

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher, *Chairman*

Jeff Hemphill, *Vice Chairman*

Russ Brown

Tom Hammond

Quincy McCourt

Mendy Schuster

STAFF

Erik Edholm

Air Pollution Control Officer

Vacant

Air Quality Engineer

Sara Dacosta

Administrative Staff Assistant

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD SPECIAL MEETING

City Council Chambers
66 N. Lassen Street, Susanville, CA 96130

Agenda
Tuesday, July 12, 2022

1:30 p.m.

ADDRESSING THE BOARD

* Any person desiring to address the Board shall first secure permission of the presiding officer.

* Matters under the jurisdiction of the Board, and not on the Agenda, may be addressed by the Public at the time provided in the Agenda under Public Comment.

* The Board of Directors will not take action on any subject that is not on the Agenda.

A. CALL TO ORDER

B. ROLL CALL OF BOARD OF DIRECTORS

C. AGENDA APPROVAL

D. APPROVAL OF MINUTES FOR THE MEETINGS OF: FEBRUARY 8, 2022

E. BOARD MEMBER ISSUES/REPORTS

F. CORRESPONDENCE

G. PUBLIC COMMENT

(Any person may address the Board at this time to comment on any subject not on the agenda. However, the Board may not take action other than to direct staff to agendize the matter at a future meeting).

H. MATTERS FOR BOARD CONSIDERATION

Pg. 5 **1. Subject** Report on District Activities
 Recommendation: Information only/Receive Report

Pg. 7 **2. Subject:** District Financial Report
 Recommendation: Information only/Receive Report

- Pg. 11 **3. Subject:** Emission Inventory District Grant
Recommendation: Approve Resolution 22-02 accepting grant agreement for the Emission Inventory District Grant
- Pg. 35 **4. Subject:** Carl Moyer State Reserve Year 24
Recommendation: Approve Resolution 22-03 committing the district to participate in the Carl Moyer Program, accepting Carl Moyer State Reserve program funds, and follow the requirements of the Program.
- Pg. 51 **5. Subject:** Budget Review
Recommendation: Approve Resolution 22-04 adopting the Fiscal Year 2022-2023 budget.
- Pg. 55 **6. Subject:** Carl Moyer Grant Award, Five Dot Land and Cattle Co.
Recommendation: Approve Resolution 22-05 authorizing the APCO to execute grant agreement 18-23-CMP-05 in the amount of \$35,000 with Five Dot Land and Cattle Co.
- Pg. 73 **6. Subject:** Carl Moyer Grant Award, Humphrey Ranch
Recommendation: Approve Resolution 22-06 authorizing the APCO to execute grant agreement 18-23-CMP-06 in the amount of \$43,750 with Humphrey Ranch

I. ADJOURN

NEXT SCHEDULED GOVERNING BOARD MEETING AUGUST 9, 2022.

**UNAPPROVED MINUTES
LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT
GOVERNING BOARD
February 8, 2022**

The Board convened in regular session at 1:00 P.M. in City of Susanville Council Chambers, located at 66 N. Lassen St., Susanville, CA, with; Vice Chairman Chris Gallagher, Directors Jeff Hemphill, Tom Hammond, Quincy McCourt present. Also present were: Erik Edholm, Air Pollution Control Officer (APCO) and Sarah DaCosta, Administrative Staff Assistant. Chairman Kevin Stafford and Director Brian Moore were absent.

C. AGENDA APPROVAL

Motion by Vice Chairman Gallagher, second by Director McCourt, to approve the February 8, 2022 agenda. Motion carried. Chairman Stafford and Director Moore absent.

D. APPROVAL OF MINUTES:

Motion for approval of the minutes for the meeting of October 12, 2021 by Vice Chairman Gallagher second by Director McCourt. Motion carried. Chairman Stafford and Director Moore absent.

E. BOARD ISSUES / REPORTS:

NO BOARD ISSUES / REPORTS

F. CORRESPONDENCE:

NO CORRESPONDENCE

G. PUBLIC COMMENT:

NO COMMENTS

H. MATTERS FOR BOARD CONSIDERATION:

1. Election of Chairman and Vice Chairman for 2022:

Motion to elect Chris Gallagher for Chair by Director Hemphill, second by Director Hammond. Motion carried. Director Stafford and Director Moore absent.

Motion to elect Jeff Hemphill for Vice Chair by Director McCourt, second by Director Hammond. Motion carried. Director Stafford and Director Moore absent.

2. Report of District Activities:

Mr. Edholm presented the issue of dwindling public interest in the Carl Moyer program. Chairman Gallagher suggested that be included on the agenda for next meeting and consider funding a percentage instead of a set amount as well as a minimum amount.

Mr. Edholm also expressed a need for more Wood Stove Replacement funding and possibly another vehicle for Air Pollution. These items will be included on next meeting's agenda.

3. District Financial Report:

Mr. Edholm presented the financial reporting from October 2021 through January 2022. He explained the report's detail of revenue and expenditures for the District. He also described the types of revenue sources the District receives and outlined the monthly expenditures. The ending balance is \$576,330.37.

4. Carl Moyer Grant Award, Mapes Ranch, Inc.

Mr. Edholm requested the board authorize him to execute a tractor replacement grant agreement with Mapes Ranch, Inc. Motion to approve Resolution 22-01 authorizing the APCO to execute grant agreement 18-23-CMP-04 in the amount of \$35,000 with Mapes Ranch by Chairman Gallagher, second by Director McCourt. Motion carried. Director Stafford and Director Moore absent.

I. ADJOURN 1:35 P.M.

Motion by Chairman Gallagher, second by Vice Chairman Moore, to adjourn the February 8, 2022 Lassen County Air Pollution Control District Governing Board Meeting. Motion carried. Director Stafford and Director Moore absent.

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Vacant
Air Quality Engineer
Sarah Dacosta
Administrative Staff Assistant

Meeting of July 12, 2022

To: Governing Board

From: Erik Edholm, APCO

Subject: Report on District Activities

The District has been involved in the following since the last meeting:

- Carl Moyer/FARMER Related Activities
 - o Respond to various questions
 - o Review existing agreements
 - o Completed Projects
 - o Equipment inspections
- Wood Stove Replacement Program
 - o 67 Vouchers issued
 - o 45 Standard Vouchers (\$1500)
 - o 22 Enhanced Vouchers (\$3000)
 - o 62 Projects completed
- Hired New Air Quality Engineer
- Renew Existing Permits
- Issue New Permits
- Permit Modifications
- Facility Inspections
- Residential Green Waste Program
- Mt Lassen Power Restart

Some of these items will likely become the subject of future agenda items for Board discussion.

Staff can answer questions about any of these items as necessary.

