate, provide data concerning the distribution and sales of architectural coatings. The responsible official shall within 180 days provide information, including, but not limited to:

- 5.1.1** the name and mailing address of the manufacturer;
- 5.1.2** the name, address, and telephone number of a contact person;
- 5.1.3** the name of the coating product as it appears on the label and the applicable coating category;
- 5.1.4** whether the product is marketed for interior or exterior use or both;
- 5.1.5** the number of gallons sold in California in containers greater than one liter (1.057 quart) and equal to or less than one liter (1.057 quart);
- 5.1.6** the VOC Actual content and VOC Regulatory content in grams per liter. If thinning is recommended, list the VOC Actual content and VOC Regulatory content after maximum recommended thinning. If containers less than one liter have a different VOC content than containers greater than one liter, list separately. If the coating is a multi-component product, provide the VOC content as mixed or catalyzed;
- 5.1.7** the names and CAS numbers of the VOC constituents in the product;
- 5.1.8** the names and CAS numbers of any compounds in the product specifically exempted from the VOC definition, as listed in Section 2.69.1 or 2.69.2;
- 5.1.9** whether the product is marketed as solventborne, waterborne, or 100% solids;
- 5.1.10** description of resin or binder in the product;
- 5.1.11** whether the coating is a single-component or multi-component product;
- 5.1.12** the density of the product in pounds per gallon;
- 5.1.13** the percent by weight of: solids, all volatile materials, water, and any compounds in the product specifically exempted from the VOC definition, as listed in Section 2.69.1 or 2.69.2; and
- 5.1.14** the percent by volume of: solids, water, and any compounds in the product specifically exempted from the VOC definition, as listed in Section 2.69.1 or 2.69.2.

All sales data listed in Sections 5.1.1 to 5.1.14 shall be maintained by the responsible official for a minimum of three years. Sales data submitted by the responsible official to the Executive Officer of the ARB may be claimed as confidential, and such information shall be handled in accordance with the procedures specified in Title 17, California Code of Regulations Sections 91000-91022.

6 COMPLIANCE PROVISIONS AND TESTING REQUIREMENTS

- 6.1 Calculations of VOC Content:** For the purpose of determining compliance with the VOC content limits in **Table 1** or **Table 2**, the VOC content of a coating or colorant shall be determined as defined in Section 2.70, 2.71, or 2.72. The VOC content of a tint base shall be determined without colorant that is added after the tint base is manufactured. If the manufacturer does not recommend thinning, the VOC Content must be calculated for the product as supplied. If the manufacturer recommends thinning, the VOC Content must be calculated including the maximum amount of thinning solvent recommended by the manufacturer. If the coating is a multi-component product, the VOC content must be calculated as mixed or catalyzed. If the coating contains silanes, siloxanes, or other ingredients that generate ethanol or other VOCs during the curing process, the VOC content must include the VOCs emitted during curing.
- 6.2 VOC Content of Coatings:** The VOC content of coatings or colorants shall be determined by the following:
- 6.2.1** To determine the physical properties of a coating or colorant in order to perform the calculations in Section 2.70 or 2.72, the reference method for VOC content is U.S. EPA Method 24, incorporated by reference in Section 6.5.9, except as provided in Sections 6.3 and 6.4.
 - 6.2.2** An alternative method to determine the VOC content of coatings or colorants is SCAQMD Method 304-91 (Revised 1996), incorporated by reference in Section 6.5.9.
 - 6.2.3** The exempt compounds content shall be determined by SCAQMD Method 303-91 (Revised 1996), BAAQMD Method 43 (Revised 2005), or BAAQMD Method 41 (Revised 2005), as applicable, incorporated by reference in Sections 6.5.8, 6.5.6, and 6.5.7, respectively.
 - 6.2.4** To determine the VOC content of a coating or colorant, the manufacturer may use U.S. EPA Method 24, or an alternative method as provided in Section 6.3, formulation data, or any other reasonable means for predicting that the coating or colorant has been formulated as intended (e.g., quality assurance checks, record keeping). However, if there are any inconsistencies between the results of a Method 24 test and any other means for determining VOC content, the Method 24 test results will govern, except when an alternative method is approved as specified in Section 6.3.

- 6.2.5** To determine the VOC content of a coating or colorant with a VOC content of 150 g/l or less, the manufacturer may use SCAQMD Method 313, incorporated by reference in Section 6.5.29, ASTM D6886-18, incorporated by reference in Section 6.5.30, or any other reasonable means for predicting that the coating or colorant has been formulated as intended (e.g., quality assurance checks, record keeping).
- 6.2.6** The Western Nevada County Air Pollution Control Officer (APCO) may require the manufacturer to conduct a Method 24 analysis.
- 6.3** **Alternative Test Method:** Alternatively, the VOC content of coatings or colorants may be determined by SCAQMD Method 304-91 (1996), “Determination of Volatile Organic Compounds (VOC) in Various Materials”, SCAQMD “Laboratory Methods of Analysis for Enforcement Samples”.
- 6.4** **Methacrylate Traffic Marking Coatings:** Analysis of methacrylate multicomponent coatings used as traffic marking coatings shall be conducted according to a modification of U.S. EPA Method 24 (40 CFR 59, subpart D, Appendix A), incorporated by reference in Section 6.5.11. This method has not been approved for methacrylate multicomponent coatings used for other purposes than as traffic marking coatings or for other classes of multicomponent coatings.
- 6.5** **Test Methods:** The following test methods are incorporated by reference herein, and shall be used to test coatings subject to the provisions of this rule:
- 6.5.1** **Flame Spread Index:** The flame spread index of a fire-retardant coating shall be determined by ASTM E84-18b, “Standard Test Method for Surface Burning Characteristics of Building Materials” (see section 2, Fire-Retardant Coating).
- 6.5.2** **Fire Resistance Rating:** The fire resistance rating of fire-resistive coatings shall be determined by ASTM E119-20, “Standard Test Methods for Fire Tests of Building Construction and Materials” (see section 2, Fire-Resistive Coating).
- 6.5.3** **Gloss Determination:** The gloss of flat and nonflat coatings shall be determined by ASTM D523- 14(2018), “Standard Test Method for Specular Gloss” (see section 2, Flat Coating and Nonflat Coating).
- 6.5.4** **Metal Content of Coatings:** SCAQMD Method 318-95, “Determination of Weight Percent Elemental Metal in Coatings by X-Ray Diffraction,” SCAQMD Laboratory Methods of Analysis for Enforcement Samples (see section 2, Aluminum Roof, Faux Finishing, and Metallic Pigmented Coating).
- 6.5.5** **Acid Content of Coatings:** The acid content of Pretreatment Wash Primer shall be determined by ASTM D1613-17, “Standard Test Method for Acidity in Volatile Solvents and Chemical Intermediates

Used in Paint, Varnish, Lacquer, and Related Products” (see section 2, Pre-treatment Wash Primer).

- 6.5.6 Exempt Compounds – Siloxanes:** Cyclic, branched, or linear completely methylated siloxanes shall be analyzed by BAAQMD Test Method 43, “Determination of Volatile Methylsiloxanes in Solvent Based Coatings, Inks, and Related Materials”, BAAQMD Manual of Procedures, Volume III, adopted 05/18/2005 (see section 2, Volatile Organic Compound, and Section 6.2).
- 6.5.7 Exempt Compounds – Parachlorobenzotrifluoride (PCBTF):** PCBTF shall be analyzed by BAAQMD Test Method 41, “Determination of Volatile Organic Compounds in Solvent Based Coatings and Related Materials Containing Parachlorobenzotrifluoride”, BAAQMD Manual of Procedures, Volume III, adopted 05/18/2005 (see section 2, Volatile Organic Compound, and Section 6.2).
- 6.5.8 Exempt Compounds:** The content of compounds exempt under EPA Test Method 24 shall be analyzed by SCAQMD Method 303-91 (1993), “Determination of Exempt Compounds”, SCAQMD “Laboratory Methods of Analysis for Enforcement Samples” (see section 4, Volatile Organic Compound, and Section 6.2).
- 6.5.9 VOC Content of Coatings:** The VOC content of a coating shall be determined by U.S. EPA Method 24 as it exists in appendix A of 40 Code of Federal Regulations (CFR) part 60, “Determination of Volatile Matter Content, Water Content, Density, Volume Solids, and Weight Solids of Surface Coatings” (see Section 6.2).
- 6.5.10 Alternative VOC Content of Coatings:** The VOC content of coatings may be analyzed either by U.S. EPA Method 24 or SCAQMD Method 304-91 (Revised 1996), “Determination of Volatile Organic Compounds (VOC) in Various Materials,” SCAQMD Laboratory Methods of Analysis for Enforcement Samples (see Section 6.2).
- 6.5.11 Methacrylate Traffic Marking Coatings:** The VOC content of methacrylate multicomponent coatings used as traffic marking coatings shall be analyzed by the procedures in 40 CFR part 59, subpart D, appendix A, “Determination of Volatile Matter Content of Methacrylate Multicomponent Coatings Used as Traffic Marking Coatings” (see Section 6.4).
- 6.5.12 Hydrostatic Pressure for Basement Specialty Coatings:** ASTM D7088-17, “Standard Practice for Resistance to Hydrostatic Pressure for Coatings Used in Below Grade Applications Applied to Masonry” (see section 2, Basement Specialty Coating).

- 6.5.13 Tub and Tile Refinish Coating Adhesion:** ASTM D4585/4585M-18, “Standard Practice for Testing Water Resistance of Coatings Using Controlled Condensation” and ASTM D3359-17, “Standard Test Methods for Measuring Adhesion by Tape Test” (see section 2, Tub and Tile Refinish Coating).
- 6.5.14 Tub and Tile Refinish Coating Hardness:** ASTM D3363-05 (2011)e2, “Standard Test Method for Film Hardness by Pencil Test” (see section 2, Tub and Tile Refinish Coating).
- 6.5.15 Tub and Tile Refinish Coating Abrasion Resistance:** ASTM D4060-14, “Standard Test Methods for Abrasion Resistance of Organic Coatings by the Taber Abraser” (see section 2, Tub and Tile Refinish Coating).
- 6.5.16 Tub and Tile Refinish Coating Water Resistance:** ASTM D4585/4585M-18, “Standard Practice for Testing Water Resistance of Coatings Using Controlled Condensation” and ASTM D714-02 (2017), “Standard Test Method for Evaluating Degree of Blistering of Paints” (see section 2, Tub and Tile Refinish Coating).
- 6.5.17 Waterproof Membrane:** ASTM C836/836M-18, “Standard Specification for High Solids Content, Cold Liquid-Applied Elastomeric Waterproofing Membrane for Use with Separate Wearing Course” (see section 2, Waterproofing Membrane).
- 6.5.18 Mold and Mildew Growth for Basement Specialty Coatings:** ASTM D3273-16, “Standard Test Method for Resistance to Growth of Mold on the Surface of Interior Coatings in an Environmental Chamber” and ASTM D3274-09 (2017), “Standard Test Method for Evaluating Degree of Surface Disfigurement of Paint Films by Fungal or Algal Growth or Soil and Dirt Accumulation” (see section 2, Basement Specialty Coating).
- 6.5.19 Reactive Penetrating Sealer Water Repellency:** ASTM C67/C67M-18, “Standard Test Methods for Sampling and Testing Brick and Structural Clay Tile”; or ASTM C97/97M-18, “Standard Test Methods for Absorption and Bulk Specific Gravity of Dimension Stone”; or ASTM C140/140M-18a, “Standard Test Methods for Sampling and Testing Concrete Masonry Units and Related Units” (see section 2, Reactive Penetrating Sealer).
- 6.5.20 Reactive Penetrating Sealer Water Vapor Transmission:** ASTM E96/E96M-16, “Standard Test Method for Water Vapor Transmission of Materials”; or ASTM D6490-99 (2014), “Standard Test Method for Water Vapor Transmission of Nonfilm Forming Treatments Used on Cementitious Panels” (see section 2, Reactive Penetrating Sealer).

- 6.5.21 Reactive Penetrating Sealer- Chloride Screening Applications:** National Cooperative Highway Research Report 244 (1981), “Concrete Sealers for the Protection of Bridge Structures” (see section 2, Reactive Penetrating Sealer).
- 6.5.22 Stone Consolidants:** ASTM E2167-01 (2008), “Standard Guide for Selection and Use of Stone Consolidants” (see section 2, Stone Consolidant).
- 6.5.23 Building Envelope Coating Air Permeance of Building Materials:** ASTM E2178-13, “Standard Test Method for Air Permeance of Building Materials” (see section 2, Building Envelope Coating).
- 6.5.24 Building Envelope Coating Water Penetrating Testing:** ASTM E331-00 (2016), “Standard Test Method for Water Penetration of Exterior Windows, Skylights, Doors, and Curtain Walls by Uniform Static Air Pressure Difference” (see section 2, Building Envelope Coating).
- 6.5.25 Building Envelope Coating Water Vapor Transmission:** ASTM E96/96M-16, “Standard Test Methods for Water Vapor Transmission of Materials” (see section 2, Building Envelope Coating).
- 6.5.26 Tile and Stone Sealers Absorption:** ASTM C373-18, “Standard Test Methods for Determination of Water Absorption and Associated Properties by Vacuum Method for Pressed Ceramic Tile and Glass Tiles and Boil Method for Extruded Ceramic Tiles and Non-tile Fired Ceramic Whiteware Products”; or ASTM C97/97M-18, “Standard Test Methods for Absorption and Bulk Specific Gravity of Dimension Stone”; or ASTM C642-13, “Standard Test Method for Density, Absorption, and Voids in Hardened Concrete” (see section 2, Tile and Stone Sealers).
- 6.5.27 Tile and Stone Sealers – Static Coefficient of Friction:** ANSI A137.1 (2012), “American National Standard of Specifications for Ceramic Tile” (see section 2, Tile and Stone Sealers).
- 6.5.28 Tile and Stone Sealers Water Vapor Transmission:** ASTM E96/96M-16, “Standard Test Methods for Water Vapor Transmission of Materials” (see section 2, Tile and Stone Sealers).
- 6.5.29 VOC Content of Coatings:** SCAQMD Method 313, “Determination of Volatile Organic Compounds (VOC) by Gas Chromatography/Mass Spectrometry/Flame Ionization Detection (GS/MS/FID)” (see section 6.2, VOC Content of Coatings).
- 6.5.30 VOC Content of Coatings:** ASTM D6886-18, “Standard Test Method for Determination of the Weight Percent Individual Volatile Organic

Compounds in Waterborne Air-Dry Coatings by Gas Chromatography”
(see section 6.2, VOC Content of Coatings).

7 VIOLATIONS

Failure to comply with any provision of this rule shall constitute a violation of this rule. The exceedance of the allowable emissions for any compliance period shall constitute a separate violation for each day of the compliance period. However, any violation of the requirements of the Averaging Provision of this Rule, which the violator can demonstrate, to the Executive Officer, did not cause or allow the emission of an air contaminant and was not the result of negligent or knowing activity may be considered a minor violation.

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
RESOLUTION #2023-03**

In the Matter of: Adopting a proposed District Rule 230 (Architectural Coating) for the Federal Ozone Non-attainment portion of Western Nevada County.

Whereas, Western Nevada County has been designated under the CAA as a Nonattainment area for the 8-hour ozone National Ambient Air Quality Standards. CAA Sections 172(c)(9) and 182 (c)(9) require ozone Nonattainment Areas to include contingency measures (i.e. additional air pollution controls) in SIPs that will go into effect without further regulatory action on the part of the District, State or the EPA if attainment is not achieved as predicted.

Whereas, the Environmental Protection Agency has worked with NSAQMD staff and has reviewed the proposed Rule 230 and found it to be federally approvable; and

Whereas, Sections 40001 and 40702 of the California Health and Safety Code (HSC) establish authority for the District to adopt Rules and Regulations as may be necessary to execute the powers and duties granted to, and imposed upon, the District by the HSC and other statutory provisions; and

Whereas, Section 15308 of the CEQA Guidelines provide that actions taken by regulatory agencies as authorized by state law to assure the maintenance, restoration, or enhancement of the environment where the regulatory process involves procedures for protection of the environment, are categorically exempt from CEQA review (Class 8 Categorical Exemption), and

Whereas, said rules have been properly noticed for a 30-day public review period in accordance with HSC sections 40725 and 40726; a public hearing was held on February 27, 2023, in accordance with the information in the public notice; a regulations file is being maintained per HSC Section 40728; and

Whereas, pursuant to the HSC Section 40727, the Board hereby finds that:

- (a) There is a need to adopt these rules; and
- (b) Under state and local law, the Board has the authority to adopt these rules; and
- (c) These rules, as written, can be understood by the persons directly affected by them; and
- (d) These rules are consistent with existing statutes, court decisions, or other state and federal regulations; and
- (e) These rules, as written, do not duplicate the same requirements of an existing state or federal regulation except to the extent that the rule is necessary or proper to execute the powers and duties granted to or imposed upon the District; and
- (f) These rules have appropriate reference to a statute, court decision, or other provision of law that the District implements, interprets, or makes specific by the rule amendment.

Now, therefore, be it resolved and ordered by the Northern Sierra Air Quality Management District Board of Directors that Rule 230 is hereby adopted, as presented in the District's Staff Report, as part of the Northern Sierra Air Quality Management District Rules and Regulations.

On a motion by Supervisor _____, and seconded by Supervisor _____, the foregoing resolution was approved and adopted by the Board of Directors of the Northern Sierra Air Quality Management District at a regular meeting held on April 24, 2023, 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: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item Number: IV.B

Description: Proposed Approval of CARL Moyer Contract (CMP 2023-01) for Collins Pines for \$74,438.00 of Carl Moyer funding to Replace a 1986 uncontrolled Diesel Forklift with a Tier final Forklift.

Summary: The next applicant available for funding on the Carl Moyer list is Collins Pines Company. Collins Pines has submitted an approvable application for a replacement forklift.

Attached is contract # CMP 2023-01 between Collins Pines Company and the Air District. Funding is allowed in the amount of \$74,438.00. Total project cost is \$106,341.00.

Requested Action:

Approve contract # CMP 2023-01 between Collins Pines Company and the Air District as presented.

ROLL CALL VOTE REQUIRED

Attachments:

Contract # CMP 2023-01

GRANT AGREEMENT

between

The Northern Sierra Air Quality Management District

and

Murray Caton of Collins Pines

This Agreement is made and entered into this 24th _____ of April _____,

_____ *day month year*
by and between the NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT (NSAQMD), an air quality management district formed pursuant to the laws of the State of California, and Participant.

WITNESSETH

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

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

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

WHEREAS, under Resolution No. on **April 24, 2023**, NSAQMD’s Board of Directors authorized the NSAQMD to participate in Year **24** of the “Carl Moyer Memorial Air Quality Standards Attainment Program (Heavy-Duty Low-Emission Vehicle Incentive Program)”; and

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

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

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

1. PROJECT

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

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

1. The text of this Agreement;
2. Exhibits A, B, Exhibit B-1a to this Agreement;
3. The NSAQMD Year 24 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.

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. EQUIPMENT REPLACEMENT REQUIREMENTS

A. Replacement: The Participant shall provide the NSAQMD with a copy of the final invoice from the dealer from whom the replacement equipment will be purchased. Purchase of any equipment/engine other than the one specified on the submitted final invoice shall constitute a breach of this Agreement.

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

The Participant shall make these maintenance logs available for NSAQMD review upon request by the NSAQMD. To ensure accurate engine(s)/equipment reporting, Participant is required to maintain equipment (hour meters, odometers) necessary to

determine usage. The Participant must document usage during a failure of such equipment and provide the NSAQMD with that documentation with the Annual Usage Report. Failure to comply with these conditions will constitute a breach of this Agreement. Failure to maintain the engine(s)/equipment to the manufacturer's specifications will constitute a breach of this Agreement.

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

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

4. PERFORMANCE

This project will result in emission reductions because the replacement engine(s)/equipment has (have) lower emissions than the original engine(s)/equipment. The required emission reductions over the Agreement term are specified in Exhibit A. The performance measure to ensure that the required emission reductions are achieved for this project shall be derived from the total engine operation since it (they) was (were) purchased, based on either fuel usage or engine(s)/equipment hours as Specified in Exhibit A. As required by the Carl Moyer Program Guidelines (April 28, 2011), a minimum of 75 percent of the project's operation must be within California.

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

designee(s), then one of the following performance compliance options for the project shall be selected by the NSAQMD:

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

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

Where:

R is the repayment amount;

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

O_{act} is the total actual engine(s) operation amount since the equipment purchase;

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

or,

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

5. RECORD KEEPING AND REPORTING

A. Records: 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 of engine(s)/equipment 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 the engine(s)/ equipment and or/services was (were) purchased.

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

6. COMPENSATION

NSAQMD may reimburse Participant for up to **Seventy four thousand four hundred thirty eight dollars and zero 100's (\$74,438.00)** ("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 in accordance with the schedule specified in Exhibit

A. 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) 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

Murray Caton
Collins Pines
500 Main Street
Chester, CA 96020-

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 County, California.

20. BINDING ON SUCCESSORS

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

21. TIME IS OF THE ESSENCE

It is understood that for 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. Disposal of Replaced Equipment: Participant will be removing from service the existing engine(s)/equipment as outlined in Exhibit A.

C. 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.

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

1. Replacement: If for any reason, the new engine(s)/equipment is (are) rendered inoperable during the life of this Agreement, the 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 engine(s)/equipment with an engine(s)/equipment that has (have) equal or lesser air emissions, as determined by the NSAQMD. Once the replacement engine(s)/equipment is (are) determined, the NSAQMD will amend the Agreement to specify the replacement engine(s)/equipment. The amendment will also extend the life of the Agreement to account for the time that the engine(s)/equipment was (were) out of service and unable to meet the original Agreement performance obligations. In the event that such an amendment is not possible as a result of regulatory requirements, this Agreement’s performance requirements shall be addressed by the 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 engine(s)/equipment with an engine(s)/equipment that has (have) greater air emissions, as determined by the NSAQMD, then the Participant shall repay the NSAQMD based on the repayment equation specified in Paragraph 4 (“Performance”) of this Agreement.

2. Sale: If for any reason, the new engine(s)/equipment is (are) to be sold by the 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 engine(s)/equipment 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 engine(s)/equipment without the completion of the grant Agreement obligations or the engine(s)/equipment is sold outside of Nevada, Sierra or Plumas counties, the Participant shall repay the NSAQMD based on the repayment equation specified in Paragraph 4 ("Performance") of this Agreement.

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 engine(s)/equipment 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 based on the repayment equation specified in Paragraph 4 ("Performance") of this Agreement.

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

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: _____ Date: _____
Murray Caton
Grantee

Approved: _____ Date: _____
Northern Sierra Air Quality Management District
Paul Roen, Chair

Approved: _____ Date: _____
Northern Sierra Air Quality Management District
Julie Hunter
Interim, Air Pollution Control Officer

EXHIBIT A

STATEMENT OF GRANT OBLIGATIONS

General

The NSAQMD promotes voluntary diesel engine emission reduction programs under cooperative agreements with eligible applicants to reduce public exposure to ozone precursors and toxic diesel particulate matter. The objective of this Grant Agreement is to reduce these air pollution emissions from this off-road piece of equipment in the Participant's fleet by replacing the existing equipment with newer equipment. The equipment is based in **Plumas** County. This project's cost effectiveness is less than the Carl Moyer Program cost effectiveness limit as defined in the most current version of the Carl Moyer Guidelines (Moyer Guidelines).

Project Description

	Existing Equipment	New or Replacement Equipment
Type	Forklift	Forklift
Make / Model	Hyster / H155XL	Taylor / X-175
VIN / Year	006A01924G / 1986	/ 2017
	Existing Engine	New or Replacement Engine
Make / Model	Perkins,	Cummins, OSF3.8
Serial # / Year	LG70224U6595284 / 1994	89875110 / 2017
Fuel / HP	Diesel / 80 hp	Diesel / 120 hp
Hours of Op.	0 hrs/yr	hrs/yr (+/- 30%)
Family		GCEXL03.8AAD
Eng. Cert.	uncontrolled	Tier 4 Final

Final Disposition of Existing Equipment

The State of California intends that the existing engine(s)/equipment shall be permanently prevented from polluting the air in any location in any manner. Therefore, the engine(s)/equipment shall be rendered permanently inoperable before the Total Grant Award is disbursed by the Air District. The Air District shall do a Final Post Inspection on the existing equipment to ensure that it has been properly rendered permanently inoperable. Typically, that would entail, at a minimum, a hole punched in the engine block and a section of the equipment frame (or some other equivalent structure) permanently removed from the existing equipment.

Total Grant Award

The Total Grant Award for this project shall not exceed **\$74,438.00**.

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 **Five (5)** 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 .
3. No work may begin until contract is fully executed.

EXHIBIT B
ANNUAL GRANT STATUS REPORT FORMAT

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

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

Northern Sierra Air Quality Management District
Exhibit B-1a: Annual Engine Usage Report
(Agreement#: CARL MOYER 2023-01)

INSTRUCTIONS: Complete this Annual Engine Usage Report every year on the anniversary date of the project's post inspection for the life of the Grant Agreement. The report shall be sent to the NSAQMD within 2 weeks of the post inspection anniversary date.

SECTION 1: GRANTEE INFORMATION

Company/Grantee Name: Collins Pines / Murray Caton
Company/Grantee Address: Collins Pines / 500 Main Street, Chester, CA 96020-
Company/Grantee Phone Number: (503) 853-9187
Date: _____

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

1. Location of Equipment /Engine Identified Below: _____
New Equipment: Taylor X-175; VIN: _____
2. Model Year, Make, Model and Family Number of new equipment engine:
New Engine: 2017 Cummins OSF3.8 Family: GCEXL03.8AAD
Grant Agreement Usage: hours/yr (+/- 30%)
3. Engine Serial #: _____.
4. Power Rating: : 120 HP
5. Fuel Type: Diesel

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

1. Report Start Date: _____ (MM/DD/YY)
2. Report End Date: _____ (MM/DD/YY)
3. Percent of Time Operated in California: _____
4. Engine Use within the period stated above (complete all that apply):
_____ hours **(this number is required)**
_____ gallons *(this can be an estimate and is not required)*
_____ N/A _____ miles
5. Has the fleet mod functioned effectively over this period _____
(Yes/No; if No, please attach description of issue(s) & steps taken to resolve issue(s).

Signature _____ **Date** _____

Mail to: NSAQMD, 257 E. Sierra Unit E, Portola CA 96122 **Email to:** melissak@myairdistrict.com

To: Northern Sierra Air Quality Management District Board of Directors

From: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: IV.C

Agenda Description: Vacant APCO position Continued Action

Summary: During the March 27, 2023 Regular Board meeting, the Board heard a presentation from CPS HR on their proposed recruitment process. The slides from that presentation are attached.

Following the presentation, the Board requested that this item be included in the next Board agenda for further discussion. The Board also requested that staff include the current budget to determine available funds.

Requested Action: Discuss and provide direction.

Attachments:

1. CPS HR Recruitment Presentation Slides

Northern Sierra
Air Quality
Management District



Executive Recruitment

Introduction to CPS HR Consulting

About Us

Established in 1985 as a self-supporting public agency, CPS HR Consulting provides a full range of integrated HR solutions to federal, state and local governments, public safety, special districts and nonprofit organizations.



Melissa Asher

SENIOR PRACTICE LEADER

With over 22 years of experience in human resources, specializing in training and development, test administration, and recruitment, Melissa brings a wealth of practical expertise to her Senior Leader role. As a hands on leader, she is responsible for the growth and development of CPS HR's Training and Development and Executive Recruitment Divisions as well as leading key business development activities. With extensive experience leading large scale public sector projects for licensure and certification testing, online learning initiatives, major compliance training rollouts, foundational supervisory training programs, leadership development, system implementations, and high profile executive searches, she is able to develop creative and valuable solutions for our clients that lead to improved organization performance. Adding to her Bachelor's Degree in International Relations from the University of California, Davis, she is a certified Project Management Professional (PMP) through the Project Management Institute and has her Senior Professional in Human Resources Certificate (SPHR) from the Society for Human Resource Management. Additionally she achieved an Accounting Certificate, has published numerous articles in HR and related association publications, and regularly speaks at conferences.



David Niemeyer

Executive Recruiter

dniemeyer@cpshr.us
[916-471-3366](tel:916-471-3366)

David Niemeyer brings an extensive experience in government services to the CPS HR Consulting Executive Recruitment team. Through his roles as Village Manager, City Manager, Village Administrator, and City Administrator/Assistant to the Mayor all in the state of Illinois. Human resources and senior executive recruitment are areas that he excels in and thoroughly enjoys. Mr. Niemeyer led recruitments for over 15 department head vacancies as well as numerous other management positions. This included preparing recruitment profiles and brochures, screening candidates and creating a list of top candidates for the elected officials, developing interview questions, managing assessment centers, conducting background checks, and negotiating employment offers. His most recent large recruitment was for the police chief of Tinley Park which included a day long assessment center. Additionally, he has worked in a variety of different communities in terms of wealth, demographic, political stability, culture and differing goals. A candidate that is successful in one community may not be successful in other, and so it is important that a recruiter understands the importance of candidate fit in an organization. Mr. Niemeyer's experience in diverse communities will help in screening candidates that are a good match for an organization.

Breakdown of Services

Task	Description	Outreach	Partial	Full
Phase I - Develop Candidate Profile and Recruitment Strategy		\$10,000	\$19,000	\$25,000
1	Finalize Schedule		X	X
2	Hold Key Stakeholder Meetings	X	X	X
3	Develop Candidate Profile	X	X	X
4	Develop Recruitment Brochure	X	X	X
Phase II – Aggressive, Proactive, and Robust Recruitment				
1	Place Ads	X	X	X
2	Identify and Contact Potential Candidates	X	X	X
3	Review Application Materials		X	X
4	Conduct Screening Interviews		X	X
5	Submit Client Report		X	X
6	Client Meeting to Select Semifinalists		X	X
7	Notify Candidates		X	X
Phase III – Selection				
1	Prepare Assessment			X
2	Schedule Candidates; Coordinate Travel			X
3	Prepare Evaluation manuals			X
4	Facilitate Finalist Selection Process			X
5	Conduct Reference and Background Checks			X
6	Assist in Negotiation (if requested)			X

Similar Recruitments

Similar Recruitments

- South Coast Air Quality Management District
- San Joaquin Valley Air Pollution Control District
- Puget Sound Clean Air Agency
- San Luis Obispo County Air Pollution Control District
- Mojave Desert Air Quality Management District
- California Air Pollution Control Officers Association
- Sacramento Metro Air Quality Management District

Thank you

To: Northern Sierra Air Quality Management District Board of Directors

From: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: IV.D

Agenda Description: CPS HR Assistance

Summary: The District does not have a Human Resources (HR) department, and with the increase in District staff, an HR representative would be valuable. CPS HR provided a proposal for Human Resources Consulting Services. CPS HR would provide the District ongoing strategic HR consultation to support day-to-day HR functions as needed on demand. The cost proposal contract is a not to exceed amount of \$15,000 annually for all HR Consulting Services.

Requested Action: Approve the CPS HR Consulting proposal.

Attachments:

1. CPS HR Consulting Proposal

Proposal

Northern Sierra Air Quality Management District

Human Resources Consulting Services
(Ongoing)

March 29, 2023

SUBMITTED BY:

MELISSA ASHER

*Senior Practice Leader, Products
and Services*

CPS HR Consulting
2450 Del Paso Rd, Suite 220
Sacramento, CA 95834
P: (916) 471-3358
masher@cpshr.us
Tax ID: 68-0067209

www.cpshr.us



Your Path to Performance

March 29, 2023

Gretchen Bennett, Executive Director
Northern Sierra Air Quality Management District
200 Litton Drive, Ste 320
Grass Valley, CA 95945
Subject: Human Resources Consulting Services (Ongoing)

Submitted via email to gretchenb@myairdistrict.com

CPS HR Consulting (CPS HR) is pleased to submit our proposal to the Northern Sierra Air Quality Management District (District) to provide ongoing Human Resource Consulting Services. We appreciate this opportunity to submit a proposal and look forward to partnering with the District on this important work.

We can assist with any of your Human Resources functions as well as providing strategic HR consultation to support the day-to-day HR function as needed and on-demand. With a rich history of assisting government agencies with a full range of human resources services, we at CPS HR are confident that together we can provide expert solutions to meet your needs in a cost-effective manner.

We have a deep bench of experts in a broad array of human resources disciplines, long-term experience providing services within the public sector, and an emphasis on quality and value that can be confirmed by our current and past clients.

CPS HR also delivers personalized results-oriented service, utilizing best practice methods and strategies from our team of experts. You will find that:

- ***We are practiced at providing exemplary and responsive service for a variety of HR services.*** CPS HR has held many contracts with local government agencies, so we know how to be responsive to your unique needs. We have the staff, expertise, and resources to provide top-notch professional audit and review services and we are also full-service HR practitioners.
- ***We bring in-depth understanding of all local government operations, programs, and services.*** CPS HR has been helping public agencies meet their human resource needs ***for 35 years.*** Our team of experts includes a variety of professionals with the credentials and direct public agency experience necessary to deliver technically accurate content in an innovative and engaging manner.

- **We have local presence and commitment to maintaining open communications with the District.** Our project team will focus on integrating with your team and maintaining open communication with your staff to ensure that every activity is completed in a quality manner and adheres to the timeline and budget.

We are committed to meeting the highest professional standards of quality; therefore, team members have been selected for their relevant experience and expertise on policies and procedures.

At CPS HR, we pride ourselves in establishing and nurturing long-term relationships with the agencies we serve as we live out our mission of bringing excellence in Human Resources to the public sector. We look forward to the opportunity to work with the District on this important project and to partner with your organization into the future.