Respectfully Submitted,

Erik Edholm
Air Pollution Control Officer

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Meeting of July 12, 2022

To: Governing Board

From: Erik Edholm, APCO

Subject: February 2022 Financial Report

Opening Balance:	\$ 423,054.07
Carl Moyer Program Balance	\$ 157,091.85
Net Beginning Balance:	\$ 580,145.92

Revenue:

Permits	\$ 6,851.57
DMV Fee Revenue	\$ 6,145.74
Property Tax	\$ 0.00
FARMER Program	\$ 0.00
Subvention	\$ 0.00
AB 197 Admin	\$ 0.00
Interest (Fair Market Value Adjustment)	\$ 0.00
Total Revenue	\$ 12,997.31

Expenditures:

Contract Services – City of Susanville	
Salaries and Benefits	\$ 15,497.00
Services and Supplies	\$ 3,045.00
Carl Moyer Grant	\$ 35,000.00
FARMER Grant	\$ 0.00
AB 617 – Green Waste Reduction Program	\$ 0.00
LCAPCD Wood Stove Replacement Program	\$ 0.00
Total Expenditures	\$ 53,542.00

Ending Balance	\$ 539,601.23
Carl Moyer Program Balance	\$ 122,091.85
Net Ending Balance:	\$ 417,509.38

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Meeting of July 12, 2022

To: Governing Board

From: Erik Edholm, APCO

Subject: March 2022 Financial Report

Opening Balance:	\$ 417,509.38
Carl Moyer Program Balance	\$ 122,091.85
Net Beginning Balance:	\$ 539,601.23

Revenue:

Permits	\$ 33,145.02
DMV Fee Revenue	\$ 6,447.24
Property Tax	\$ 9,326.57
FARMER Program	\$ 0.00
Subvention	\$ 0.00
AB 197 Admin	\$ 0.00
Interest (Fair Market Value Adjustment)	\$ 0.00
Total Revenue	\$ 48,918.83

Expenditures:

Contract Services – City of Susanville	
Salaries and Benefits	\$ 15,497.00
Services and Supplies	\$ 3,045.00
Carl Moyer Grant	\$ 0.00
FARMER Grant	\$ 0.00
AB 617 – Green Waste Reduction Program	\$ 0.00
LCAPCD Wood Stove Replacement Program	\$ 13,500.00
Total Expenditures	\$ 32,042.00

Ending Balance	\$ 556,478.06
Carl Moyer Program Balance	\$ 122,091.85
Net Ending Balance:	\$ 434,386.21

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Meeting of July 12, 2022

To: Governing Board

From: Erik Edholm, APCO

Subject: April 2022 Financial Report

Opening Balance:	\$ 434,386.21
Carl Moyer Program Balance	\$ 122,091.85
Net Beginning Balance:	\$ 556,478.06

Revenue:

Permits	\$ 1,120.24
DMV Fee Revenue	\$ 6,963.37
Property Tax	\$ 0.00
FARMER Program	\$ 0.00
Subvention	\$ 0.00
AB 197 Admin	\$ 0.00
Interest (Fair Market Value Adjustment)	\$ 0.00
Total Revenue	\$ 8,083.61

Expenditures:

Contract Services – City of Susanville	
Salaries and Benefits	\$ 15,497.00
Services and Supplies	\$ 3,045.00
Carl Moyer Grant	\$ 0.00
FARMER Grant	\$ 0.00
AB 617 – Green Waste Reduction Program	\$ 0.00
LCAPCD Wood Stove Replacement Program	\$ 0.00
Total Expenditures	\$ 18,542.00

Ending Balance	\$ 546,019.67
Carl Moyer Program Balance	\$ 122,091.85
Net Ending Balance:	\$ 423,927.82

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Meeting of July 12, 2022

To: Governing Board

From: Erik Edholm, APCO

Subject: May 2022 Financial Report

Opening Balance:	\$ 423,927.82
Carl Moyer Program Balance	\$ 122,091.85
Net Beginning Balance:	\$ 546,019.67

Revenue:

Permits	\$ 6,294.66
DMV Fee Revenue	\$ 0.00
Property Tax	\$ 0.00
FARMER Program	\$ 0.00
Subvention	\$ 0.00
AB 197 Admin	\$ 0.00
Interest (Fair Market Value Adjustment)	\$ 264.32
Total Revenue	\$ 6,653.60

Expenditures:

Contract Services – City of Susanville	
Salaries and Benefits	\$ 15,497.00
Services and Supplies	\$ 3,045.00
Carl Moyer Grant	\$ 0.00
FARMER Grant	\$ 8,092.21
AB 617 – Green Waste Reduction Program	\$ 0.00
LCAPCD Wood Stove Replacement Program	\$ 10,500.00
Total Expenditures	\$ 37,134.21

Ending Balance	\$ 515,539.06
Carl Moyer Program Balance	\$ 122,186.47
Net Ending Balance:	\$ 393,352.59

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Meeting of July 12, 2022

To: Governing Board

From: Erik Edholm, APCO

Subject: Emission Inventory District
 Grant

California Assembly Bill 197 requires the Air Resources Board (ARB) to make available and update at least annually on its Internet Web site the emissions of greenhouse gases, criteria pollutants, and toxic air contaminants for each facility that reports to the ARB and air districts. Lassen County Air Pollution Control District is required to update annually any facility emissions for larger sources that emit more than 10 tons/year of any criteria pollutant.

To aid Local Air Districts with complying with the AB 197 emission inventory reporting requirements, ARB has awarded funding, through the attached grant, to help the District review and update data currently stored or being uploaded into the California Emissions Inventory Development and Reporting System (CEIDARS) database.

The District receive up to \$8,583 to administer the requirements of the grant. The District will be required to review, update, and submit to CARB quality assured criteria and toxic pollutant emissions data for stationary sources of criteria pollutant emissions and toxic air contaminants under the District's jurisdiction.

Recommendation:

Motion to approve Resolution 22-03 accepting grant agreement from ARB for the Emission Inventory District Grant

Respectfully Submitted,

Erik Edholm
 Air Pollution Control Officer

RESOLUTION NO. 22-02

**A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR
POLLUTION CONTROL DISTRICT ACCEPTING GRANT FUNDING FROM THE CALIFORNIA
AIR RESOURCES BOARD TO IMPLEMENT AB 197 EMISSION INVENTORY GUIDELINES**

WHEREAS, California Legislature passed and the governor signed Assembly Bill (AB) 197 on September 08, 2016;

WHEREAS, AB 197 requires the Air Resources Board (ARB) to make available and update at least annually on its Internet Web site the emissions of greenhouse gases, criteria pollutants, and toxic air contaminants for each facility that reports to the ARB and air districts;

WHEREAS, funding was provided for related expenses necessary to implement AB 197 in the state FY 2020-2021 budget;

WHEREAS, the Lassen County Air Pollution Control District (District) has been approved by ARB for a grant of \$8,583.00 to assist the District in the implementation of District responsibilities during the implementation of AB 197;

WHEREAS, the District is required to report annually any facility emissions that emit more than 10 tons/year of any criteria pollutant;

WHEREAS, the District is required to report annual toxic pollutant emissions data collected under the District's AB 2588 Air Toxics Hot Spots Information and Assessment Act program for facilities with a prioritization score greater than 10, a cancer risk of 10 in a million or greater, an acute or chronic index greater than 1, or those emitting 10 tons per year of any single hazardous air pollutants (HAP) or 25 tons per year of any combination of HAPs;

NOW, THEREFORE, BE IT RESOLVED, that the Lassen County Air Pollution Control District Board, hereby accepts the grant funds and authorizes the Air Pollution Control Officer to execute on behalf of the District grant agreements with CARB, and all other necessary documents to implement and carry out the purposes of this resolution.