CONTACT INFORMATION	
Proposal Contact	Christina Batorski Peacock, Manager, Talent Acquisition and HR Services (916) 471-3426; CBPeacock@cpshr.us
Contract Authorized Representative	Melissa Asher, Senior Practice Leader, Products and Services Phone: (916) 471-3358; Email: masher@cpshr.us

Thank you for this opportunity. Should you have any questions, please do not hesitate to contact **Christina Batorski Peacock, at the contact information above.**

I am authorized to bind CPS HR to the terms of the proposal.

Sincerely,



Melissa Asher

Senior Practice Leader, Products and Services

Table of Contents

About CPS HR Consulting	1
Human Resources Consulting Experience	2
Examples of Similar Work	2
Similar Work Refereces	3
Distinguishing Characteristics.....	3
Project Understanding	5
Cost Proposal/Fee Schedule	8
CPS HR Project Team and Roles	9

About CPS HR Consulting

CPS HR Consulting (CPS HR) is an innovative, client-centered human resources and management consulting firm specializing in solving the unique problems and challenges faced by government and non-profit agencies. **As a self-supporting public agency, we understand the needs of public sector clients and have served as a trusted advisor to our clients since 1985.** CPS HR occupies a unique position among its competitors in the field of government consulting; as a Joint Powers Authority, whose charter mandates that we serve only public sector clients, we actively serve all government sectors including Federal, State, Local, Special Districts, Higher Education, and Non-Profit Organizations. This singular position provides CPS HR with a systemic and extensive understanding of how each government sector is inter-connected to each other and to their communities.

CPS HR Consulting occupies a unique position as the only sole source provider of Human Resources (HR) Consulting Services that employs professionals who have spent most of their career working in the public sector, and also as a public agency run by a public Board. CPS HR's core competency is its knowledge of and expertise in the public sector. CPS HR is a public agency governed by regulations and public sector concerns. We understand what it is to work with and within government. Unlike other public sector organizations, CPS HR is self-supporting. As a public agency, we understand the challenges and issues facing our client base. As a self-supporting public entity, we also understand the need for innovative yet practical results. CPS HR can provide expertise that is unique because we share with our clients a common perspective. No competitor in our industry that can truthfully make this claim.

With more than 90 full-time employees, as well as 200+ project consultants and technical experts nationwide, CPS HR delivers solutions that help public sector organizations to positively impact their communities. CPS HR is headquartered in Sacramento, California with regional offices located in Austin, TX, Atlanta, GA, and Littleton, CO. We have a wide range of project consultants located throughout Southern California.

CPS HR offers clients a comprehensive range of competitively priced services, all of which can be customized to meet your organization's specific needs. We are committed to supporting and developing strategic organizational leadership and human resource management in the public sector. We offer expertise in the areas of talent acquisition and HR generalist services, organizational strategy, recruitment and selection, classification and compensation, training and development, organizational and workforce management.



Human Resources Consulting Experience

CPS HR frequently works with government organizations to assist with day-to-day human resources activities which include but are not limited to recruitment and selection, employee relations and performance evaluations, progressive discipline and PIPs, processing new hires and personnel record administration, classification/compensation, and providing analysis and consultation and correspondence on a variety of human resource related policies and procedures. Some examples include:

- City of Hawaiian Gardens, CA
- City of Oakland, CA
- City of Ontario, CA
- City of Rialto, CA
- City of Santa Rosa, CA
- City of Turlock, CA
- Contra Costa Youth Services Board, CA
- Contra Costa Community College District, CA
- Las Gallinas Valley Sanitation District, CA
- San Bernardino Valley Municipal Water District, CA
- Ventura County Transportation Commission, CA
- Jurupa Area Recreation and Parks District, CA
- City of Sheridan, CO
- Park County, CO
- Town of Eaton, CO

Examples of Similar Work

City of Hawaiian Gardens, CA

In Hawaiian Gardens, we placed a senior consultant/ to work 30 hours a week of which two days are onsite to manage all for the day-to-day human resources activities which include but are not limited to recruitment and selection, employee relations, benefits administration, and providing consultation on human resource related policies and procedures.

City of Santa Rosa, CA

In Santa Rosa, we placed a principal consultant to work 20 hours a week onsite to handle specific human resources related activities which include but are not limited to general human resource administration, recruitment and selection efforts including public safety, classification and compensation studies, review and/or development of desk manuals related to recruitment and selection processes, review of City's current recruitment and selection processes to include recommendations of best practices.

City of Sheridan CO

In Sheridan, we have placed a consultant to work 30 hours a week both onsite and remote to handle all of the day-to day human resources activities which include, but are not limited to, general human resources administration and records management; manage hiring, onboarding, promotion and separation of employees; handle employee relations and conflict resolution; review compensation and benefits package; administer leave policies; performance management; administer worker's compensation; ensure employee handbook is current; and administer and interpret personnel policies. This engagement is current and has been in place since 2018.

City of Turlock, CA

In Turlock, we have placed a senior consultant and administrative technician to work a combined 30 hours a week both remote and onsite to handle all recruitment and selection activities for the City. This engagement is current.

San Bernardino Valley Municipal Water District

At San Bernardino, we provided remote human resources support up to 20 hours a week on an as needed basis. A senior consultant provided support in the areas of recruitment and selection, policy and procedure review, handbook update, employee relations, and recommendations for best practices. CPS HR also conducted an assessment of the human resource functions and determined the District needed a designated HR Manager and presented this recommendation to the District's Board for approval. CPS HR assisted with the recruitment and selection for this newly added position.

Similar Work References

Reference #1

Agency:	Ventura County Transportation Commission
Type of Agency:	Public Sector – Local Government
Size of Agency:	20 employees
Contact Person/Info:	Sally DeGeorge, Finance Director; (805) 642-1591; ssellers@goventura.org
Description of Services:	Assigned a consultant to work 20 hours a week remotely to provide HR support, as needed including: general human resources administration and records management; manage hiring, onboarding, promotion and separation of employees; handle employee relations and conflict resolution; review compensation and benefits package; administer leave policies; performance management; and administer and interpret personnel policies. (September 2022 to present)

Reference #2

Agency:	City of Turlock, CA
Type of Agency:	Public Sector – Local Government
Size of Agency:	530 employees
Contact Person/Info:	mailto:JDhami@Turlock.ca.us ; (209) 668-5810; JDhami@Turlock.ca.us
Description of Services:	We have placed a senior human resource consultant and administrative technician for a combined 30 hours a week both onsite and remote to assist with the City's recruitment and selection needs. (March 2021 to present)

Distinguishing Characteristics

Depth of experience working in public agencies. CPS HR is a joint powers authority, and as such, our charter mandates that we provide services exclusively to public agencies and non-profits. CPS HR has been providing human resource consulting services for cities, counties, courts, special districts, water and utilities, and higher education institutions since 1985.

CPS HR staffing. CPS HR employs only the best staff members. Most of our Consultants have spent their entire careers working in the Human Resources profession within public sector governments, and many also have private sector work experience. Our Consultants are passionate about delivering public sector excellence, listening to and understanding the challenges and needs of our clients, **while possessing advanced education and certifications through SHRM and IPMA-HR to stay relevant in HR best practices within the public sector.**

Use of best practices. CPS HR applies best practices and uses proven human resources principles in our engagements with clients. Because we only work with public sector agencies, we are familiar with what is happening within your local region and our profession.

Quality and tailored services. CPS HR delivers quality and tailored human resources consulting services and training and development to better meet each client's unique goals and objectives.

Our commitment to maintaining open communication. Our CPS HR Project Team will focus on maintaining open communication with the District's staff to ensure that this project preserves its focus and adheres to the timeline and budget.

Customer Service. It is our goal to provide the best customer service possible to all our clients. To assist us in achieving this goal, we provide, at no additional cost to our clients, implementation and support assistance for each project.

Our Communication Model

We recognize that the success of any project depends upon the ability of the consulting team to develop and maintain effective working relationships with the Client's Project Representative, management, employees, and other key stakeholders. Throughout the project, we envision collaborating with the Client's Project Representative to maintain open lines of project communications and to develop a shared understanding of project needs, goals, and objectives.

We understand that open and consistent communication with project stakeholders is a key element of project acceptance and success. For that reason, the work plans we present contain multiple communication points with the Client including:

- Initial project meetings
- Ad-hoc teleconference meetings with the Client Project Representative, and other designated stakeholders, as requested
- On-site meetings to present project deliverables, if requested.

Our goal, therefore, is to ensure that our CPS HR Project Team will meet or exceed your expectations for all phases of the project, and we will work diligently with your staff to meet fully the objectives of the project. We intend to accomplish this through our combination of sound project management procedures, good customer service, and solid communication strategies.

Project Understanding

Our Understanding of the Scope of Work

We understand that District has a current need, to supplement their District's staffing with a dedicated Human Resources Consultant, and a desire to provide their employees with highly competent, customer-focused, efficient, and effective human resources support. Given the size of the organization, it makes sense to partner with a full-service HR firm like CPS HR Consulting which can provide the full range of HR services as needed and on-demand. Having a dedicated, assigned HR professional will ensure that everything from benefits questions and open enrollment through more complex employee relations complaints or the latest policy interpretation and implementation are taken care of quickly and effectively. This will provide District with the confidence that your HR matters are dealt with properly, reducing liability for the organization and giving employees the tools and resources to be an engaged workforce. This option is also very cost effective in that the service level will fluctuate based on the demand, helping the organization ensure its investment is at the appropriate level.

Our Approach and Methodology for Services

Conceptual Plan

CPS HR believes that building a solid foundation for human resource management will best support an organization's efforts to achieve its mission and goals. We view the human resources function as a systems model that integrates success factors and best practices across the human resources span of control, while aligning with the external and internal factors that support the business. The use of this systems approach eliminates or mitigates the unintended consequences of making decisions which place human resources programs in silos, rather than on a continuum.

We view our clients as our business partners; our goal is to form strong and collaborative partnerships with our clients to assist them in achieving their missions. It is through such partnerships that CPS HR achieves our own mission to promote human resource excellence in the public sector and non-profits.

HR On Demand Services

Interim HR Placement and HR Consultation

Our approach includes providing human resources expertise, advice, and consultation to ensure appropriate research, analysis, and professional HR guidance are utilized for all assigned duties and responsibilities. These duties would include hands-on delivery of HR services as well as providing best practice recommendations and assistance with implementation in the requested service areas.

CPS HR staff assigned would work remotely to support the day-to-day HR function as needed and on-demand. We will comply with any confidentiality and system requirements District has determined are necessary to maintain the integrity and confidentiality of its data.

HR Support and Consultation: Although this is not an exhaustive list, CPS HR will provide the City with HR support and consultation in these primary areas in some typical tasks listed below:

Classification and Compensation Studies

- Write or revise job descriptions
- Perform single classification studies
- Perform market rate base salary compensation studies

Recruitment, Examination and Selection

- Work with hiring managers to develop job postings and ideal candidate profiles
- Devise a recruitment strategy and timeline
- Develop recruitment flyers or brochures, if needed
- Create and post advertising in appropriate channels
- Perform outreach to build awareness of the position and attract diverse candidate pools
- Review application materials
- Conduct scoring and screening processes
- Conduct reference and background checks, if requested (background checks incur a cost per candidate)

Benefit Administration

- Field employee questions
- Process benefit enrollments, changes, and terminations
- Work with third party providers
- Assist with open enrollment activities

Employee Relations (investigations, mediation, etc.)

- Provide advice, counsel, recommendations, and training to ensure a positive and productive work environment
- Provide direction for employee related matters such as time-off, medical leave, formal and informal employee complaints, discipline, termination of employees, and unemployment
- Prepare and implement strategies to prevent and resolve employee problems or disputes
- Provide mediation or investigative services if needed (and at an additional cost/higher pay rate)

Conflict Resolution

- Work with employees having conflict
- Engage in or organize mediation if needed
- Provide training as needed

Other HR Administrative Services

- Performance management & appraisal systems
- Leave and Covid management administration
- Administration of Workers' Compensation claims with third party administrators
- Assist with the review and interpretation of current, revised, and/or new HR-related laws, policies, and/or procedures
- Recommend best practices for ongoing compliance

Cost Proposal/Fee Schedule

In response to the needs described, CPS HR will assign a highly skilled and fully knowledgeable Human Resource Consultant who will be available to provide virtual ongoing HR support for Northern Sierra Air Quality Management District. The agreement shall be for up to one year from date of agreement execution, or less until you reach the not-to-exceed amount at which time the District may extend the agreement. CPS HR will invoice the District on a monthly basis for the hours expended.

CPS HR proposes a time and materials contract with a **not-to-exceed amount of \$15,000** for all HR Consulting services.

Project Team Roles and Hourly Rate	
CPS HR Staff Classification	Hourly Rate
Investigator (if requested)	\$200/hour
Project Manager	\$180/hour
Principal Consultant/Technical Expert	\$140/hour
Senior Consultant	\$130/hour
HR Consultant	\$120/hour
Administrative Support	\$100/hour

Project Team

Key Personnel

Project Manager

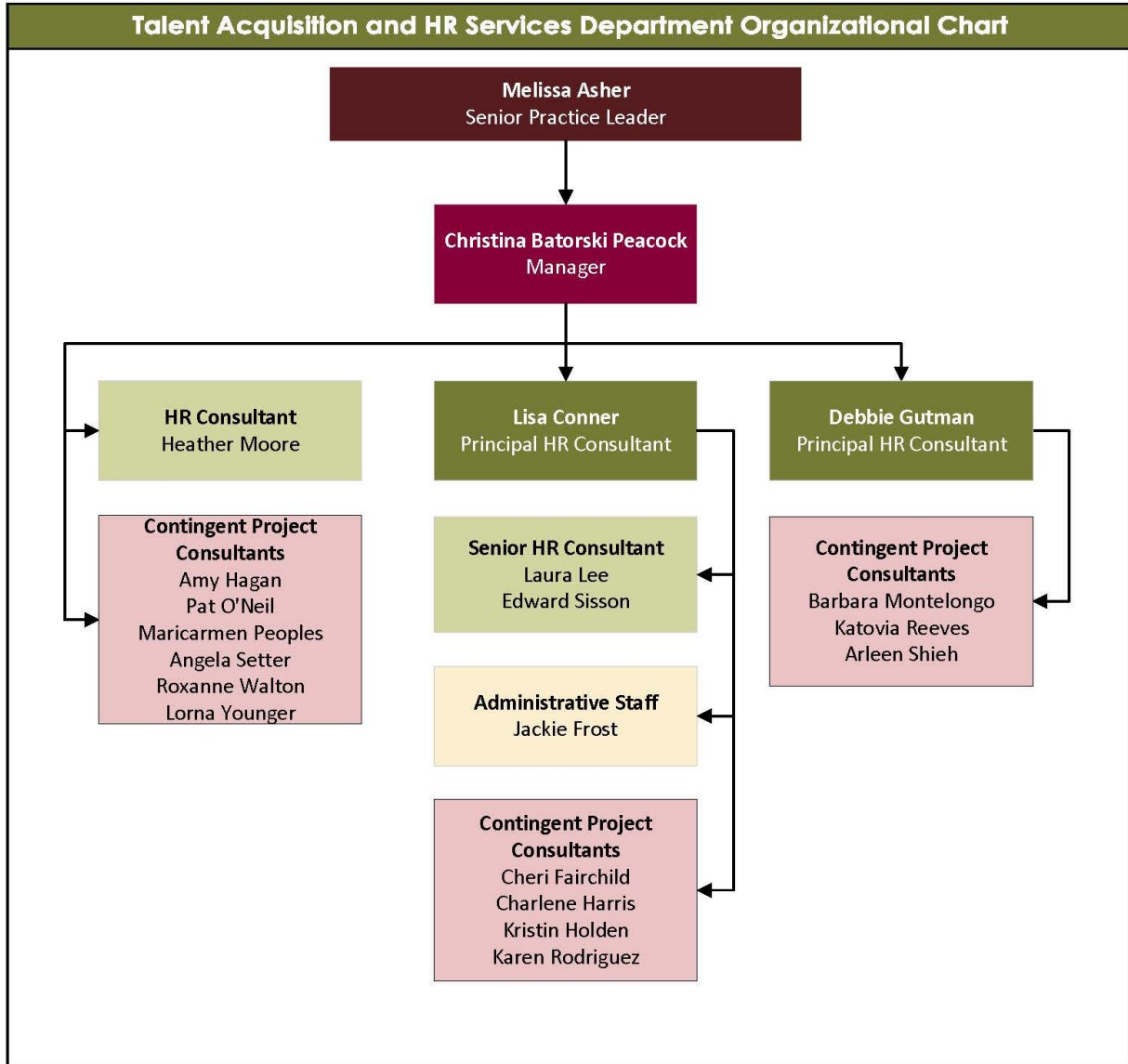
We have assembled a strong project team, with each member selected for their specific expertise, experience working in the public sector, and professionalism. We have selected **Ms. Debbie Gutman** to be the Project Manager for this assignment because of her strong project management skills. She will serve as the main point of contact for the District coordinating all aspects of the project including the project staff, finalizing project plans and deliverables, organizing and securing resources, managing communications, monitoring project progress, resolving any problems, and ensure timely and successful completion of the engagement.

Ms. Gutman has over 20 years of comprehensive experience in Human Resources, including both public and private sector. She has a knowledge and understanding of federal and state labor laws, full-cycle recruiting, employee relations, compensation, training, budget administration, and policy development.

Project Team

The specific project team will be based on team member availability and expertise at the time of contract execution. We have included an organizational chart of the team that will be supporting this scope of work.

All our project staff have extensive experience working with public agencies and are skilled in using programs in the Microsoft Office Suite.



Résumés are available upon request.

To: Northern Sierra Air Quality Management District Board of Directors

From: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: IV.E

Agenda Description: Approval of Northern Sierra Air Quality Management District's AB2766 DMV Surcharge Fund Program RFP – Grant Year 24

Summary: Review the AB 2766 Request for Proposals, Grant Year 24.

The only modification from last year's proposal is the amount of grant funding for Nevada and Sierra Counties, and the removal of the allocation for Plumas County.

During the January 2023 Board meeting the Board voted to allocate the AB 2766 Grant Year 2024, Plumas County funds to the District as part of the required match for the Greater Portola Area Targeted Airshed Grant.

Requested Action: Approve the Northern Sierra's AB 2766 DMV Surcharge Fund Program Request for Proposal – Grant Year 24

ROLL CALL VOTE REQUESTED

Attachments:

1. Northern Sierra's AB 2766 DMV Surcharge Fund Program Request for Proposal – Grant Year 24

AB 2766 DMV Surcharge Fund

Program

Request

for

Proposal

Grant Year 2024

Board Approval: April 24, 2023

**REQUEST FOR PROPOSAL
TABLE OF CONTENTS**

<u>SUBJECT</u>	<u>PAGE</u>
SECTION I INTRODUCTION	1
SECTION II SCHEDULE	2
SECTION III BACKGROUND	3
SECTION IV ELIGIBLE PROJECTS	4
SECTION V FORMAT OF PROPOSALS	6
SECTION VI CONTENTS OF PROPOSALS	7
SECTION VII SUBMISSION OF PROPOSALS	10
SECTION VIII CONTRACT PREPARATION AND PROJECT TERM	12
SECTION IX REPORTING AND AUDIT PROCEDURES	13
SECTION X PROPOSAL EVALUATION	14
SECTION XI EMISSIONS CALCULATIONS AND COST-EFFECTIVENESS	15
<u>ATTACHMENTS</u>	
1 Exhibit Summary Sheet	
2 Request For Proposal Contents Checklist	
3 Sample Contract	
4 Project Guidance	
5 Evaluation Criteria, Ranking and Sunsetting	
6 Administrative Costs	
7 Definitions/Acronyms	

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

AB 2766 DMV SURCHARGE FUND PROJECTS AND PROGRAMS

Grant Year 2024 Request For Proposal

SECTION I. INTRODUCTION

The Northern Sierra Air Quality Management District (District) requests proposals for AB 2766 DMV Surcharge Fund projects and programs for the following purpose according to the terms and conditions herein.

PURPOSE: To assist in attaining the requirements of the California Clean Air Act. The District solicits proposals for projects and programs that will: 1) reduce air pollution emissions from motor vehicles; 2) implement the mobile transportation demand management measures. Entities with proposals that are selected for either full or partial funding must enter into explicit contracts with the District setting forth performance criteria to ensure compliance with statute and audit requirements. Public and private entities are eligible to apply either solely or in combination for this funding. However, proposals from private entities will be examined to ensure they result in public as opposed to solely private benefit.

NOTE: CREDITS FOR EMISSION REDUCTIONS FROM A PROJECT OR PROGRAM FUNDED BY MOTOR VEHICLE EMISSION REDUCTIONS PROJECTS FUNDS ARE NOT TRANSFERABLE AND MAY NOT BE USED AS EMISSION OFFSETS. THEY WILL BE USED TO MEET THE EMISSION REDUCTIONS NEEDED TO MAINTAIN COMPLIANCE WITH THE CALIFORNIA CLEAN AIR ACT, AND ARE THEREFORE THE PROPERTY OF THE DISTRICT.

NOTE: This request for proposal (RFP) is subject to modification. Any significant modifications will be sent to the recipients of this RFP who are on the District's mailing list for motor vehicle emission reductions projects.

NOTE: Applicants are responsible for knowing all information contained in this RFP and must adhere to all requirements. Failure to adhere to all requirements may be cause for termination of the contract with the District.

FOR FURTHER INFORMATION: Questions, comments, or requests for further information regarding this RFP may be obtained by contacting Melissa Klundby, located at the Portola Office, email: melissak@myairdistrict.com, phone: (530) 832-0102.

SECTION II. SCHEDULE

<u>DATE</u>	<u>EVENT</u>
April 24, 2023	Board approval of RFP
May 1, 2023	Distribution of 2-page screening proposal solicitation
June 12, 2023	2-Page screening proposals due 4:00 P.M. (postmarks <u>NOT</u> accepted). Email submissions preferred.
June 26, 2023	Detailed Request for Proposal (RFP) sent to top contenders
September 8, 2023	Proposal submission deadline - 4:00 P.M. (postmarks <u>NOT</u> accepted). Email submissions preferred.
September 08, 2023 – September 22, 2023	District reviews proposals
September 25, 2023	Committee/District staff recommendations to Board. Governing board approves, rejects, or directs staff on the recommendations
October 23, 2023	If no meeting occurs in September, then committee/District staff recommendations to Board. Governing board approves, rejects, or directs staff on the recommendations
December 11, 2023	All contracts signed by the Executive Director, Chair and participants
January 1, 2024	Commencement of Funding

SECTION III. BACKGROUND

Assembly Bill 2766 (Sher) authorized air pollution control districts and air quality management districts to impose a \$2 to \$4 motor vehicle registration fee to provide funds for air districts to meet new responsibilities mandated under the California Clean Air Act. The District set the fee at \$4 per registered motor vehicle for Nevada County and Plumas County. Sierra County remains at \$2 per registered vehicle.

The California Health and Safety Code states that the fees shall be used to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement and technical studies necessary to implement the California Clean Air Act. The California Air Resources Board has expanded on this with guidance titled *Proposed Criteria and Guidelines For Use of Motor Vehicle Registration Fees*.

The District's Governing Board will determine from year to year what amount of motor vehicle registration fees are to be budgeted to fulfill the District's requirements for implementing the California Clean Air Act. On April 24, 2023, the District's Board of Directors made a tentative budget allocation of **\$205,558 for Nevada County and \$5,763 for Sierra County**. The amount available for projects may change if the revenues change or plans change. In addition, since these funds are also used to fund internal programs referred to in the paragraphs above, plans for internal activities may influence the funds available for external projects.

Eligible projects and programs are described in Section IV in more detail. The District and its committees will rank proposed projects and programs based on evaluation criteria (see Section X and Attachment 5) approved by the board and make recommendations to the District's Governing Board. *The District will be sensitive to an equitable distribution of the funds within the District*, as long as projects from a given area score well against the evaluation criteria.

The District's Governing Board may approve proposals, reject proposals, or refer proposals back to the District and its committees for reconsideration or refinement to improve various aspects of the proposal. The District may request minor changes in a project proposal or in rare cases, may request major changes instead of simply rejecting the project. The proposer is expected to comply with the District's requests to modify proposals to be compatible with the District's program needs, however, the proposer has the option to withdraw a refer-back proposal if the District's requested changes are not compatible with the proposer's needs. Once a proposal (or a modified proposal) is submitted, it shall be considered firm.

SECTION IV. ELIGIBLE PROJECTS

The District will be seeking to reduce the nonattainment air pollutants associated with motor vehicles (e.g. ozone precursors and vehicle-related particulates). Projects eligible for AB 2766 DMV Surcharge funding must meet one of two goals in order to be considered by the District. Those goals include (1) reducing air pollution emissions from motor vehicles, reductions in vehicle miles traveled, and/or reductions in vehicle trips; (2) implementing transportation control measures (TCMs) and transportation demand management (TDM) measures.

Applicants are instructed to determine which of the *two* categories described below (Quantifiable or Reduced Emission Vehicles) their proposal falls under. Applicants are to select one of the two categories, for each submitted proposal, on Attachment 2, Request For Proposal Contents Checklist. The District reserves the right to reclassify the category of a proposal. Additionally, if the applicant does not choose a category, the District will select a category for the proposal.

The proposal will be evaluated in one of two (2) categories as follows:

1) QUANTIFIABLE

Such projects are known to have measurable results and demonstrate the most significant emission reduction benefits. Emissions benefits should be calculated using a calculation methodology acceptable to the District. Documentation of the assumptions and inputs used in calculations must be included in the proposal.

2) REDUCED EMISSION VEHICLES

These are projects that use Reduced Emission Vehicle technology to demonstrate significant emission reduction benefits. An example of a project may include vehicle conversions to zero emissions vehicles (ZEV) or purchase of a new ZEV. Another option is purchasing a vehicle manufactured using alternate technologies producing fewer emissions than its comparable counterpart. For example, purchasing a bus that is powered by compressed natural gas (CNG) or liquid petroleum gas (LPG, propane) instead of purchasing a diesel powered bus or even a diesel hybrid.

NOTE: CNG and LPG conversion kits must be ARB-certified to be eligible for funding. Bi-fueled vehicle conversion proposals must agree to enhanced recordkeeping to monitor both CNG and LPG fuel use and conventional fuel use to facilitate emissions reduction calculations.

NOTE: All projects must have cost-effectiveness less than \$100.00/lb to be considered for funding.

The following projects are not eligible for AB 2766 DMV Surcharge funding:

1. Projects required as mitigation by an environmental document under CEQA or NEPA are not eligible.
2. Projects and programs with fund requests to reimburse administrative costs with AB 2766 Funds (refer to Attachment 6).
3. Any project that falls under any Air District or the California Air Resources Board regulation (funding will not be used for rule compliance).

NOTE: Some proposals may need to be reduced in scope and/or funding level. Therefore, proposals should be presented in segments, if possible, so that portions of a proposal may be easily approved for funding. The District reserves the right to recommend for approval to the District's Governing Board only a portion of the proposer's scope of work and funding request. In this case, the proposer may be requested to submit a revised work statement, schedule of deliverables, and cost breakdown. For this reason, it is strongly recommended that proposals be structured with alternate funding levels in proposals, if feasible.

NOTE: Any applications submitted that contains more than one project type must be submitted as **separate proposals**. Submitting combined proposals may result in rejection of the entire proposal. However, in some cases, the District may return the proposal and request separate proposals. Typical project types that should be separated follow: Alternative fuel vehicles, alternative fuel infrastructure, electric vehicles, electric charging infrastructure, marketing of transit services, new transit services, fare subsidies/incentives, new shuttle services, telecommunications, vanpools, rideshare matching services and bikeways. In the case of voluntary employer trip reduction programs, project components may include rideshare matching, vanpools, guaranteed ride home, etc., however, special structuring is necessary to separately evaluate trips and VMT reduced, and emissions reduced for each component. The cost-effectiveness is then determined as the quotient of the AB 2766 funding and the combined emissions reductions for each component.

SECTION V. FORMAT OF PROPOSALS

Applicants have two choices for proposal formats: email or paper submission. Proposals submitted via email should be in a common readable format (pdf, doc, xls, or txt) and no longer than 10 pages.

Proposals submitted on paper shall adhere to the following requirements:

- All proposals must follow the format outlined below and all requested information must be supplied:
- Proposals must be submitted on white paper; stapled (not bound).
- No plastic covers on proposals.
- No covers of any kind; the Exhibit Summary Sheet will be the cover.
- Proposals may be no longer than ten (10), double sided, 8-1/2" x 11" sheets of paper in addition to the Cover Letter, Request for Proposal Contents Checklist, and Exhibit Summary Form.
- All proposals must be clearly printed or typed.
- Technical appendices of no more than ten (10), 8-1/2" x 11" sheets of paper, including information on proposer's past projects and experience, may be attached.
- No videos will be accepted with proposals.

FAILURE TO ADHERE TO THE AFOREMENTIONED SPECIFICATIONS MAY BE CAUSE FOR REJECTION OF PROPOSAL.

SECTION VI. CONTENTS OF PROPOSALS

All proposals must be submitted with the following sections, in the order listed below, and must provide the information specified below:

- A. Exhibit Summary Sheet - Provide basic information indicated, including a brief project overview in the space provided. The "Exhibit Summary Sheet" form is included in this RFP as Attachment 1.
- B. Request For Proposal Contents Checklist - Use the summary checklist sheet to ensure that all of the appropriate contents of the proposal have been included (see Request For Proposal Contents Checklist form, Attachment 2).
- C. Authorization Letter/Resolution - A letter or resolution authorizing the applicant to submit a proposal must be included with the proposal. The letter must include the proposing entity's name, address, telephone number and contact person, and must be signed by the person or persons authorized to represent the proposing entity. For proposals from more than one entity, letter(s) must be signed by an authorized representative from each entity. Please indicate which entity will be the project manager of the project.
- D. Project Description - Identify specific objectives of the proposal and describe the scope of work of the proposed project. The applicant should refer to the appropriate section of the California Air Resources Board's *Methods to Find the Cost-Effectiveness of Funding Air Quality Projects -- 2005 Edition* (this is a hardcopy version of the "Automated" methods) for assistance on successful project design. The Handbook can be obtained from the District's web page (<http://www.myairdistrict.com>). Select "Grants and Incentives", and then select "AB2766 DMV Funds."
- E. Project Organization/Background - Provide a very brief description (one page or less; no resumes) of your organization. Please indicate if your agency has successfully completed a similar project. If subcontractors are to be used in the project, please identify and state their qualifications, or if subcontractors have not been identified, state the specific qualifications that must be met. Describe the technical capabilities available to the proposer for preparing estimates of emissions reductions for both the proposal and reporting. Describe the accounting capabilities available to the proposer for tracking costs by project task and tracking which funding source pays for each expenditure.
- F. Emission Benefits/Cost Effectiveness - This important section shall clearly state the estimated total lifetime emission reductions of NOx, ROG, and PM10, if emissions reductions are quantifiable. When emissions reductions are quantifiable, state the vehicle miles traveled (VMT) reductions, vehicle trip reductions, or persons served. The calculations and assumptions necessary to derive and support these estimates must be clearly and concisely included in the technical appendix and will be verified by District staff. Please refer to Section XI of this RFP for more detailed information on this important section of your proposal.

The applicant should also refer to the appropriate section of the California Air Resources Board's (ARB) *Methods to Find the Cost-Effectiveness of Funding Air Quality Projects -- 2005 Edition* (this is a hardcopy version of the "Automated" methods) for assistance on successful project design, necessary data inputs, emission factors, and formulas used to determine cost-effectiveness. The Handbook can be obtained from the District's web page (<http://www.myairdistrict.com>). Select "Grants and Incentives", and then select "AB2766 DMV Funds."

The District will be looking for the maximum benefit per AB 2766 dollar spent and per total project dollar spent. Therefore, the proposal must provide the cost-effectiveness based on AB 2766 funding and the cost-effectiveness based on total project dollar spent. NOTE: More points are allocated for cost-effectiveness than any other evaluation criteria.

- G. Work Statement - Describe separately each phase of the work to be performed. Break the work down into logical tasks, list tasks within each phase of work and describe as necessary. Such a breakdown will vary somewhat for each project or program, but normally there are between 2 and 12 tasks. State the sequence of work activities, including a starting date no sooner than January 1 of the grant year and a completion date within one year of said January 1. Include all relevant information regarding: a) the technology involved in the project; and b) the parties involved in the project.

All project recipients must provide some type of public acknowledgment that their project was funded by the District utilizing DMV Surcharge Funds. How this is done will vary by project (e.g. logo/placard on equipment, include acknowledgment in pamphlets, etc.), but must be addressed in this section of the proposal.

- H. Funding Request/Breakdown of Cost - A table is recommended for this purpose listing costs by task (and sub-tasks) in rows and funding sources in columns. Identify all sources of funds, including the AB 2766 DMV Surcharge funds, other direct funding sources and in-kind (non-dollar) contributions. Clearly state the amount of AB 2766 funds requested from the District for each task. Clearly state the amount of matching funds (co-funding) available from each co-funding source for each task and whether funds are monetary or in-kind (non-cash) contributions. Clearly state the total costs for each task and the total project costs. District staff will review all matching funds for availability and will verify eligibility. If identified matching funds are found to no longer be available, it may be grounds for eliminating the project.

This breakdown of costs must include a category for all administrative costs. The District will not reimburse for any administrative costs due to State-mandated limits (ref. California Health and Safety Code, Section 44233). Administrative costs must be funded by other funding sources or paid by the proposer with an "in-kind" contribution. The California Air Resources Board's definition of administrative costs is included in Attachment 6.

NOTE: If a person whose job title is considered administrative by your agency is completing project management tasks, this is acceptable as long as you label the work "project management" and the billing rate you use is not "burdened" with administrative costs, as defined by ARB.