The foregoing resolution was approved and adopted by the following vote of the Board on July 12, 2022.

AYES:

NOES:

ABSTAIN:

ABSENT:

Chris Gallagher, Chairman
Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer

GRANT AGREEMENT COVER SHEET

NAME OF GRANT PROGRAM AB 197 Emission Inventory District Grant		GRANT NUMBER G21-EIDG-13
GRANTEE NAME Lassen County Air Pollution Control District		
TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER 94-6000439	TOTAL GRANT AMOUNT NOT TO EXCEED \$8,583.00	
START DATE: June 1, 2022	END DATE: May 31, 2023	

This legally binding Grant Agreement, including this cover sheet and Exhibits attached hereto and incorporated by reference herein, is made and executed between the State of California, California Air Resources Board (CARB) and Lassen County Air Pollution Control District (the "Grantee").

- Exhibit A – Grant Agreement Provisions
- Exhibit B – Work Statement
- Exhibit B – Attachment 1 – Budget Summary
- Exhibit B – Attachment 2 – Project Disbursement Schedule
- Exhibit B – Attachment 3 – Project Schedule

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

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

STATE AGENCY NAME California Air Resources Board		GRANTEE'S NAME (PRINT OR TYPE)	
SIGNATURE OF ARB'S AUTHORIZED SIGNATORY:		SIGNATURE OF GRANTEE (AS AUTHORIZED IN RESOLUTION, LETTER OF COMMITMENT, OR LETTER OF DESIGNATION)	
TITLE Branch Chief	DATE	TITLE	DATE
STATE AGENCY ADDRESS 1001 I Street, Sacramento, CA 95814		GRANTEE'S ADDRESS (INCLUDE STREET, CITY, STATE AND ZIP CODE) 720 South Street, Susanville, California 96130	
CERTIFICATION OF FUNDING			
AMOUNT ENCUMBERED BY THIS AGREEMENT \$8,583.00	PROGRAM 3510000D32	PROJECT N/A	ACTIVITY N/A
PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT \$0	FUND TITLE Cost of Implementation		FUND NO. 3237
TOTAL AMOUNT ENCUMBERED TO DATE \$8,583.00	(OPTIONAL USE)		CHAPTER 21
STATUTE 2021			
APPR REF 001	ACCOUNT/ALT ACCOUNT 5432000	REPORTING STRUCTURE 39007100	SERVICE LOCATION 46504
FISCAL YEAR (ENY) 2021-2022			
I hereby certify that the California Air Resources Board Legal Office has reviewed this Grant Agreement.			
SIGNATURE OF CALIFORNIA AIR RESOURCES BOARD LEGAL OFFICE:		DATE 4/21/2022	

EXHIBIT A

Grant Agreement Provisions

A. The parties agree to comply with the requirements and conditions contained herein.

B. GRANT AGREEMENT SUMMARY AND AMENDMENTS (IF APPLICABLE)

Project Title: Quality Assurance Review of Point Source Emissions Data

Grant Funding Amount: **\$ 8,583.00**

C. GRANT AGREEMENT PARTIES AND CONTACT INFORMATION

1. This Grant is from the California Air Resources Board (hereinafter referred to as CARB or the Board) to the Lassen County Air Pollution Control District (hereinafter referred to as Grantee).
2. The CARB Project Liaison is Kevin Eslinger. Correspondence regarding this project must be directed to:

Kevin Eslinger
California Air Resources Board
Air Quality Planning and Science Division
P.O. Box 2815
Sacramento, California 95812
Phone: (916) 445-2151
Email: Kevin.Eslinger@arb.ca.gov

3. The Grantee Liaison is Erik Edholm. Correspondence regarding this project must be directed to:

Erik Edholm
APCO
Lassen County Air Pollution Control District
720 South Street
Susanville, California 96130
Phone: (530) 257-1045
Email: eedholm@cityofsusanville.org

D. DISTRICT GOVERNING BOARD APPROVAL

Prior to the execution of this Grant Agreement, the Grantee is required to submit to CARB a resolution, minute order, or other approval of its governing board that authorizes the Grantee to enter into this Grant Agreement and that commits the Grantee to comply with the requirements of this Grant Agreement. Alternatively, the

Grantee and CARB may execute this Grant Agreement before a Grantee has submitted this governing board resolution, minute order, or other approval to CARB, however, the Grantee may not perform work under this Grant Agreement until the Grantee has submitted this governing board resolution, minute order, or other approval to CARB. CARB will terminate this Grant Agreement if the Grantee has not submitted this governing board resolution, minute order, or other approval to the CARB Project Liaison on or before August 1, 2022.

E. TIME PERIOD

1. Performance of work or other expenses billable to CARB under this Grant may commence after full execution of this Grant Agreement by both parties. Performance on this Grant ends once the Grantee has submitted the Final Report or if this Grant Agreement is terminated, whichever is earlier.
2. Upon completion of the project milestones, the Grantee must submit a draft Final Report to the CARB Project Liaison no later than March 1, 2023.
3. The Final Report and the final Grant Disbursement Request must be received by CARB within thirty (30) days of project completion but no later than May 1, 2023.
4. The CARB Executive Officer retains the authority to terminate or reduce the dollar amount of this Grant if by December 1, 2022, forty (40) percent of the project scope of work has not been completed by the Grantee. In the event of such termination, Section G. Fiscal Administration, 3. Suspension of Payments and Early Grant Termination of this agreement shall apply.
5. If additional funding becomes available, the CARB Executive Officer retains the authority to amend this Grant to provide additional disbursement to the Grantee to complete tasks related to the Scope of Work for this Grant Agreement.

F. SCOPE OF WORK

This section defines the respective duties and requirements of CARB and the Grantee in implementing this Grant Agreement. In sum, the Grantee shall review and update data currently stored or being uploaded into the California Emissions Inventory Development and Reporting System (CEIDARS) database. If additional funding becomes available, this Grant Agreement may be amended in subsequent years to provide additional funding to the Grantee to improve the future data loaded into the CEIDARS database.

1. CARB is responsible for the following:

- a. Participating in a project kick-off meeting or conference call and ongoing coordination with the Grantee to discuss project activities and guide project implementation;

- b. Reviewing and approving elements developed by the Grantee for implementation of the project, such as Progress and Final Reports;
- c. Reviewing and approving the Grant Disbursement Request Forms and distributing funds to the Grantee in accordance with Exhibit B, Attachment II Project Disbursement Schedule if the milestones have been met;
- d. Providing project oversight and accountability (in conjunction with the Grantee); and
- e. Ensuring compliance with the applicable requirements of this Grant Agreement.