Separate from the above table, provide an itemized list of equipment to be purchased and the proportion of the cost of each piece of equipment to be funded by AB 2766 DMV Surcharge funds. The program will fund only that portion of the equipment's cost that is related to the provision of motor vehicle emissions reductions or technical studies, planning or monitoring related to the implementation of the California Clean Air Act. Co-funding must be used to fund any non-qualifying benefit.

Separate from the above table, provide an estimate of the operating costs to be funded by AB 2766 funds. The program will fund only that portion of the operating costs that is related to the provision of motor vehicle emissions reductions or technical studies, planning or monitoring related to the implementation of the California Clean Air Act. Co-funding must be used to fund any non-qualifying benefit.

It is recommended that proposals include alternate funding levels in case the District cannot fully fund your proposal.

Describe what procedures will be used to track/monitor costs against those approved in the project.

If AB 2766 funding has been provided to the proposer for the past 2 years for the same project or program being proposed for the upcoming grant year, then provide a discussion and analysis showing when this activity can become self-funding so that AB 2766 funding "sunsets". Refer to the Evaluation Criteria, Ranking and Sunsetting section in Attachment 5 for more information/discussion on the District's fund sunseting strategy.

NOTE: Reimbursements will not be made prior to contract execution.

- I. Schedule of Deliverables/Monitoring Program - Provide a list of all work products or deliverable items and their anticipated dates of delivery. The schedule should not extend past more than one year after the date of contract execution. Show the task sequence in chart-form using a time-line for each task.

Describe how the project objectives will be measured and reported, being consistent, as applicable, with the requirements described in Section IX. A monitoring program is required for all projects to assure the necessary data are collected to quantify reductions of vehicle trips and vehicle miles traveled. ARB's *Methods to Find the Cost-Effectiveness of Funding Air Quality Projects -- 2005 Edition* should be used as a resource to identify the data that must be collected for an acceptable monitoring program. There are alternative ways to measure effectiveness, such as number of people reached, number of responses where asked for, and increased participation in a promoted event or service.

NOTE: The District will not provide copies of previous proposals to applicants. Applicants will have to contact the previous proposal author for copies.

SECTION VII. SUBMISSION OF PROPOSALS

All proposals must be submitted according to specifications set forth in the RFP. Failure to adhere to these specifications may be cause for rejection of proposal.

THE APPLICANT SHALL SUBMIT ONE **ORIGINAL** (AS DESCRIBED ON REQUEST FOR PROPOSAL CONTENTS CHECKLIST, ATTACHMENT 2) OF THE PROPOSAL IN A SEALED ENVELOPE PLAINLY MARKED IN THE UPPER LEFT-HAND CORNER WITH THE NAME AND ADDRESS OF THE PROPOSER AND THE WORDS "AB 2766 DMV SURCHARGE PROGRAM."

DUE DATE: ALL PROPOSALS ARE DUE NO LATER THAN 4:00 P.M., SEPTEMBER 3, 2021 (POSTMARKS NOT ACCEPTED) AND SHOULD BE DELIVERED TO:

Mailing Address:
ATTN: Melissa Klundby
P.O. Box 2227,
Portola, CA 96122

UPS/FedEx Shipping Address:
Northern Sierra Air Quality Management District
257 East Sierra Unit E
Portola, CA 96122

PROPOSALS WILL NOT BE ACCEPTED AT ANY OTHER LOCATIONS. LATE PROPOSALS WILL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES.

Grounds for Rejection - A proposal will be rejected if:

- a) It is received at any time after the exact date and time set for receipt of proposals.
- b) Any of the contents described on the Request for Proposal Contents Checklist (Attachment 2) are not provided in the application.
- c) The proposal does not meet the criteria described in the RFP.
- d) The District determines that the project is ineligible (See Section IV).

Disposition of Proposals - The District reserves the right to reject any or all proposals. All proposals become the property of the District. Proposals are valid only during the current funding cycle that the proposals are submitted.

Modification or Withdrawal - Once submitted, proposals may not be altered. Additional information may not be accepted after the proposal is submitted. All proposals shall constitute firm offers. The District may contact the applicant for more information or clarification on a proposal. The applicant may be asked by the District to submit additional written information or clarification on a proposal. Applicants are not to initiate contact with the District during the project evaluation phase about proposed projects. Lobbying for a proposed project is expressly forbidden. The Board may approve a project on the proviso that the proposal is modified in specific ways. The District may require a proposal to be modified prior to being included as an attachment to a contract agreement to help clarify the project commitments.

SECTION VIII. CONTRACT PREPARATION AND PROJECT TERM

Those projects that are chosen for funding will be required to complete a contract with the District as a condition of receiving funds. A draft copy of a contract is enclosed in this RFP as Attachment 3. Contract preparation will begin soon after approval of projects by the District Governing Board. Contracts will be executed by the Air Pollution Control Officer after the Governing Board approves projects. This will occur in September or October. All projects should be scheduled to begin no sooner than January 1st of the grant year. Projects must be completed within one year from the execution of the contract with the District. Multiple-year or phased projects can only be guaranteed funding for one year, but may apply each year for additional funding. Prior to receiving any funds, the District will provide the project participant with ONE final COPY of the signed contract. Refer to Attachment 4 (*Project Guidance*) for written instructions on how to request funds. Prior to receiving any funds, the project participant must provide the District with the following documents:

- i) *Verification of appropriate signing authority.* The signing authority must be the person authorized in the contract as the person who can act on all fiscal matters on behalf of the funded agency. This may be accomplished by resolution, or the like.
- ii) *Verification of all insurance requirements identified in the contract.* If self-insured, a letter from a risk manager or the like will be acceptable.
- iii) *Verification that any and all matching funds identified in the proposal are still available.* The signing authority must provide formal documentation of the available matching funds.

The contract will require the applicant to perform adequate record keeping to allow the District to take credit for the emission reductions. **All emissions reductions achieved through this program are the property of the District.** It will also include requirements for monitoring and reporting by the proposer. The District may conduct a fiscal audit of the project participants' records to ensure appropriate expenditure of the AB 2766 DMV Surcharge funds. An in-house audit may be conducted on selected projects.

Proprietary Rights - Applicants wishing to propose the use of proprietary data developed solely at their own expense should clearly identify such data and the restrictions on its use in their proposals (see Attachment 3 - Standard Agreement).

SECTION IX. REPORTING AND AUDIT PROCEDURES

Contract monitoring will be performed by the District on a regular basis. All projects will be reimbursed on a quarterly or monthly basis, only for work completed. A Monthly/Quarterly Financial Report is required to be submitted by the applicant (see Attachment 4 - Project Guidance) with each request for reimbursement, which must include a brief progress report. A mid-way *Monitoring Report* is also due by July 31 of the grant year describing what work has been successfully completed on schedule, percentage completion for each task, what work is behind schedule and why, what will be done to get back on schedule (if needed), and whether challenges are anticipated in completing the scheduled work by December 31 of the grant year. This is the project participants' opportunity to accent successes and forewarn about anticipated problems. In addition, a *Final Report* is required detailing what was actually accomplished and providing a final cost breakdown. The final report will also include emission reductions achieved, based on actual monitoring data, if applicable, and shall include all information necessary to judge the success of the project in meeting its goals. This analysis shall include a comparison of the proposed benefits to the actual benefits. More detailed information on the reporting requirements is included in the *Project Guidance* (Attachment 4).

The District, may at any time during regular business hours, and as often as the District may deem necessary, examine all records and data with respect to the matters contained in the contractual agreement. The applicant will be required to permit the District access to such records and data to ensure the applicant's compliance with the terms of said agreement (see Attachment 3).

Any entity that receives monies from the AB 2766 DMV Surcharge funds may be subject to an audit of each project funded. The audit will be conducted by an independent auditor selected by the District. Upon the completion of an audit, the District will make the audit available to the public, and the proposer upon request. The District will review the audit to determine if the monies were used per the contractual agreement for the reduction of air pollution from motor vehicles.

If the District determines that the monies were expended in a manner contrary to law or not in accordance with contract provisions, the District will notify the contractor of the determination, and within forty-five days, the District's Governing Board will hold a public hearing at which the contractor may present information related to the expenditure of monies. After the hearing, if the District determines that the contractor has expended the monies in a manner that is contrary to law or not in accordance with contract provisions; the District shall withhold monies from the contractor in an amount equal to the amount that was inappropriately expended. In addition to all other available remedies, the District may, at its discretion, also seek re-payment of funds misappropriated, spent for non-eligible activities, or otherwise inappropriately expended.

SECTION X. PROPOSAL EVALUATION

Proposals will be evaluated and points awarded based upon the criteria outlined in the District's Evaluation Criteria, Ranking and Sunsetting section (see Attachment 5). The maximum possible score is 100 points. The maximum score for each category was approved by the Board of Directors and is based on the priorities of the Board. Cost-effectiveness is the category that receives the most points. Projects with the highest total scores will be funded first.

Note: Points may be deducted for applicants whose previous project performance is not consistent with the commitments made in their previous funding proposal(s). This may include, but is not limited to: failure to execute a contract, numerous contract extensions, or poor goal achievement (e.g. over-promising in proposals and under-delivering during the implementation).

Note: Projects that have received funding for **three years or more** fall under the **sunsetting** category and are eligible for remaining funds after non-sunsetting projects have been approved. This allows start-up projects to compete, based other relevant criteria (e.g. cost-effectiveness), against marginal, ongoing projects that request funding for operating expenses (see attachment 5-9 for more information on sunseting).

Allocated funds are earmarked for each county. Funds are portioned out to each county according to the most up to date census data. This attempts to assure a measure of fairness. However, exact parceling of funding in this manner is not intended. There may be circumstances where the amounts will vary from the optimum, and times when it is desirable to provide more funding in an area due to need (e.g. high pollution areas).

District staff will evaluate all projects. Projects will be ranked and presented to the District's Board of Directors for approval. The District's Board of Directors may form, at their discretion, an ad hoc project evaluation committee for each County to review proposals for that County. At the completion of the evaluation process, each committee recommends proposals and the amount of funding for each proposal to the District's Governing Board for approval at a regular meeting.

The evaluation criteria are included in Attachment 5 (near end) to provide the proposer additional insights on how their proposal that will be evaluated.

NOTE: ALL DISTRICT BOARD MEETINGS ARE OPEN TO THE GENERAL PUBLIC. OPPORTUNITIES FOR PUBLIC COMMENTS ARE ENTERTAINED AT THE END OF EACH MEETING. IT IS REQUESTED THAT NO UNSOLICITED COMMENTS BE MADE BY THE GENERAL PUBLIC DURING ANY PORTION OF THE MEETING, EXCEPT DURING THE PUBLIC COMMENT PERIOD. ALL MEETINGS OF THE DISTRICT ARE SUBJECT TO THE RALPH M. BROWN ACT.

NOTE: THE DISTRICT STRONGLY RECOMMENDS THAT ALL APPLICANTS ATTEND THE DISTRICT GOVERNING BOARD MEETING WHEN PROJECTS ARE APPROVED OR DENIED FOR FUNDING.

NOTE: AFTER THE APPLICATION DUE DATE, APPLICANTS ARE NOT ALLOWED TO INITIATE DISCUSSIONS REGARDING THEIR PROJECTS WITH DISTRICT STAFF. LOBBYING FOR A PROPOSAL IS EXPRESSLY FORBIDDEN. HOWEVER, THE DISTRICT MAY INITIATE DISCUSSIONS WITH APPLICANTS TO GATHER INFORMATION OR CLARIFICATION ON PROPOSALS DURING THE EVALUATION PERIOD.

SECTION XI. EMISSIONS CALCULATIONS AND COST-EFFECTIVENESS

For most project types, it is possible to estimate emissions reductions, however, certain assumptions are necessary in many cases.

The California Air Resources Board (ARB) has developed standardized methods for calculating emissions reductions for typical projects encountered around the state. Innovative projects may require innovative development of methodologies to calculate emissions reductions and cost-effectiveness. ARB adds new methodologies as they are developed and approved by a committee of reviewers. **Please note: Use the [2018 Emission Factors](http://myairdistrict.com/wp-content/uploads/2018/09/Emission-Factor-Tables-March-2018.pdf) instead of the outdated emission factors included within the Method for Finding Cost Effectiveness guide: <http://myairdistrict.com/wp-content/uploads/2018/09/Emission-Factor-Tables-March-2018.pdf>**

In cases where there is an existing methodology, appropriate for a proposed project, the applicant is responsible for providing the emissions calculations. Please run the software and submit a copy of the report with the proposal as a technical appendix. The District will assist the applicant in completing these calculations, if requested. The applicant must justify the use of the inputs and assumptions in the proposal's technical appendix. District staff will review the emissions calculations and assumptions provided by the applicant for accuracy.

For innovative projects that have not been attempted before, the District will need to work with the applicant to develop an acceptable methodology. In such cases, a rough estimation may be all that is required for the proposal. However, the method may be refined by the District as a greater understanding of the project emerges and the new information becomes available. This refined methodology would then be used in the final report.

ARB's methodologies often calculate cost-effectiveness based on total project costs. ARB recommends rejection of proposals that exceed \$10 per pound. The District does not agree that this approach is appropriate, especially in rural areas. The District's position is that cost-effectiveness should be based on the motor vehicle emissions reductions and the AB 2766 funding used to achieve those emissions reductions. Also, cost-effectiveness based on overall project cost may be helpful in comparing other similar projects that have been attempted, but should not be the singular cause to reject a project. Projects will not necessarily be rejected if they exceed the ARB threshold of \$10 per pound. However, the District's goal is not to fund projects that greatly exceed ARB's recommended cost-effectiveness recommendation.

ATTACHMENT 1

EXHIBIT SUMMARY SHEET

DRAFT

EXHIBIT SUMMARY SHEET

Proposing Entity (include other participating entities):

Contact Person:

Address:

Phone #:

FAX #:

EMAIL:

Total Project Budget:

	AB 2766 Funds	Co-Funding	Total Project Costs
Capital Costs	\$ _____	\$ _____	\$ _____
Operating Costs	\$ _____	\$ _____	\$ _____
TOTAL	\$ _____	\$ _____	\$ _____

Type of Project: (check one)

Quantifiable Project

Reduced Emission Vehicles Project

Implementation Area for Project: Check if District-wide

Describe the Implementation Area for the Project (e.g. city, county, region):

Estimated Emission Reductions:

A. Emission Reductions (lbs/yr)

Reactive Organic Gases _____ Nitrogen Oxides _____ PM₁₀ _____

B. Vehicle Miles Traveled (VMT) Reduced _____

Single Occupancy Vehicle Trips Reduced _____

C. Number of people reached per day through public education _____

Cost-effectiveness: \$ _____ per pound (AB 2766 Funds Only)

Brief Project Description:

ATTACHMENT 2

REQUEST FOR PROPOSAL

CONTENTS CHECKLIST

REQUEST FOR PROPOSAL CONTENTS CHECKLIST

Applicant: _____

Please complete and attach this checklist with your application.

Exhibit Summary Sheet - page _____

Request for Proposal Contents Checklist - page _____

Authorization Letter/Resolution - page _____

Project Description - page _____

Project Organization/Background - page _____

Emissions Benefits/Cost-Effectiveness - page _____

Work Statement - page _____

Funding Request/Breakdown of Cost - page _____

Schedule of Deliverables/Monitoring - page _____

All Pages Numbered

Proposal, One Original

(CHECK ONE ONLY)
Quantifiable Project

- OR -

Reduced Emission Vehicles Project

DRAFT

ATTACHMENT 3

SAMPLE CONTRACT

AGREEMENT

This Agreement is made and entered into this 1st day of January 2022, by and between the Northern Sierra Air Quality Management District, a unified air pollution control district formed pursuant to California Health and Safety Code section 40150, et seq. (the "DISTRICT"), and the XYZ Company (the CONTRACTOR").

RECITALS:

WHEREAS, the California Clean Air Act requires local air pollution control districts to reduce emissions from motor vehicles; and

WHEREAS, AB 2766, codified in California Health and Safety Code section 44223, authorizes districts to impose a fee of up to four dollars upon certain registered motor vehicles within the district, and the Governing Board of the DISTRICT has imposed said fee (\$4 per vehicle in Nevada and Plumas Counties and \$2 per vehicle in Sierra County); and

WHEREAS, said legislation requires the DISTRICT to use said funds for activities to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act of 1988; and

WHEREAS, DISTRICT staff reviews proposals for eligible projects for the purpose of making funding recommendations to the Governing Board of the DISTRICT; and

WHEREAS, on September 27, 2021, after holding a public meeting and considering the recommendations of DISTRICT staff, the DISTRICT Board of Directors approved funding for this project; and

WHEREAS, CONTRACTOR has proposed a project that meets the eligibility criteria for funding approved by the DISTRICT, which is consistent with the goals of Health and Safety Code section 44220 through 44247; and

WHEREAS, CONTRACTOR represents that it will submit a request for proposals to select a subcontractor to perform the activities set forth herein.