2. The Grantee is responsible for the following:

Development and implementation of defined project tasks as described below. Minimum duties and requirements of the Grantee include:

- a. Conducting a project kick-off meeting or conference call and maintaining ongoing project coordination with the CARB Project Liaison;
- b. Reviewing, updating, and submitting to CARB quality assured criteria and toxic pollutant emissions data for calendar year 2021 for stationary sources of criteria pollutant emissions and toxic air contaminants under the Grantee's jurisdiction;
- c. Overseeing the project budget and funds; and
- d. Submitting a draft Final Report, Grant Disbursement Requests, and a Final Report to CARB.

3. Project Development and Implementation

The Grantee's Scope of Work includes the following tasks and project elements:

- a. Review and update the district facilities²⁵ in CARB's 2021 CEIDARS emission inventory database that have been rolled over from prior inventory years. The Grantee should make a determination whether any facilities in their jurisdiction should be added to the database and report the required information per Section F.3.b below, giving priority to facilities subject to CARB's Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (MRR facilities). In addition, the Grantee will work with CARB's emission inventory staff to remove closed facilities from the CEIDARS 2021

²⁵ For purposes of this Grant Agreement, "facility" means a stationary source within the Grantee's jurisdiction that is a reportable source of criteria pollutant or toxic air contaminant emissions.

facility tables.

- b. Review and, to the extent that the Grantee has the necessary data, update the following CEIDARS tables for each facility in operation in 2021:
 - i. FACILITY tables (FAC) – The Grantee must review and update the name, address, geospatial coordinates and, to the extent available, other basic information for each emitting facility in CEIDARS.
 - ii. Criteria and toxics EMISSION tables (EMS and TEMS) – These tables contain the actual emissions for each emitting process. For each pollutant emitted, the Grantee must review and, if data are available, update information on the amounts emitted annually.
- c. Reporting Applicability.

The Grantee must report into CEIDARS annual criteria pollutant emissions for all facilities that emit 10 tons/year or more of any of the criteria pollutants listed in section F.3.d below. In addition, the Grantee must report annual toxic pollutant emissions data collected under the Grantee's AB 2588 Air Toxics Hot Spots Information and Assessment Act program in accordance with the "*Air Toxics Hot Spots Emission Inventory Criteria and Guidelines*" (located at <https://www.arb.ca.gov/ab2588/2588guid.htm>).

- d. Pollutants to be Reported.

When updating the CEIDARS emissions tables described in Section F.3.b above, the Grantee must report emissions for the following criteria pollutants: total organic gases (TOG), nitrogen oxides (NOx), sulfur oxides (SOx), carbon monoxide (CO), particulate matter (PM), lead (Pb) and ammonia (NH3). In lieu of TOG and PM, the Grantee has the option of reporting reactive organic gases (ROG), and PM10 and/or PM2.5; however, if these three pollutants are not reported, CARB will calculate them based upon the respective TOG and PM speciation profiles. The Grantee must also report emissions of toxics pollutants that are listed in Appendix A-I (located at <https://www.arb.ca.gov/ab2588/final/a1.pdf>), in accordance with Section VIII.E of the "*Air Toxics Hot Spots Emission Inventory Criteria and Guidelines*".

4. Project Kick-off and Ongoing Coordination

Before initiating work on the project, a one-time kick-off meeting or conference call will be held between the Grantee and CARB project management staff. The purpose of this meeting is to discuss items such as the proposed work plan, details of task performance, and issues needing clarification or resolution prior to initiating work. Ongoing Grantee coordination and review meetings with the

CARB Project Liaison to discuss project status will be held as needed. Additional meetings may be scheduled at the discretion of the CARB Project Liaison. These meetings may be conducted by phone if deemed appropriate by the CARB Project Liaison.

5. Progress Reports

The Grantee must submit a Progress Report to CARB by December 1, 2022, providing a summary of the work completed. Alternately, if all the tasks identified in the Scope of Work have been completed, the Grantee may submit a Draft Final Report.

Progress Reports may be submitted electronically and, at a minimum, must include:

- a. Title of project, name of Grantee, and Grant number;
- b. Summary of work completed and in progress, noting progress toward completion of tasks and milestones identified in the work plan;
- c. Identified problems or concerns and proposed solutions, if applicable;

If the Grantee is requesting a grant disbursement, the Progress Report must also include:

- d. Accounting summary of Grant funds expended; and
- e. Itemized invoice showing all costs for which reimbursement is being requested.

6. Final Report

The Grantee must submit a Draft Final Report by March 1, 2023, providing a summary of any additional work conducted after the Progress Report. If CARB staff determine that revisions are necessary, the Grantee must submit a Final Report by May 1, 2023. At a minimum, the Final Report must include the following:

- a. Title of project, name of Grantee, and Grant number;
- b. Accounting summary of Grant funds expended;
- c. Summary of work completed; and
- d. Narrative of how the milestones have been met.

7. Grant Disbursement Requests

Upon completion of all the tasks identified in the Scope of Work, the Grantee may submit a Grant Disbursement Request using the AB 197 Grant Disbursement Request Form. Disbursement Requests must be accompanied by a Progress Report or Final Report.

G. FISCAL ADMINISTRATION

1. Budget

- a. The maximum amount of this Grant is up to **\$ 8,583.00**. Under no circumstance will CARB reimburse the Grantee for more than this amount. A written Grant Agreement amendment is required whenever there is a change to the amount of this Grant.
- b. The budget for this project is shown in Exhibit B, Attachment I. Grant Disbursement Requests for the project and administration funds must not exceed the Grant amount.
- c. The total funding may be reallocated by CARB at CARB's sole discretion in the event that the Grantee requests less than the total funds allocated for the project.

2. Grant Disbursements

All disbursements from the total Grant award will be made following CARB's review and approval of Grant Disbursement Request Forms documenting completion of project milestones.

- a. The Grantee must submit original signed Grant Disbursement Requests via mail to the CARB Project Liaison. A disbursement request must be made in conjunction with completed milestones documented in a Progress Report, Draft Final Report, and/or Final Report. Grant payments are subject to CARB's approval of the Progress Report or Draft Final Report or Final Report and any accompanying deliverables. A payment will not be made if the CARB Project Liaison deems that a milestone has not been accomplished or documented, a deliverable meeting specification has not been provided, claimed expenses are not documented, not valid per the budget, not reasonable, or the Grantee has not met other terms of the Grant Agreement.
- b. The Division Chief of the Air Quality Planning and Science Division or designee of CARB may review the CARB Project Liaison's approval or disapproval of a Grant Disbursement Request. No reimbursement will be made for expenses that, in the judgment of the Division Chief of the Air

Quality Planning and Science Division or designee of CARB, are not reasonable or do not comply with the Grant Agreement. CARB will have sole discretion to accelerate the timeline for allowable disbursements of administrative and project funds identified in Exhibit B, Attachment II, necessary to assure the goals of the project are met.

- c. CARB will withhold payment of ten (10) percent of administrative funds until completion of all work and CARB's approval of the Grantee's Final Report. It is the Grantee's responsibility to submit a Grant Disbursement Request for this final disbursement of funds.
- d. CARB shall disburse funds in accordance with the California Prompt Payment Act, Government Code section 927, et. seq.

3. Suspension of Payments and Grant Agreement Termination

- a. CARB reserves the right to issue a grant suspension order in the event that a dispute should arise. The grant suspension order will be in effect until the dispute has been resolved or the Grant Agreement has been terminated. If the Grantee chooses to continue work on the project after receiving a grant suspension order, the Grantee will not be reimbursed for any expenditure incurred during the suspension in the event CARB terminates the Grant Agreement. If CARB rescinds the suspension order and does not terminate the Grant Agreement, CARB at its sole discretion will reimburse the Grantee for any expenses incurred during the suspension that CARB deems reimbursable in accordance with the terms of the Grant Agreement.
- b. CARB reserves the right to terminate this Grant Agreement upon thirty (30) days' written notice to the Grantee. In case of early termination, the Grantee will submit a Progress Report covering activities up to, and including, the termination date and following the requirements specified herein and in Section H of these provisions.
- c. CARB reserves the right to immediately terminate this Grant Agreement in accordance with Section K, General Grant Provisions.

4. Contingency Provision

In the event this Grant Agreement is terminated for whatever reason, the CARB Executive Officer or designee reserves the right in his or her sole discretion to award any remaining funds to other projects.

5. Documentation of Use of Project Funds

Project funds may be used for administrative costs of accomplishing the tasks identified in the Scope of Work. Administrative costs include: the Grantee's

personnel costs; fringe benefit costs; operating costs (including rent, supplies, and equipment); indirect costs (general administrative services, office space, and telephone services); travel expenses and per diem rates set at the rate specified by California Department of Human Resources (CalHR)²⁶; overhead; consultant fees (if pre-approved by CARB); and printing, records retention, and mailing costs.

- a. The Grantee must maintain documentation of all project administration funds, including the following:
 - i. Personnel documentation must make use of timesheets or other labor tracking software. Duty statements or other documentation may also be used to verify the number of staff and actual hours or percent of time staff devoted to project administration;
 - ii. Administration funds for subcontractor(s) must be documented with copies of the contract and invoices;
 - iii. Printing, mailing, records retention, and travel expenses must be documented with receipts and/or invoices;
 - iv. Any reimbursement for necessary travel and per diem must be at rates not to exceed those amounts paid to the State's represented employees. No travel outside the State of California will be reimbursed unless prior written authorization is obtained from CARB. CalHR's travel and per diem reimbursement amounts may be found online at <http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Reimbursement must be at the State travel and per diem amounts that are current as of the date costs are incurred by the Grantee; and
 - v. If indirect costs are used to document administration funds for the project, the Grantee must describe how these costs are determined.
- b. The above documentation, records, and referenced materials must be made available for review during monitoring visits and audits by CARB, or its designee. These records must be retained for a minimum of three (3) years after completion of the Grant Agreement.

H. PROJECT MONITORING

1. Meetings with CARB

- a. Project kick-off: A one-time kick-off meeting or conference call will be held between the Grantee's key project personnel and CARB project

²⁶ Under no circumstances should the Grantee exceed travel expenses and per diem rates set by CalHR.

management staff. The purpose of this meeting is to discuss items such as the proposed work plan, details of task performance, and issues needing clarification or resolution prior to initiating work.

- b. Ongoing coordination and review meetings: Ongoing Grantee coordination and review conference calls or meetings with the CARB Project Liaison to discuss project status will be held on an as needed basis.
- c. Site visits: Site visits may be established by the CARB Project Liaison during the term of this Grant Agreement.

2. Technical Monitoring

- a. Any changes to the Scope of Work or timeline for the project requires the prior written approval of the CARB Project Liaison, and, depending on the scope and extent of the changes, may require a written Grant Agreement Amendment.
- b. The Grantee must notify the CARB Project Liaison and Grant Coordinator immediately, in writing, if any circumstances arise (technical, economic, or otherwise), which might jeopardize completion of the project, or if there is a change in key project personnel.
- c. In addition to the Draft Final and Final Reports, the Grantee must provide information requested by the CARB Project Liaison that is needed to assess progress in completing tasks and meeting the objectives of the project.
- d. Any change in budget allocations, re-definition of deliverables, or extension of the project schedule must be requested in writing to the CARB Project Liaison and approved by CARB, in its sole discretion. Such changes may require a written Grant Agreement Amendment.

I. DOCUMENTING EXPENDITURE OF STATE FUNDS

The Grantee must provide CARB with documentation accounting for the proper expenditure of CARB funds. The documentation must be provided in the Draft Final Report submitted to CARB. A Final Report must be submitted after all project funds have been expended.

J. OVERSIGHT AND ACCOUNTABILITY

The Grantee must comply with all oversight responsibilities identified herein.

- 1. CARB or its designee may recoup project funds which were received based upon misinformation or fraud, or for which a Grantee or its subcontractor(s), or

a participant in the project is in significant or continual non-compliance with the terms of this Grant Agreement or state law.

2. CARB or its designee reserves the right to audit at any time during the duration of this Grant Agreement the Grantee's costs of performing the Grant and to refuse payment of any reimbursable costs or expenses that in the opinion of CARB or its designee are unsubstantiated or unverified. The Grantee shall cooperate with CARB or its designee including, but not limited to, promptly providing all information and documents requested, such as all financial records, documents, and other information pertaining to reimbursable costs, and any matching costs and expenses.
3. The Grantee shall retain all records referred to above and provide them for examination and audit by the State for three (3) years after final payment under this Grant Agreement.
4. The Grantee shall develop and maintain accounting procedures to track reservation and expenditures by grant award, fiscal year, and of all funding sources.

K. GENERAL GRANT AGREEMENT PROVISIONS

1. **Amendment:** No amendment or variation of the terms of this Grant Agreement shall be valid unless made in writing, signed by all parties and approved as required. No oral understanding or agreement not incorporated in the Grant Agreement is binding on any of the parties.
2. **Americans with Disabilities Act (ADA) Language:** Grantee must ensure that products and services submitted to CARB, uploaded, or otherwise provided to CARB by the Grantee and/or its sub-contractors, sub-grantees (hereinafter referred to as sub awardees) under this Grant, as specified in Exhibit A (collectively, the "Work"), to comply with Web Content Accessibility Guidelines 2.0 levels A and AA, and otherwise meet the accessibility requirements set forth in California Government Code Sections 7405 and 11135, Section 202 of the federal Americans with Disabilities Act (42 U.S.C. § 12132), and Section 508 of the federal Rehabilitation Act (29 U.S.C. § 794d) and the regulations promulgated thereunder (36 C.F.R. Parts 1193 and 1194) (collectively, the "Accessibility Requirements") For any Work provided to CARB in PDF format, Grantee shall also provide an electronic version in the original electronic format (for example, Microsoft Word or Adobe InDesign).

CARB may request documentation from the Grantee of compliance with the requirements described above and may perform testing to verify compliance.

Grantee agrees to respond to and resolve any complaint brought to its attention regarding accessibility of deliverables provided under this Grant.

Deviations from the Accessibility Requirements are permitted only by written consent by CARB.