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

1. PROJECT

CONTRACTOR shall secure a subcontractor to perform all work necessary to complete the (PROJECT NAME). “Project” incorporated herein as Exhibit A. CONTRACTOR agrees to select a subcontractor to furnish all labor, materials, equipment, licenses, permits, fees, and other incidentals necessary to perform and complete, in a professional manner, the services described herein. CONTRACTOR represents that the selected subcontractor will have the expertise necessary to adequately perform the project specified in said Exhibit A. In the event of any conflict between or among the terms and conditions of this Agreement, the exhibits incorporated herein, and the documents referred to and incorporated herein, such conflict shall be resolved by giving precedence in the following order of priority:

1. The text of this Agreement;
2. Exhibit A to this Agreement; and
3. The "AB 2766 DMV Surcharge Fund Program RFP" prepared by the DISTRICT and dated April 26, 2021; and
4. The "AB 2766 DMV Surcharge Fund Program Project Guidance.

2. PERIOD OF PERFORMANCE/TIMETABLE

CONTRACTOR shall commence performance of work and produce all work product in accordance with the work schedule and deadlines for performance identified in Exhibit A, which is attached hereto and incorporated herein, unless this Agreement is terminated sooner as provided for elsewhere in this Agreement. In addition, the CONTRACTOR shall make arrangements with the DISTRICT to receive Project Guidance training from the DISTRICT for any CONTRACTOR's Program Manager assigned to the project during the term of the Agreement.

The CONTRACTOR shall submit regular progress reports, at intervals set forth in the Project Guidance or as otherwise requested by the DISTRICT, detailing the work performed during the current reporting period; work planned for the next reporting period; problems identified, solved, and the percentage of each task completed. CONTRACTOR shall provide DISTRICT with a comprehensive final written report prior to final reimbursement payment.

Said final report shall be complete and shall document the work performed under this Agreement, the emissions reduction achieved (if applicable), as calculated using the methodologies and format required by the DISTRICT, and shall report all co-funding and in-kind contributions actually received.

3. COMPENSATION

In no event shall the total obligation of the DISTRICT under this Agreement exceed \$0,000 for Exhibit A compensation shall be for work completed in accordance with this agreement, starting January 1, 2022, and continuing through the term of this agreement, ending December 31, 2022.

CONTRACTOR shall obtain through other sources sufficient additional monies (co-funding) to fund the total cost of the project as outlined in Exhibit A. Satisfactory written evidence of such funding commitments shall be provided to DISTRICT prior to the release by DISTRICT of any funds under this Agreement, with the exception of user fee revenue. In the event funding from other sources for the balance of the cost of the project, as outlined in Exhibit A, is not received by CONTRACTOR, DISTRICT reserves the right to terminate or renegotiate this Agreement. In that event, if requested by the DISTRICT, CONTRACTOR shall return any DISTRICT funds advanced. All co-funding and in-kind contributions must be documented as they are received, in accordance with generally accepted accounting

principles. The value assigned to in-kind contributions must be consistent with the market value of the goods or service being donated. Co-funding in the form of fee revenue must be documented as it is received (e.g. receipts log for cash), in accordance with generally accepted accounting principles. Fee revenue should normally be used to offset operating expenses or otherwise accrued per the proposal.

A. **PAYMENTS**: Advance payments shall not be permitted. The DISTRICT shall reimburse CONTRACTOR monthly (or quarterly), in arrears, after receipt of a reimbursement request that includes all documentation necessary to verify expenses were incurred, in compliance with the requirements listed in the *Project Guidance*, and the DISTRICT has approved payment. Reimbursement requests shall be mailed to Northern Sierra Air Quality Management District, Portola Office, Attention: Melissa Klundby.

Payment shall be made to CONTRACTOR by the DISTRICT upon submission and evaluation of the CONTRACTOR'S invoice, documentation, and period report. Said invoice shall set forth the work completed pursuant to this Agreement, broken down by work tasks, in compliance with the *Project Guidance*. Allowable expenditures under this Agreement are specifically established and included in Exhibit A attached hereto and incorporated herein.

Upon receipt of proper documentation, and verification that CONTRACTOR has satisfactorily completed the work agreed to and for which compensation is sought, DISTRICT will issue payment to CONTRACTOR within thirty (30) calendar days.

The amount to be paid to CONTRACTOR under this Agreement includes all sales and use taxes incurred pursuant to this Agreement, if any. The CONTRACTOR shall not receive additional compensation for reimbursement of such taxes and shall not decrease work to compensate therefore.

Concurrently with the submission of any invoice for payment, CONTRACTOR shall certify (by providing copies of invoices issued, checks, receipts, or other documentation) that complete payment has been made to any and all subcontractors conducting any portion of the work of this contract.

No administrative costs are to be reimbursed for the work performed. Administrative costs must be borne by outside source funding or provided as "in-kind" contributions. Administrative costs, as used herein, are defined as overhead costs (e.g. salaries and benefits, and services and supplies of the administrative officer(s), legal personnel, maintenance and finance departments; of the governing body; and some secretarial support) that are NOT chargeable directly to a specific project or program or operating function, but are charged proportionately to the department or functions that do directly charge to a project or program. Indirect costs include administrative costs. Thus, direct costs for labor charged to a project must not include a portion that is administrative as defined above.

It is understood that all expenses incidental to CONTRACTOR'S performance of services under this Agreement shall be borne exclusively by CONTRACTOR.

B. Surplus Funds: Any compensation which is not expended by CONTRACTOR pursuant to the terms and conditions of this Agreement by the project completion date shall automatically revert to the DISTRICT. Only expenditures incurred by the CONTRACTOR in the direct performance of this Agreement will be reimbursed by the DISTRICT. Allowable expenditures under this Agreement are specifically established and included in Exhibit A, attached hereto and incorporated herein.

4. NON-ALLOCATION OF FUNDS

The terms of this Agreement and the services to be provided thereunder are contingent on the approval of funds by the appropriating government agency. Should sufficient funds not be allocated, the services provided may be modified or this Agreement terminated at any time by giving the CONTRACTOR thirty (30) days' prior written notice.

5. INDEPENDENT CONTRACTOR

In performance of the work, duties, and obligations assumed by CONTRACTOR under this Agreement, it is mutually understood and agreed that CONTRACTOR, including any and all of CONTRACTOR'S officers, agents, and employees, will at all times be acting and performing as an independent contractor and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of the DISTRICT. Furthermore, DISTRICT shall have no right to control or supervise or direct the manner or

method by which CONTRACTOR shall perform its work and function. However, DISTRICT shall retain the right to administer this Agreement so as to verify that CONTRACTOR is performing its obligations in accordance with the terms and conditions thereof.

Because of its status as an independent contractor, CONTRACTOR shall have absolutely no right to employment rights and benefits available to DISTRICT employees. CONTRACTOR shall be solely liable and responsible for providing to, or on behalf of, itself and save DISTRICT harmless from all matters relative to payment of CONTRACTOR'S employees, including compliance with Social Security, withholding, and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, CONTRACTOR may be providing services to others unrelated to the DISTRICT or to this Agreement.

6. COMPLIANCE WITH ALL LAWS CONTRACTOR and DISTRICT shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over the matters which are the subject of this agreement, and contractors shall maintain all necessary permits or licenses for the duration of this agreement.

7. TERMINATION

A. Breach of Agreement: The DISTRICT may immediately suspend or terminate this Agreement, in whole or in part, where in the determination of the DISTRICT there is:

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 the DISTRICT; or
4. Improperly performed services.

In no event shall any payment by the DISTRICT constitute a waiver by the DISTRICT of any breach of this Agreement or any default which may then exist on the part of the CONTRACTOR. Nor shall such payment impair or prejudice any remedy available to the DISTRICT with respect to the breach or default. The DISTRICT shall have the right to demand of the CONTRACTOR the repayment to the DISTRICT of any funds disbursed to the CONTRACTOR under this Agreement which in the judgment of the DISTRICT were not expended in accordance with the terms of this Agreement. The CONTRACTOR shall promptly refund any such funds upon demand.

In addition to immediate suspension or termination, DISTRICT 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 upon giving the other party at least thirty (30) days' advance, written notice of intention to terminate. In such case, the CONTRACTOR shall, subject to paragraph 3, be paid the reasonable value of all services satisfactorily rendered and actual, reasonable costs incurred

up to the time of the termination. Upon such termination, all the work product produced by CONTRACTOR shall be promptly delivered to the DISTRICT.

8. MODIFICATION

Any matters of this Agreement may be modified from time to time by the written consent of all the parties.

9. NON-ASSIGNMENT

Except as otherwise provided in this agreement, 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. CONTRACTOR shall provide a written request to the DISTRICT for consent on any such changes described above. Contractor shall provide to the DISTRICT as much advance notice on developments related to such changes described above as is reasonably possible.

10. INDEMNIFICATION

CONTRACTOR agrees to indemnify, save, hold harmless, and at DISTRICT'S request, defend the DISTRICT, its boards, committees, representatives, officers, agents, and employees from and against any and all 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 DISTRICT which arise from any

CONTRACTOR

XYZ Company

Attn: John Doe
555 5th Street
City, CA 55555

DISTRICT negligent or wrongful acts or omissions of CONTRACTOR, its officers, agents, subcontractors, or employees in their performance of this Agreement, and from any and all 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 any person, firm, corporation, or entity who may be injured or damaged when such injury or damage arises from any negligent or wrongful acts, or omissions of CONTRACTOR, its officers, agents, subcontractors, or employees in their performance of this Agreement.

11. INSURANCE

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

1. Commercial general liability insurance with minimum limits of coverage in the amount of One Million Dollars (\$1,000,000) per occurrence;
2. 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;

3. Workers compensation insurance in accordance with California law.

B. Such insurance policies shall name the DISTRICT, its officers, agents, and employees, individually and collectively, as additional insured (except worker's compensation insurance). Such coverage for additional insured shall apply as primary insurance, and any other insurance maintained by the DISTRICT, its officers, agents, and employees, shall be excess only and not contributing with insurance provided under the CONTRACTOR'S policies herein. This insurance shall not be canceled or changed without a minimum of thirty (30) days' advance, written notice given to the DISTRICT.

C. Prior to the commencement of performing its obligations under this Agreement, CONTRACTOR shall provide certificates of insurance on the foregoing policies, as required herein, to the DISTRICT, showing that the coverage meets all of the requirements described above.

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

E. If the CONTRACTOR is a government entity, then it may self-insure such of those risks identified above under the same terms and conditions set forth above.

12. AUDITS AND INSPECTIONS

CONTRACTOR shall keep full books and records relating to work required by this contract. CONTRACTOR shall at any time during regular business hours, and as often as DISTRICT may deem necessary, make available to DISTRICT for examination all of its records and data with respect to the matters covered by this Agreement. CONTRACTOR shall, and upon request by DISTRICT, permit DISTRICT to audit and inspect all of such records and data necessary to ensure CONTRACTOR'S compliance with the terms of this Agreement.

CONTRACTOR shall be subject to an audit by DISTRICT or its authorized representative to determine if the revenues received by CONTRACTOR were spent for the reduction of air pollution as provided in AB 2766 and to determine whether said funds were utilized as provided by law and this Agreement. If, after audit, DISTRICT makes a determination that funds provided CONTRACTOR pursuant to this Agreement were not spent in conformance with this Agreement, or AB 2766 or any other applicable provisions of law,

CONTRACTOR agrees to immediately reimburse to DISTRICT all funds determined to have been expended not in conformance with said provisions.

Contractor shall be subject to the examination and audit of the Auditor General for a period of three (3) years after final payment under contract (Government Code §10532).

13. NOTICES

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

Northern Sierra AQMD	200 Litton Dr., Suite 320
Attn: Gretchen Bennitt, Executive Director	Grass Valley, CA 95945

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

14. 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 contrary to federal or state laws, statutes, regulations, rules, or guidelines.

15. 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 or any local agency.

16. CONFLICT OF INTEREST

No officer, employee, or agent of the DISTRICT shall have any direct or indirect personal financial interest in this Agreement. CONTRACTOR shall comply with all federal and state conflict of interest laws, statutes, and regulations, which shall be applicable to all parties and beneficiaries under this Agreement and any officer, agent, or employee of the DISTRICT.

17. GOVERNING LAW

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

18. 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.

19. TIME IS OF THE ESSENCE

It is understood that for CONTRACTOR'S performance under this Agreement, time is of the essence. The parties reasonably anticipate that CONTRACTOR will, to the reasonable

satisfaction of the DISTRICT, complete all activities provided herein within the time schedule outlined in the attachments to this Agreement, provided that CONTRACTOR is not caused unreasonable delay in such performance.

20. DATA OWNERSHIP

Upon termination or expiration of this Agreement, all data which is received, collected, produced, or developed by CONTRACTOR shall be delivered to the DISTRICT. Contractor shall be allowed to retain a copy of any non-confidential data received, collected, produced, or developed by CONTRACTOR under this Agreement subject to the DISTRICT'S exclusive ownership rights stated herein. Accordingly, CONTRACTOR shall, if requested, surrender to DISTRICT all such data which is in its possession (including its subcontractors, or agents), without any reservation of right of title, not otherwise enumerated herein.

DISTRICT shall have the right at reasonable times during the term of this Agreement to inspect and reproduce any data received, collected, produced, or developed by CONTRACTOR under this Agreement. No reports, professional papers, information, inventions, improvements, discoveries, or data obtained, prepared, assembled, or developed by the CONTRACTOR, pursuant to this Agreement, shall be released or made available

(except to the DISTRICT) without prior, express written approval of the DISTRICT while this Agreement is in force.

21. NO THIRD-PARTY BENEFICIARIES

Notwithstanding anything else stated to the contrary herein, it is understood that CONTRACTOR'S services and activities under this Agreement are being rendered only for the benefit of DISTRICT, and no other person, firm, corporation, or entity shall be deemed an intended third-party beneficiary of this Agreement. All third party involvement shall relate to a bona fide air quality benefit, otherwise, the third party must be a co-funder, contributing at least a proportionate value for the benefit they are receiving.

22. OWNERSHIP OF EMISSIONS REDUCTIONS

All emissions reductions achieved by the project are the property of the DISTRICT. The CONTRACTOR has no legal rights to any emissions reductions credits that may be generated as a result of the project. Emissions reductions from funded projects are not transferable and may not be used as emissions offsets.

23. CONTRACTOR'S REPRESENTATION

CONTRACTOR shall present proof of license to do business in the state of California or provide other certification proving the contractor is a legal business entity. Proof shall also be provided showing that the person signing the agreement on behalf of the CONTRACTOR is duly authorized to enter into a binding legal 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. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the CONTRACTOR and DISTRICT 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 herein above written.

CONTRACTOR:

XYZ Company

By: _____
Signing Authority

Print Name and Title (Signing Authority)

Date: _____

Tax I.D. No. _____

DISTRICT:

Northern Sierra AQMD

By: _____
Chair of the Board

By: _____
Gretchen Bennitt, Executive Director

Date: _____

ATTACHMENT 4

PROJECT GUIDANCE

Northern Sierra Air Quality Management District

AB 2766

DMV SURCHARGE FUND PROGRAM

PROJECT GUIDANCE

Grant Year 2024 Project Cycle

**NORTHERN SIERRA
AIR QUALITY MANAGEMENT DISTRICT**

**DISTRICT HEADQUARTERS:
200 LITTON DRIVE, SUITE 320**

**GRASS VALLEY, CA 95945
(530) 274-9360
FAX:(530) 274-7546**

**NORTHERN FIELD OFFICE:
257 E. SIERRA STREET, SUITE E
P.O. Box 2227
PORTOLA, CA 96122
(530) 832-0102
FAX: (530) 832-0101**

April 24, 2023

DRAFT

DMV SURCHARGE PROGRAM
PROJECT GUIDANCE

TABLE OF CONTENTS

OVERVIEW..... 4-1

SECTION 1..... 4-2

 Letter of Confirmation of Funding.....4-2

 Contract Preparation..... 4-2

 Matching Funds..... 4-2

 Signing Authority..... 4-2

 Insurance.....4-2

 Revisions..... 4-2

SECTION 2.....4-3

 Claim for Payment..... 4-3

 Invoices and Receipts..... 4-3

 Monthly/Quarterly Financial Report..... 4-3

 Closeout Period..... 4-3

SECTION 3..... 4-3

 Monitoring.....4-3

 Site Visit..... 4-4

SECTION 4..... 4-4

 Final Report..... 4-4

 Request for Information..... 4-5

ATTACHMENTS

 Claim for Payment Form

 Monthly/Quarterly Financial Report Forms

 Monitoring Report Form

 Final Report Form

DMV SURCHARGE FUND PROGRAM PROJECT GUIDANCE

PROJECT OVERVIEW

PURPOSE: This guidance document explains the required content for the successful completion of an AB 2766 DMV Surcharge Fund Program with the Northern Sierra Air Quality Management District (NSAQMD).

WHO: This guidance is directed toward all AB 2766 DMV Surcharge Fund Program project participants.

WHAT: The AB 2766 DMV Surcharge Fund Program is an innovative program that allocates fees collected from motor vehicle registrations for local projects that reduce emissions from mobile sources, such as automobiles, trucks, and buses. The NSAQMD Governing Board makes a final funding decision based on the Air Pollution Control Officer's (APCO) recommendation, which in turn makes funds available to project participants.