3. **Assignment:** This grant is not assignable by the Grantee, either in whole or in part, without the consent of CARB in the form of a formal written amendment.
4. **Availability of Funds:** It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this grant does not appropriate sufficient funds for the program, this grant shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this grant and Grantee shall not be obligated to perform any provisions of this grant.
5. **Audit:** Grantee agrees that CARB, the Department of General Services, Department of Finance, the Bureau of State Audits, or their designated representative(s) shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant Agreement and all State funds received. Grantee agrees to maintain such records for possible audit for a minimum of three (3) years after the term of this Grant Agreement is completed, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include similar right of the State audit records and interview staff in any Grant related to performance of this Grant Agreement.
6. **Compliance with law, regulations, etc.:** The Grantee agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal, state, and county laws, rules, guidelines, regulations, and requirements.
7. **Computer software:** The Grantee certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Grant Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
8. **Confidentiality:** Prior to CARB releasing any information to Grantee which CARB has designated as confidential, CARB will notify Grantee in writing of such confidential designation. Except as may be required by the California Public Records Act (California Government Code Section 6250 et seq.), no record which has been designated as confidential by CARB, shall be disclosed by the Grantee. If the Grantee believes disclosure of a confidential record may

be required under the California Public Records Act, the Grantee shall first give CARB at least 10 calendar days written notice prior to any planned disclosure so CARB can seek an order preventing disclosure from a court of competent jurisdiction.

- 9. Conflict of interest:** The Grantee certifies that it is in compliance with applicable State and/or federal conflict of interest laws.

The Grantee may have no interest, and must not acquire any interest, direct or indirect, which will conflict with its ability to impartially complete the tasks described herein. The Grantee must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest with its duties throughout the Grant Agreement term. CARB may consider the nature and extent of any actual, apparent, or potential conflict of interest in the Grantee's ability to perform the Grant Agreement.

The Grantee must immediately advise CARB in writing of any potential new conflicts of interest throughout the Grant Agreement term.

- 10. Disputes:** The Grantee shall continue with the responsibilities under this Grant Agreement during any dispute. Grantee staff or management may work in good faith with CARB staff or management to resolve any disagreements or conflicts arising from implementation of this Grant Agreement. However, any disagreements that cannot be resolved at the management level within thirty (30) days of when the issue is first raised with CARB staff must be subject to resolution by the CARB Executive Officer, or his designated representative. Nothing contained in this paragraph is intended to limit any rights or remedies that the parties may have under law.

- 11. Environmental justice:** In the performance of this Grant Agreement, the Grantee must conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including minority populations and low-income populations of the State.

- 12. Fiscal management systems and accounting standards:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing Grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of State law or this Grant Agreement. Unless otherwise prohibited by State or local law, the Grantee further agrees that it will maintain separate project accounts in accordance with generally accepted accounting principles.

- 13. Force majeure:** Neither CARB nor the Grantee must be liable for or deemed to be in default for any delay or failure in performance under this Grant Agreement or interruption of services resulting, directly or indirectly, from acts of God, enemy

or hostile governmental action, civil commotion, strikes, government orders, national or state declared pandemics, lockouts, labor disputes, fire, flood, earthquakes or other physical natural disaster. If either party intends to invoke this clause to excuse or delay performance, the party invoking the clause must provide written notice to the other party immediately but no later than within fifteen (15) calendar days of when the force majeure event occurs and reasons that the force majeure event is preventing that party from or delaying that party in performing its obligations under this Grant Agreement. CARB may terminate this Grant Agreement immediately in writing without penalty in the event Grantee invokes this clause.

If the Grant Agreement is not terminated by CARB pursuant to this clause, upon completion of the event of force majeure, the Grantee must as soon as reasonably practicable recommence the performance of its obligations under this Grant Agreement. The Grantee must also provide a revised schedule to minimize the effects of the delay caused by the event of force majeure. An event of force majeure does not relieve a party from liability for an obligation which arose before the occurrence of that event.

14. Governing law and venue: This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California. CARB and the Grantee hereby agree that any action arising out of this Grant Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Grant Agreement.

15. Grantee's responsibility for work: The Grantee shall be responsible for work and for persons or entities engaged in work, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contract for work on the project, including, but not limited to, payment disputes with contractors, subcontractors, and providers of services. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.

16. Indemnification: The Grantee agrees to indemnify, defend, and hold harmless the State and the Board and its officers, employees, agents, representatives, and successors-in-interest against any and all liability, loss, and expense, including reasonable attorneys' fees, from any and all claims for injury or damages arising out of the performance by the Grantee, and out of the operation of equipment that is purchased with funds from this Grant award.

17. Independent Contractor: The Grantee, and its agents and employees, if any, in their performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of CARB.

18. Nondiscrimination: During the performance of this Grant Agreement, the Grantee and its third-party entities shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. The Grantee and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Grantee and its contractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Grantee and its contractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

The Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Grant Agreement.

19. No third party rights: The parties to this Grant Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Grant Agreement, or of any duty, covenant, obligation or undertaking establish herein.

20. Ownership: All information or data received or generated by the Grantee under this Grant Agreement shall become the property of CARB. No information or data received or generated under this Grant Agreement shall be released without CARB approval.

21. Personally Identifiable Information: Information or data that personally identifies an individual or individuals is confidential in accordance with California Civil Code sections 1798, et seq. and other relevant State or Federal statutes and regulations. The Grantee shall safeguard all such information or data which comes into their possession under this Grant Agreement in perpetuity, and shall not release or publish any such information or data.

22. Prevailing wages and labor compliance: If applicable, the Grantee agrees to comply with all the applicable provisions of the California Labor Code pertaining to Public Works projects (Labor Code Sections 1720-1861) including those provisions requiring the payment of not less than the specified prevailing rate of wages as determined by the Director of the Department of Industrial Relations to workers employed in the performance of this grant. If applicable, the

Grantee shall monitor all agreements subject to reimbursement from this Grant Agreement to ensure that the prevailing wage provisions of Labor Code Section 20-1861 are being met.

- 23. Professionals:** For projects involving installation or construction services, the Grantee agrees that only licensed professionals will be used to perform services under this Grant Agreement where such services are called for and licensed professionals are required for those services under State law.
- 24. Severability:** If a court of competent jurisdiction holds any provision of this Grant Agreement to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of those provisions, will not be affected.
- 25. Termination:** In addition to the termination provisions in Section G.3 of this Grant Agreement, CARB may terminate this Grant Agreement by written notice at any time prior to completion of this Grant Agreement, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Grant Agreement. Upon termination, the Grantee must immediately return project funds to CARB.
- 26. Timeliness:** Time is of the essence in this Grant Agreement. Grantee shall proceed with and complete the Project in an expeditious manner.
- 27. Waiver of Rights:** Any waiver of rights with respect to a default or other matter arising under the Grant Agreement at any time by either party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State provided for in this Grant Agreement are in addition to any other rights and remedies provided by law.
- 28. Web Content Accessibility Guidelines:**
Grantee must ensure that all products and services submitted, uploaded, or otherwise provided by the Grantee and/or its subgrantees under this Grant Agreement, including but not limited to data, software, plans, drawings, specifications, reports, operating manuals, notes, and other written or graphic work prepared in the course of performance of this Grant Agreement (collectively, the "Work"), comply with Web Content Accessibility Guidelines 2.0, levels A and AA, and otherwise meet the accessibility requirements set forth in California Government Code Sections 7405 and 11135, Section 202 of the federal Americans with Disabilities Act (42 U.S.C. § 12132), and Section 508 of the federal Rehabilitation Act (29 U.S.C. § 794d) and the regulations promulgated thereunder (36 C.F.R. Parts 1193 and 1194) (collectively, the "Accessibility Requirements"). For any Work provided in PDF format, Grantee shall also provide an electronic version in the original electronic format (for example, Microsoft Word or Adobe InDesign). CARB may request

documentation from the Grantee of compliance with the Accessibility Requirements and may perform testing to verify compliance. Grantee must bring into compliance, at no cost to CARB, any Work by Grantee or its subgrantees not meeting the Accessibility Requirements. If Grantee fails to bring its or its subgrantees' Work into compliance with the Accessibility Requirements within five (5) business days of written notice from CARB, or within the time frame specified by CARB in its notice, Grantee will be responsible for all costs incurred by CARB in bringing Grantee's or its subgrantees' Work into compliance with the Accessibility Requirements. Grantee agrees to respond to and resolve any complaint brought to its attention regarding accessibility of deliverables provided under this Grant Agreement for a period of one year following delivery of the final deliverable under this Grant Agreement. Deviations from the Accessibility Requirements are permitted only by written consent by CARB.

Work Statement

Budget Summary (Attachment I)
Project Disbursement Schedule (Attachment II)
Project Schedule (Attachment III)

EXHIBIT B, ATTACHMENT I

Budget Summary

Grantee: Lassen County Air Pollution Control District

Grant Agreement No.: G21-EIDG-13

Project: Quality Assurance Review of Point Source Emissions Data

Total Costs & Funding

Costs	Grant
Total Project Funds	\$ 8,583.00

EXHIBIT B, ATTACHMENT II

Project Disbursement Schedule

Grantee: Lassen County Air Pollution Control District

Grant Agreement No.: G21-EIDG-13

Project: Quality Assurance Review of Point Source Emissions Data

Milestone Description	Scheduled Payment of Grant Funds
Review and update facility information and emissions data for facilities that were in operation in <u>2021</u>	\$ 7,725.00 (90 percent)
Submittal of Final Report to CARB (no later than May 1, 2023)	\$ 858.00 (10 percent)
Grant Agreement Total Funding Amount	\$ 8,583.00

EXHIBIT B, Attachment III

Project Schedule

Grantee: Lassen County Air Pollution Control District

Grant Agreement No.: G21-EIDG-13

Project: Quality Assurance Review of Point Source Emissions Data

Work Task	Timeline
District Governing Board Approval	September 1, 2022
Grant Agreement Execution	June 1, 2022
Kick Off Meeting	TBD
Update facility information and emissions data for facilities that were in operation in 2020	August 1, 2022
Progress Report	December 1, 2022
Draft Final Report	March 1, 2023
Final Report	May 1, 2023

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher, Chairman
Jeff Hemphill, Vice Chairman
Russ Brown
Tom Hammond
Quincy McCourt
Mendy Schuster

Staff

Erik Edholm
Air Pollution Control Officer
Vacant
Air Quality Engineer
Sarah Dacosta
Administrative Staff Assistant

Meeting of July 12, 2022

To: Governing Board

From: Erik Edholm, APCO

Subject: Carl Moyer State Reserve Year

24

Attached is Grant Agreement G21-MSR-07 for the District to receive 24th Cycle Carl Moyer State Reserve funding in the amount of \$200,000. An amount of \$25,000 would be allowed for administrative fees (staff time, advertising, etc.). State Reserve funds will go toward Moyer eligible non-residential lawn and garden equipment projects through the Moyer Program, and the eligible projects are limited to commercial grade zero emission lawn and garden equipment utilized by landscaping operations that include, but are not limited to, landscapers, cities, non-profit organizations, schools, businesses, or sole proprietors. All projects must be eligible in accordance with the Moyer Program Guidelines, Chapter 9. Staff will work with air districts to modify Chapter 9 in order to expand equipment eligibility in the Moyer guidelines.

The application requires adoption of a Board Resolution (attached) committing the District to participate in the Carl Moyer Program, accepting State Reserve Program Funds, and follow the requirements of the Program.

Recommendation:

Approve Resolution 22-03 committing the District to participate in the Carl Moyer Program, accepting State Reserve Program Funds, and follow the requirements of the Program.

Respectfully Submitted,

Erik Edholm
Air Pollution Control Officer

RESOLUTION NO. 22-03

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT ACCEPTING CARL MOYER PROGRAM FUNDS FROM THE CALIFORNIA AIR RESOURCES BOARD.

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

WHEREAS, Lassen County Air Pollution Control District (LCAPCD) has successfully implemented Carl Moyer Program projects in past years to reduce emissions and improve air quality in Northeast Plateau and seeks to continue to reduce emissions from diesel engines through clean air projects;

WHEREAS, California Health and Safety Code section 44287 requires air districts participating in the Carl Moyer Program to provide match funding, and Carl Moyer Program Guidelines (CMP Guidelines) have established a match requirement of 15 percent of State funds received, with an exemption from this requirement for districts receiving the minimum grant award of \$200,000;

WHEREAS, the District may also have projects that qualify for grant funds through the “Rural District Assistance Program” (RAP);

WHEREAS, the District may also have projects that qualify for grant funds through State Reserve Funds;

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

NOW, THEREFORE, BE IT RESOLVED that the LCAPCD does hereby approve the District’s continued participation in the Carl Moyer Program, and the acceptance of funds allocated and awarded to the District for eligible projects and program administration each year until 2023, in accordance with the terms and conditions of CMP grant agreements; and

BE IT FURTHER RESOLVED that the LCAPCD will comply with Carl Moyer Program requirements as specified in sections 44275 through 44299.2 of the Health and Safety Code, the applicable CMP Guidelines, and the District’s CMP Policies and Procedures; and

BE IT FURTHER RESOLVED that the LCAPCD commits to provide sufficient funds to meet the match requirements specified in the CMP Guidelines, as applicable, each year until 2023; and

BE IT FURTHER RESOLVED that the LCAPCD authorizes the parties specified below to accept qualified projects, grant funds, and administrative funds awarded to the District through the RAP funding program each year until 2023; and

BE IT FURTHER RESOLVED that the LCAPCD authorizes the parties specified below to accept grant funds and administrative funds awarded to the District for State Reserve projects each year until 2023; and

BE IT FURTHER RESOLVED that the Air Pollution Control Officer/Executive Officer [and/or other individual(s) or positions named herein is/are] authorized to execute on behalf of the District grant agreements with ARB, and all other necessary documents to implement and carry out the purposes of this resolution, each year until 2023.

The foregoing resolution was approved and adopted by the following vote of the Board on July 12, 2022.