WHEN: Within 120 days after the NSAQMD Governing Board makes a final decision, all prospective project participants must enter into a formal contract with the NSAQMD. The effective starting date of most contracts is January 1st.

CORRESPONDENCES: All correspondences, including all reporting and claim for payments shall be sent to the District Headquarters unless other arrangements have been made between the participant and the District.

Mailing Address:

**Northern Sierra Air Quality Management District
ATTN: Melissa Klundby
P.O. Box 2227,
Portola, CA 96122**

UPS/FedEx Shipping Address:

**Northern Sierra Air Quality Management District
257 East Sierra Unit E
Portola, CA 96122**

HELP: NSAQMD staff is available to answer questions and to provide assistance to project participants regarding these procedures. You should read the entire document in order to fully understand the requirements, and all questions should be directed to Melissa Klundby, located at the Portola Office, email: melissak@myairdistrict.com, phone: (530) 832-0102.

SECTION 1

A. Letter of Confirmation of Funding

Within thirty (30) days of NSAQMD Governing Board approval, all prospective project participants will receive a *Letter of Confirmation* and will be expected to reply indicating their desire to proceed with their project.

B. Contract Preparation

Upon receiving a reply from the applicant on their intent to proceed with the project, the NSAQMD will send a contract to the project applicant for their review and signature. All contracts must be reviewed in full, all changes made, and signed by both parties by December 31. All unsigned contracts will be terminated after the specified time period.

C. Matching Funds

All project participants must provide sufficient evidence of matching funds prior to receiving any reimbursement from the NSAQMD. This can be supplied in the form of a bank statement, an approved budget, board resolution, or letter of available funds. All co-funding and in-kind contributions must be documented as they are received, in accordance with generally accepted accounting principles. The value assigned to in-kind contributions must be consistent with the market value of the goods or service being donated. Co-funding in the form of fee revenue must be documented as it is received (e.g. receipts log for cash), in accordance with generally accepted accounting principles.

D. Signing Authority

All project participants must provide appropriate documents, such as a resolution or letter establishing who is authorized to sign on behalf of the project participant. The authorized designee will be responsible for signing the contract and claims for payment.

E. Insurance

The contract will specify the levels and amounts of insurance the NSAQMD will require. All insurance requirements must be met before any reimbursements will be made by the NSAQMD. Promptly sending an insurance certificate that meets the requirements set forth in the contract agreement to the NSAQMD will help avoid delays in reimbursing funds.

F. Revisions (e.g. Changes to Work Plan, Breakdown of Cost, Co-funding)

Any revisions to the project work plan, budgeted breakdown of costs by task, or co-funding arrangements must be submitted in writing and approved by the NSAQMD prior to initiating changes. If changes are not authorized by the NSAQMD, the applicant may be ineligible for reimbursements.

SECTION 2

A. Claim for Payment

Project participants will be reimbursed for all project costs on a monthly basis, quarterly if requested. The NSAQMD will not provide advances to project participants. Project participants must submit request for payment on the NSAQMD *Claim for Payment* form only. When an agency has been awarded multiple project/program projects, a claim for payment must be submitted for each project, separately. All claims must be typed, signed and dated by the appropriate signing authority or they will be returned to the applicant. All claims for payments must adhere to the work plan and specified line item budgets as identified in your contract (e.g. list expenses by task). Any changes will be considered as work plan revisions (see Section 1). No administrative costs shall be included in claims for payment. Included in this guidance document is a sample *Claim for Payment* showing how to complete the form, a blank *Claim for Payment* form to be duplicated and used by the project participants.

Up to 95% of the contract amount may be claimed before the completion and submittal of the final report. Once the District receives and approves the final report, the remaining 5% may be claimed. The claim for payment of the final 5% may be included with the final report (See Section 4, A. for final report requirements).

B. Invoices and Receipts

All requests for reimbursement must be accompanied by appropriate invoices and receipts showing the actual expenses incurred and proving payments were made (copies of checks are acceptable receipts). If not, all claims will be returned and no reimbursement will be made until the appropriate documentation is submitted.

C. Monthly/Quarterly Financial Report

The *Monthly/Quarterly Financial Report* must accompany all requests for reimbursement for the payment requests. The *Monthly/Quarterly Financial Report* is used to verify that applicants are tracking funds used and funds remaining and that projects are on a timely schedule. The report can also be used by the applicant to identify any potential problems or delays. Included in this guidance document is a *Monthly/Quarterly Financial Report* form to be duplicated and used by the project participants.

SECTION 3

A. Monitoring

All projects will begin on January 1st (beginning of project cycle) with a mid-way *Monitoring Report* due by July 31st. The *Monitoring Report*, a form is attached to this guidance, will be prepared by the project participant and sent to the NSAQMD by the above indicated date. The *Monitoring Report* shall include a more detailed status of the project or program than the monthly/quarterly project status provided with the financial report: describe what work has been successfully completed on schedule, percentage completion for each task, what work is behind schedule and why, what will be done to get back on schedule (if needed), and whether challenges are anticipated in completing the scheduled work by December 31st (end of project cycle). This is the

project participants' opportunity to accent successes and forewarn about anticipated problems. The District should be notified as soon as the project participant discovers a serious problem that jeopardizes the successful completion of a project or program and should not wait until a report due date.

The *Monitoring Report* shall also include a description of the data being gathered to calculate vehicle emissions reductions, trip reductions, and/or vehicle miles traveled reductions. Submit a detailed description of the monitoring systems you have designed and implemented to gather data to calculate motor vehicle emissions reductions, vehicle miles traveled (VMT) reductions and trip reductions. Please provide samples of your data gathering forms or surveys. It is recommended that you use the ARB's computer program *METHODS TO FIND COST-EFFECTIVENESS OF AIR QUALITY PROJECTS* to assure you are collecting complete information necessary for accurate calculations and analysis. This program can be obtained from the District's web page (<http://www.myairdistrict.com>). Select "Grants and Incentives", and then select "AB2766 DMV Funds."

The State, at many levels (e.g. legislature, Cal-EPA, CARB), industrial groups, and watch-dog groups have been questioning the effectiveness of this program. The California Air Pollution Control Officers Association has lobbied hard to maintain local control over these funds, but we will lose them if we cannot show these public funds are being used responsibly, cost effectively, and with accountability. The reality is, there are many other groups looking for reasons to take this funding source away from local agencies and use it at the state level.

Project participants that do not adequately monitor the motor vehicle emissions reductions, vehicle miles traveled reductions and trip reductions may not be considered for future funding.

B. Site Visit

Depending on the type of project and the necessity, some project participants will be scheduled for a site visit by NSAQMD Staff. The purpose of the visit is to ensure that projects are underway and on schedule. The ultimate goal is to share project successes with other agencies throughout the NSAQMD and the State. NSAQMD staff may request taking photographs and videotapes of projects.

SECTION 4

A. Final Report

Within sixty (60) days of the completion date of the contract, project participants are required to provide the NSAQMD with a final report. Included in this guidance document is a *Final Report* form. It is expected that additional sheets will be attached to substantiate the results compiled on this form.

The report shall include a list of completed activities and a breakdown of final, total costs that includes costs paid by all sources of funding, including "in-kind" contributions. Project costs shall also be broken down into capital costs and operating costs. A description of the capital and operational costs must be included. All of the input data required to run ARB's computer program *Methods To Find Cost-Effectiveness Of Air Quality Projects* must be provided in the final report. This information will be used by the District to determine the project's cost-effectiveness. Project participants are encouraged to run this program. The program can be obtained from the District's

web page (<http://www.myairdistrict.com>). Select “Grants and Incentives”, and then select “AB2766 DMV Funds.”

The report shall also include emission reductions achieved, based on actual monitoring data, if applicable, and shall include all information necessary to judge the success of the project in meeting its goals. This analysis shall include a comparison of the proposed benefits to the actual benefits.

The final report shall include the monitoring data used to calculate vehicle emission reductions (e.g. trips reduced, vehicle miles traveled reduced, and other data inputs) and shall clearly list assumptions used. The emissions reductions shall be totaled for each pollutant and entered on the *Final Report* form in tons per year and pounds per year.

Final payment will not be made until the final report is submitted and approved by the NSAQMD.

B. Request for Information

Periodically, the NSAQMD may send project participants a *Request for Information* letter or memo when the NSAQMD needs some information that may be required for its reporting to the California Air Resources Board. Project participants are expected to cooperate since such work is necessary to assure continued funding. The state legislature will take steps to eliminate this funding source if emission reductions are not shown to be cost-effective.

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

MONTHLY / QUARTERLY FINANCIAL REPORT

Please provide the following information:

AGENCY: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE NUMBER/EMAIL: _____ / _____

REIMBURSEMENT
MONTH/QUARTER: _____

PROJECT DESCRIPTION: _____

AB2766 Grant Contract #: _____

FISCAL INFORMATION

1. Total project amount (AB2766 Funds Only): \$ _____
2. Amount of funds requested this report, if any: \$ _____
3. Amount of funds expended to date: \$ _____
4. Amount of funds anticipated next 90 days: \$ _____
5. Total amount of funds expended: \$ _____
6. Remaining balance:
(Subtract line 5 from line 1) \$ _____

PROJECT STATUS: _____

Northern Sierra Air Quality Management District

MONITORING REPORT (Due July 31st)

Please provide the following information on mid-project performance:

AGENCY: _____

PREPARER: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE NUMBER/EMAIL: _____ / _____

DATE REPORT PREPARED: _____ Contract #: _____

PROJECT DESCRIPTION: _____

This report should include Information to all of the questions listed below. Use additional sheets and include attachments as necessary.

1. Is the project on schedule and are all of the goals being achieved?
2. Provide the percentage completion of each task listed in the proposal and any pertinent information on the status of the project.
3. Are there any difficulties or challenges occurring that may cause the schedule to slip?
4. On a separate sheet of paper, provide a detailed description of the monitoring systems you have designed and implemented to gather data to calculate motor vehicle emissions reductions, vehicle miles traveled (VMT) and trip reductions. Please provide samples of your data gathering forms or surveys.

Northern Sierra Air Quality Management District

FINAL REPORT

Please provide the following information to close out your contract:

AGENCY: _____

PREPARER: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE NUMBER/EMAIL: _____ / _____

DATE REPORT PREPARED: _____ Contract #: _____

PROJECT DESCRIPTION: _____

This report should include information to all of the questions and include attachments as necessary.

1. Is the project complete and were all of the goals achieved? Please provide a copy of all final products or works.

2. Final breakdown of expenditures by line item compared to the original proposal. If your project was completed under the budgeted amount, please give a complete explanation by line item. Use additional sheets if necessary:

3. Funding a. _____ vehicle registration fees
b. _____ co-funding
c. _____ total cost of project

4. Capital Costs \$ _____
Operating Costs \$ _____
Total Project Costs \$ _____

5. Description of Capital Costs (Equipment, infrastructure, etc.)

6. Description of Operating Costs (fuel, labor, etc.)

7. Please list data sources, assumptions, and methodologies used to determine costs

8. Total Vehicle Miles Traveled Reductions _____ VMT
9. Total Trip Reductions _____ Trips
10. Emissions reductions in tons per year for NO_x, ROG and PM₁₀:
 NO_x: _____ Tons/Year; _____ Lbs/Year
 ROG: _____ Tons/Year; _____ Lbs/Year
 PM₁₀: _____ Tons/Year; _____ Lbs/Year
11. Cost-effectiveness: \$ _____ per pound (AB 2766 Funds Only)
12. Please list data sources, assumptions, and methodologies used to determine travel/trip and emission reductions (attach additional sheets if necessary, i.e.: ARB Methodology Reports).

ATTACHMENT 5

**EVALUATION CRITERIA, RANKING AND
SUNSETTING**

EVALUATION CRITERIA AND RANKING FACTORS

Proposals will be evaluated in one of two (2) project categories as follows:

- 1. QUANTIFIABLE PROJECTS:** These are projects with currently acceptable emissions calculation methodologies. Such projects are known to have measurable results and demonstrate the most significant emission reduction benefits. Emissions benefits should be calculated using the accepted calculation methodology. Documentation must be included in the proposal.
- 2. REDUCED EMISSION VEHICLE PROJECTS:** These are projects that use reduced emission vehicle technology. Examples of projects may include original equipment manufacturer (OEM) vehicle purchases or vehicle conversion projects and could involve super ultra-low emission vehicles (SULEV), partial zero emission vehicles (PZEV), advanced technology partial zero emission vehicles (AT-PZEV) and zero emissions vehicles (ZEV);

- 2.29 Graphic Arts Coating (Sign Paint)
- 2.30 High-Temperature Coating
- 2.31 Industrial Maintenance Coating
- 2.32 Interior Stain
- 2.33 Intumescent
- 2.34 Low-Solids Coating
- 2.35 Magnesite Cement Coating
- 2.36 Manufacturer's Maximum Thinning Recommendation
- 2.37 Market
- 2.38 Mastic Texture Coating
- 2.39 Medium Density Fiberboard (MDF)
- 2.40 Metallic Pigmented Coating
- 2.41 Multi-Color Coating
- 2.42 Nonflat Coating
- 2.43 Particleboard
- 2.44 Pearlescent
- 2.45 Plywood
- 2.46 Post-consumer Coating
- 2.47 Pre-Treatment Wash Primer
- 2.48 Primer, Sealers and Undercoater
- 2.49 Reactive Penetrating Sealer
- 2.50 Recycled Coating
- 2.51 Residential
- 2.52 Roof Coating
- 2.53 Rust Preventative Coating
- 2.54 Secondary Industrial Materials
- 2.55 Semitransparent Coating
- 2.56 Shellac
- 2.57 Shop Application
- 2.58 Solicit
- 2.59 SCAQMD
- 2.60 Specialty Primer, Sealer, and Undercoater
- 2.61 Stain
- 2.62 Stone Consolidant
- 2.63 Swimming Pool Coating
- 2.64 Tile and Stone Sealers
- 2.65 Tint Base
- 2.66 Traffic Marking Coating
- 2.67 Tub and Tile Refinish Coating
- 2.68 Veneer
- 2.69 Virgin Materials
- 2.70 Volatile Organic Compound (VOC)
- 2.71 VOC Actual

1. QUANTIFIABLE PROJECTS

Maximum Total Points: 100

EMISSION REDUCTIONS

Points: 25 maximum

Points will be awarded based on cost effectiveness and quantifiable emission reductions.

A. First-Year (Short Term) Emission Reduction Benefits

<u>Points</u>	<u>Criteria</u>
10	Significant emission reductions after the first year.
5	Moderate emission reductions after the first year.
0	No emission reductions after the first year.
<hr/>	
10	Total Possible Sub-Category Points

B. Long-Term Emission Reductions Benefits

<u>Points</u>	<u>Criteria</u>
15	Significant emission reductions after the first year and continuing.
5	Moderate emission reductions after the first year and continuing.
0	No emission reductions after the first year.
<hr/>	
15	Total Possible Sub-Category Points

EXPERIENCE OF APPLICANT

Points: 10 maximum

Points will be awarded based on the applicant's experience, level of expertise, and feasibility of the proposal.

<u>Points</u>	<u>Criteria</u>
10	Applicant has a significant level of experience and expertise, and the project appears to be feasible, assuring a high degree of success.
7	Applicant has limited, but direct experience, a moderate level of expertise applicable to the proposal, assuring an adequate degree of success.
4	Applicant has limited, indirect experience, an acceptable level of expertise applicable to the proposal, assuring a passable degree of success.
0	Applicant has no prior experience applicable to the proposal and success may be questionable.
<hr/>	
10	Total Possible Category Points

PROJECT COST EFFECTIVENESS COMPARISON

Points: 30 maximum

Project costs will be evaluated against comparable efforts.

<u>Points</u>	<u>Criteria</u>
30	More cost effective than comparable projects.
15	Cost effectiveness similar to comparable projects.
0	Significantly less cost effective than comparable projects.
<hr/>	
30	Total Possible Category Points

BROAD BASED APPLICATION

Points: 10 maximum

A. Regional Emission Reductions Benefits

<u>Points</u>	<u>Criteria</u>
5	Emission reductions throughout the District.
3	Emission reductions in the project vicinity.
0	Insignificant or no emission reductions.
<hr/>	
5	Total Possible Sub-Category Points

B. Project contributes to the availability and widespread use of new or existing technology

<u>Points</u>	<u>Criteria</u>
5	Project utilizes new technology and has direct immediate applications in current research efforts and can be easily replicated in the District.
3	Project utilizes current technology and has limited applications.
0	One time demonstration of application. No need to, or cannot be easily replicated, or applied to any future project.
<hr/>	
5	Total Possible Sub-Category Points

DEDICATED CO-FUNDING**Points: 15 maximum**

Co-funding includes in-kind contributions, equipment, labor or direct funding but does not include past work or research performed on behalf of the proposed project.

<u>Points</u>	<u>Criteria</u>
15	75% or more of total project cost from other funds.
10	51-74% of total project cost from other funds.
5	25-50% of total project cost from other funds.
0	Less than 25% of total project cost from other funds.
<hr/>	
15	Total Possible Category Points

NOTE: If there are third party benefits that are not paid for with co-funding, then the project might score negative points in this category or simply be eliminated from consideration.

OTHER DESIRABLE FACTORS**Points: 10 maximum****A. Innovative Projects**

Proposals that result in the development of new technologies or innovative uses of existing technologies.

<u>Points</u>	<u>Criteria</u>
5	Results in the development of new technologies or innovative uses of existing technologies.
0	Applies existing technology.
<hr/>	
5	Total Possible Sub-Category Points

B. Quality of Proposal

The quality of the proposals be evaluated against comparable efforts

<u>Points</u>	<u>Criteria</u>
5	Proposal is in proper format and is clear and concise.
0	Proposal has been poorly formatted.
<hr/>	
5	Total Possible Sub-Category Points

LOCAL BUSINESS/NONPROFIT OR LOCAL GOVERNMENT ENTITY

Points: 0 or -5 maximum

Points Criteria

0 Proposing entity is a local business/nonprofit or local government.

-5 Proposing entity is NOT a local business/nonprofit or local government.

0 or -5 Total Possible Category Points

3. **REDUCED EMISSION VEHICLE PROJECTS**

Maximum Points: 100

EMISSION REDUCTIONS

Points: 25 maximum

Points will be awarded based on quantifiable emission reductions.

A. Vehicle Size

<u>Points</u>	<u>Criteria</u>
10	Heavy-Duty Vehicle.
7	Medium-Duty Vehicle.
5	Light-Duty Vehicle.
3	Other (e.g. cycles).
<hr/>	
10	Total Possible Sub-Category Points

B. Vehicle Type

<u>Points</u>	<u>Criteria</u>
5	OEM (Original Equipment Manufacturer).
3	Dedicated (Single, Alternative Fuel Use Only).
2	Bi-Fuel (Uses More Than One Fuel).
<hr/>	
5	Total Possible Sub-Category Points

C. Fleet Type

<u>Points</u>	<u>Criteria</u>
5	Public Transit Vehicles.
4	All Other Transit Vehicles.
3	Public and Private Agency Vehicles.
2	Single Demonstration Vehicles.
1	Individual Use Vehicles.
<hr/>	
5	Total Possible Sub-Category Points

D. Fueling Access

<u>Points</u>	<u>Criteria</u>
5	Existing Fueling Infrastructure Available To Applicant.
1	Proposed Infrastructure Available To Applicant.
0	No Fueling Infrastructure Available To Applicant.
<hr/>	
5	Total Possible Sub-Category Points

EXPERIENCE OF APPLICANT

Points: 10 maximum

Points will be awarded based on the applicant's experience, level of expertise, and feasibility of the proposal.

<u>Points</u>	<u>Criteria</u>
10	Applicant has a significant level of experience and expertise, and the project appears to be feasible, assuring a high degree of success.
7	Applicant has limited, but direct experience, a moderate level of expertise applicable to the proposal, assuring an adequate degree of success.
4	Applicant has limited, indirect experience, an acceptable level of expertise applicable to the proposal, assuring a passable degree of success.
0	Applicant has no prior experience applicable to the proposal and success may be questionable.
<hr/>	
10	Total Possible Category Points

PROJECT COST EFFECTIVENESS

Points: 30 maximum

Total project costs will be evaluated against comparable efforts.

<u>Points</u>	<u>Criteria</u>
30	More cost effective than comparable projects.
15	Cost effectiveness similar to comparable projects.
0	Significantly less cost effective than comparable projects.
<hr/>	
30	Total Possible Category Points

BROAD BASED APPLICATION

Points: 10 maximum

Points will be awarded for projects that contribute to the availability and widespread use of new or existing technology.

<u>Points</u>	<u>Criteria</u>
10	Project utilizes new technology and has direct immediate applications in current research efforts and can be easily replicated in the District.
5	Project utilizes current technology and has limited applications.
0	One time demonstration of application. No need to, or cannot be easily replicated, or applied to any future project.
<hr/>	
10	Total Possible Category Points

DEDICATED CO-FUNDING

Points: 15 maximum

Co-funding includes in-kind contributions, equipment, labor or direct funding but does not include past work or research performed on behalf of the proposed project.

<u>Points</u>	<u>Criteria</u>
15	75% or more of total project cost from other funds.
10	51-74% of total project cost from other funds.
5	25-50% of total project cost from other funds.
0	Less than 25% of total project cost from other funds.
<hr/>	
15	Total Possible Category Points

NOTE: If there are third party benefits that are not paid for with co-funding, then the project might score negative points in this category or simply be eliminated from consideration.

OTHER DESIRABLE FACTORS

Points: 10 maximum

A. Innovative Projects Based On Emissions Certification

Proposals that result in the development of new technologies or innovative uses of existing technologies.

<u>Points</u>	<u>Criteria</u>
5	Meets ZEV (zero emission vehicle) standards.
3	Meets PZEV (partial zero emission vehicle) standards.

0 All other standards standards.

5 Total Possible Category Points

B. Quality of Proposal

The quality of the proposals is evaluated against comparable efforts.

Points Criteria

5 Proposal is in proper format and is clear and concise.

0 Proposal has been poorly formatted.

5 Total Possible Category Points

LOCAL BUSINESS/NONPROFIT OR LOCAL GOVERNMENT ENTITY

Points: 0 or -5 maximum

Points Criteria

1 Proposing entity is a local business/nonprofit or local government.

-5 Proposing entity is NOT a local business/nonprofit or local government.

0 or -5 Total Possible Category Points

SUNSETTING

The sunsetting criteria is designed to generate new, innovative proposals and discourage participant from considering AB2766 funds as a perpetual funding source for operating expenses. Projects that have received funding for **three years or more** fall under the sunsetting category. These projects are only eligible for funds that remain after the District Governing Board approves non-sunsetting projects. Projects that were subjected to the sunsetting requirements the previous funding year may participate the following year as a regular project and will be evaluated as if it were a new project. Basically, the clock is reset and these projects have another three years before falling under the sunsetting category.

ATTACHMENT 6

**ADMINISTRATIVE
COSTS**

ARB'S CURRENT DEFINITION OF

ADMINISTRATIVE COSTS

Administrative costs are overhead costs (e.g. salaries and benefits, and services and supplies of the administrative officer(s), legal personnel, maintenance and finance departments; of the governing body; and some secretarial support) that are **NOT** chargeable directly to a specific project or program or operating function, but are charged proportionately to the department or functions that do directly charge to a project or program. Indirect costs include administrative costs.

Thus, direct costs for labor charged to a project must not include a "burden" portion that is administrative as defined above.

The law limits total administrative costs for the entire program to 5% of the vehicle registration fees distributed to the districts. Due to the many administrative requirements imposed on the districts by the ARB to run the program, the full 5% is reserved for District use. Therefore, administrative costs incurred by the grantee must be covered by other co-funding sources or provided by "in-kind" contributions from the grantee. Such arrangements with co-funders are left to the grantee.

ATTACHMENT 7

DEFINITIONS/ACRONYMS

DEFINITIONS/ACRONYMS

AB 2766	Assembly Bill authorizing a motor vehicle registration surcharge to be used for air quality related transportation projects.
Advanced Technology Partial Zero Emission Vehicle	(AT PZEV) - Any vehicle certified to meet ARB advanced technology partial zero emission vehicle emission standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.
Air Basin	An area of the state designated by the ARB pursuant to Subdivision (a) of Section 39606 of the California Health and Safety Code.
Air Pollutants	Substances which are foreign to the atmosphere or are present in the natural atmosphere to the extent that they may result in adverse effects on humans, animals, vegetation, and/or materials.
Air Pollution Control District	(APCD) - A county agency with authority to regulate stationary sources of air pollution (such as refineries, manufacturing facilities, and power plants) within a given county, and governed by a District Air Pollution Control Board composed of the elected county supervisors. (compare AQMD and Unified District)
Air Pollution Control Officer	(APCO) - The Air Pollution Control Officer of the Northern Sierra Air Quality Management District (District) or his designee.
Air Quality Attainment Plan	(AQAP) - A plan prepared by an APCD/AQMD designated as a nonattainment area, for incorporation into the State Implementation Plan for purpose of meeting the requirements of the National and/or California Ambient Air Quality Standards.
Air Quality Management District	(AQMD) - A group of counties or portions of counties with authority to regulate stationary sources of air pollution within the region and governed by a regional air pollution control board comprised mostly of elected officials from within the region. An AQMD is established by state legislation. (compare APCD)
Alternative Fuels	Fuels such as electricity, methanol, ethanol, natural gas, and liquid petroleum gas that are cleaner burning and contribute to the attainment of ARB's emission standards.
Alternative Modes	Transportation modes other than one person in a motorized private vehicle, such as transit, walking, bicycling or car-pooling.

Average Vehicle	(AVR) - AVR is determined by the number of employees who arrive at a worksite divided by the number of vehicles those employees use to arrive at the worksite.
Best Available Control Technology	(BACT) - The most stringent emission limit or control technique that has been achieved in practice (anywhere in the world). BACT is a requirement of NSR (New Source Review).
Best Available Retrofit Control Technology	(BARCT) - An emission limitation that is based on the maximum degree of reduction achievable, taking into account environmental, energy, and economic impacts by each class or category of source.
California Air Resources Board	(CARB or ARB) - The state's lead air quality agency consisting of a nine-member Governor appointed board fully responsible for motor vehicle pollution control, and having oversight authority over California's air pollution management program.
California Ambient Air Quality Standards	(CAAQS) - Specified concentrations and durations of air pollutants recommended by the California Department of Health Services and adopted into regulation by the ARB, which relate the intensity and composition of air pollution to undesirable effects. CAAQS are the standards which must be met per the requirements of the California Clean Air Act.
California Clean Air Act	(CCAA) - A California law passed in 1988 which provides the basis for air quality planning and regulation independent of Federal regulations, and which established new authority for attaining and maintaining California's air quality standards by the earliest practicable date.
California Environmental Quality Act	(CEQA) - A state law intended to protect the environment of California.
Carbon Dioxide	(CO₂) - A colorless odorless gas that occurs naturally in the earth's atmosphere. Significant quantities are also emitted into the air by fossil fuel combustion. Emissions of CO ₂ have been implicated with increasing the greenhouse effect.
Carbon Monoxide	(CO) - A colorless, odorless gas resulting from the incomplete combustion of fossil fuels. Over 80% of the CO emitted in urban areas is contributed to motor vehicles. CO interferes with the blood's ability to carry oxygen to the body's tissues and results in numerous adverse health effects. CO is a criteria air pollutant.
Carpool	Two or more people traveling in a private vehicle.

Criteria Air Pollutant	An air pollutant for which acceptable levels of exposure can be determined and for which a Federal or State Ambient Air Quality Standard has been set. Examples include: Ozone, Carbon Monoxide, Nitrogen Dioxide, Sulfur Dioxide, and PM ₁₀ (see individual pollutant definitions).
Emission Category	The category of base or reduced emission vehicle as certified by the ARB.
Federal Clean Air Act	A federal law passed in 1970 and amended in 1977 and 1990 which forms the basis for the national air pollution control effort.
Heavy Duty Vehicle	Any vehicle with a gross vehicle weight of 14,000 pounds or more.
Hydrocarbon	(HC) - Any of a large number of compounds containing various combinations of hydrogen and carbon atoms. They may be emitted into the air as a result of fossil fuel combustion and fuel volatilization, and are a major contributor to smog.
Light Duty Vehicle	Any passenger car or light truck with a gross vehicle weight of 3,500 pounds or less as defined in Title 13 of the California Code of Regulations.
Low Emission Vehicle	(LEV) - Any vehicle certified to meet ARB low emission vehicle emission standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.
Medium Duty Vehicle	Any pre-1995 model year heavy duty vehicle having a manufacturer's gross vehicle weight rating of 8,500 pounds or less or any subsequent model year heavy duty vehicle having a manufacturer's gross vehicle weight rating of 14,000 pounds or less as defined in Title 13 of the California Code of Regulations.
Mobile Sources	Sources of air pollution such as automobiles, motorcycles, trucks, off-road vehicles, boats, and airplanes.
National Ambient Air Quality Standards	(NAAQS) Standards set by the U.S. EPA for the maximum levels of air pollutants which can exist in the outdoor air without unacceptable effects on human health or the public welfare.
Nitrogen Oxides	(Oxides of Nitrogen, NOX) - A general term pertaining to compounds of nitric oxide (NO), nitrogen dioxide (NO ₂), and other oxides of nitrogen. Nitrogen oxides are typically created during combustion processes, and are major contributors to smog formation.

Nonattainment Area	An area identified by the EPA and/or ARB as not meeting either NAAQS or CAAQS standards for a given pollutant.
Ozone	(O3) - A pungent, pale blue, reactive toxic chemical gas consisting of three oxygen atoms. It is a product of the photochemical process involving the sun's energy. Ozone exists in the ozone layer as well as at the earth's surface. Ozone at the earth's surface causes numerous adverse health effects and is a criteria air pollutant. It is a major component of smog.
Ozone Precursors	Chemicals such as hydrocarbons and oxides of nitrogen, occurring either naturally or as a result of human activities, which contribute to the formation of ozone, a major component of smog.
Partial Zero Emission Vehicle	(PZEV) - Any vehicle certified to meet ARB partial zero emission vehicle emissions standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.
Particulate Matter	(PM10) - A major air pollutant consisting of solid or liquid matter such as soot, dust, aerosols, fumes and mists less than 10 microns in size (one micron = 1/1,000,000 meter = 0.00003937 inch). PM ₁₀ causes visibility reduction and adverse health effects, and is a criteria air pollutant.
Passenger Car	Any vehicle designed primarily for transportation of persons and having a design capacity of 12 persons or less as defined in Title 13 of the California Code of Regulations.
Photochemical Reaction	A term referring to chemical reactions brought about by the light energy of the sun. The reaction of nitrogen oxides with oxygen in the presence of sunlight to form ozone is an example of a photochemical reaction.
Reactive Organic Gas	(ROG) - hydrocarbon compounds which are reactive and may contribute to the formation of smog. Also sometimes referred to as Non-Methane Organic Compounds (NMOCs).
Reasonably Available Control Technology	(RACT) - The most effective emission limits in existing regulation that are currently in effect in any nonattainment district.
Reduced Emission Vehicle	ARB certified vehicles which meet Transitional Low Emission Vehicle (TLEV), Low Emission Vehicle (LEV), Ultra Low Emission Vehicle (ULEV), or Zero Emission Vehicle (ZEV) emission standards.
Single Occupant Vehicle	(SOV) - A vehicle occupied by one person.

Smog	A combination of smoke, ozone, hydrocarbons, nitrogen oxides, and other chemically reactive compounds, which, under various conditions of weather and sunlight, may result in a murky brown haze that causes adverse health effects. A primary source of smog is automobiles.
Stationary Sources	Non-mobile sources such as refineries, power plants, and manufacturing facilities which emit air pollutants.
Sulfur Dioxide	(SO₂) - A strong smelling, colorless gas that is formed by the combustion of fossil fuels.
Super Ultra Low emission Vehicle	(SULEV) - Any vehicle certified to meet ARB super ultra low emission vehicle emissions standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.
Transitional Low Emission Vehicle	(TLEV) - Any vehicle certified to meet ARB transitional low emission vehicle emissions standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.
Transportation Control Measures	(TCM) - TCMs are measures designed to decrease pollution from mobile sources by reducing the number of vehicle trips, vehicle miles traveled, idling, and traffic congestion.
Ultra Low Emission Vehicle	(ULEV) - Any vehicle certified to meet ARB ultra low emission vehicle emissions standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.
Unified District	Two or more contiguous counties may merge their county districts into one unified district. A unified district is formed by action of the member counties. The Northern Sierra Air Quality Management District is a Unified District.
U.S. Environmental Protection Agency	(US EPA) - The Federal agency charged with setting policy and guidelines, and carrying out legal mandates for the protection of national interests in environmental resources.
Vehicle Miles Traveled	(VMT) - A measure of both the volume and extent of motor vehicle operation; the total number of vehicle miles traveled within a specified geographical area over a given period of time.
Volatile Organic Compounds	(VOCs) - Hydrocarbon compounds which exist in the ambient air. VOCs contribute to the formation of smog and/or may themselves be toxic. VOCs often have an odor, and some examples include gasoline, alcohol, and the solvent used in paints.
Zero Emission Vehicle	

(ZEV) - Any vehicle certified to meet ARB zero emission vehicle emissions standards for that weight class of vehicle as defined in Title 13 of the California Code of Regulations.

To: Northern Sierra Air Quality Management District Board of Directors

From: Julie Hunter, Interim Air Pollution Control Officer

Date: April 24, 2023

Agenda Item: V.A

Agenda Description: Staff Reports and Program Updates

Summary: Staff will begin updating the monthly Board on program projects and updates.

Requested Action: **None**, informational only

Attachments: None