AYES:

NOES:

ABSTAIN:

ABSENT:

Chris Gallagher, Chairman
Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer

GRANT AGREEMENT COVER SHEET

NAME OF GRANT PROGRAM Carl Moyer Memorial Air Quality Standards Attainment Program – State Reserve (Year 24)		GRANT NUMBER G21-MSR-07
GRANTEE NAME Lassen County Air Pollution Control District		
TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER 94-6000439	TOTAL GRANT AMOUNT NOT TO EXCEED \$ 200,000.00	
START DATE: 6/15/2022	END DATE: 12/31/2026	

This legally binding Grant Agreement, including this cover sheet and Exhibits attached hereto and incorporated by reference herein, is made and executed between the State of California, California Air Resources Board (CARB) and Lassen County Air Pollution Control District (the "Grantee").


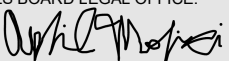
Project Funds: \$175,000.00
Administrative Funds: \$25,000.00
Total Grant Award: \$200,000.00

Exhibit A – General Terms and Conditions

Special Terms and Conditions: Grant is contingent on CARB receipt by June 30, 2022 of a Board Resolution or Minute Order consistent with the Moyer Guidelines.

This Agreement is of no force or effect until signed by both parties. Grantee shall not commence performance until a Board Resolution or Minute Order consistent with the Moyer Guidelines is received by CARB and Grantee receives written approval from CARB.

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

STATE AGENCY NAME California Air Resources Board		GRANTEE'S NAME (PRINT OR TYPE) Lassen County Air Pollution Control District	
SIGNATURE OF ARB'S AUTHORIZED SIGNATORY:		SIGNATURE OF GRANTEE (AS AUTHORIZED IN RESOLUTION, LETTER OF COMMITMENT, OR LETTER OF DESIGNATION) 	
TITLE Branch Chief	DATE	TITLE Air Pollution Control Officer	DATE 6/6/2022
STATE AGENCY ADDRESS 1001 I Street, Sacramento, CA 95814		GRANTEE'S ADDRESS (INCLUDE STREET, CITY, STATE AND ZIP CODE) 720 South St. Susanville, CA 96130	
CERTIFICATION OF FUNDING			
AMOUNT ENCUMBERED BY THIS AGREEMENT \$200,000.00	PROGRAM 3500000L15	PROJECT	ACTIVITY
PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT \$ 0.00	FUND TITLE Air Pollution Control Fund		FUND NO. 0115
TOTAL AMOUNT ENCUMBERED TO DATE \$200,000.00	(OPTIONAL USE)		CHAPTER 21 STATUTE 2021 AB-128
APPR REF 101	ACCOUNT/ALT ACCOUNT 5432000	REPORTING STRUCTURE 39006100	SERVICE LOCATION 50015 FISCAL YEAR (ENY) 2021
I hereby certify that the California Air Resources Board Legal Office has reviewed this Grant Agreement.			
SIGNATURE OF CALIFORNIA AIR RESOURCES BOARD LEGAL OFFICE: 		DATE 5-31-22	

Carl Moyer Memorial Air Quality Standards Attainment Program

GRANT AGREEMENT

State Reserve Funds

Fiscal Year 2021-2022 (Moyer Year 24)

General Terms and Conditions:

1. **Amendment:** No amendment or variation of the terms of this Grant Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Grant Agreement is binding on any of the parties.
2. **Americans with Disabilities Act (ADA) Language:** The Grantee must ensure that products and services submitted to CARB, uploaded, or otherwise provided to CARB by the Grantee and/or its sub-contractors, sub-grantees (hereinafter referred to as sub awardees) under this Grant, as specified in Exhibit A (collectively, the "Work"), comply with Web Content Accessibility Guidelines 2.0, levels A and AA, and otherwise meet the accessibility requirements set forth in California Government Code Sections 7405 and 11135, Section 202 of the federal Americans with Disabilities Act (42 U.S.C. § 12132), and Section 508 of the federal Rehabilitation Act (29 U.S.C. § 794d) and the regulations promulgated thereunder (36 C.F.R. Parts 1193 and 1194) (collectively, the "Accessibility Requirements"). For any Work provided to CARB in PDF format, the Grantee shall also provide an electronic version in the original electronic format (for example, Microsoft Word or Adobe InDesign).
CARB may request documentation from the Grantee of compliance with the requirements described above and may perform testing to verify compliance.

The Grantee agrees to respond to and resolve any complaint brought to its attention regarding accessibility of deliverables provided under this Grant. Deviations from the Accessibility Requirements are permitted only by written consent by CARB.

3. **Assignment:** This grant is not assignable by the Grantee either in whole or in part, without the consent of CARB in the form of a formal written amendment.
4. **Audit:** Grantee agrees that CARB, the Department of General Services, Department of Finance, the California State Auditor, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant and all State funds received. The Grantee agrees to maintain such records for possible audit for a minimum of three (3) years after the term of this Grant is completed, unless a longer period of records retention is stipulated. The Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Grantee agrees to include similar right of the State to audit records and interview staff in any Grant or Contract related to performance of this Agreement.
5. **Availability of funds:** It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this grant does not appropriate sufficient funds for the program, this grant shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this grant and Grantee shall not be obligated to perform any provisions of this grant.

6. **Compliance with law, regulations, etc.:** The Grantee agrees that it will, at all times, comply with and require its sub awardees to comply with all applicable federal, State and local laws, rules, guidelines, regulations, and requirements.
7. **Computer software:** The Grantee certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
8. **Conflict of interest:** The Grantee certifies that it is in compliance with applicable State and/or federal conflict of interest laws.
9. **Disputes:** The Grantee shall continue with the responsibilities under this Grant Agreement during any dispute. Grantee staff or management may work in good faith with CARB staff or management to resolve any disagreements or conflicts arising from implementation of this Grant Agreement. However, any disagreements that cannot be resolved at the management level within 30 days of when the issue is first raised with CARB staff shall be subject to resolution by the CARB Executive Officer, or his designated representative. Nothing contained in this paragraph is intended to limit any of the rights or remedies that the parties may have under law.
10. **Environmental justice:** In the performance of this Grant Agreement, the Grantee shall conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including minority populations and low-income population of the State.

11. **Fiscal management systems and accounting standards:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracking of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of State law or this Grant Agreement. Unless otherwise prohibited by State or local law, the Grantee further agrees that it will maintain separate Grant award accounts in accordance with generally accepted accounting principles.
12. **Force majeure:** Neither CARB nor the Grantee must be liable for or deemed to be in default for any delay or failure in performance under this Grant Agreement or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, government declaration of emergency, national or state declared pandemics, lockouts, labor disputes, fire, flood, earthquakes or other physical natural disaster. If either party intends to invoke this clause to excuse or delay performance, the party invoking the clause must provide written notice to the other party immediately but no later than within fifteen (15) calendar days of the intent to invoke the clause and reasons that the force majeure event is preventing that party from or delaying that party in performing its obligations under this grant. CARB may terminate this Grant Agreement immediately in writing without penalty in the event Grantee invokes this clause.

If the Grant Agreement is not terminated by CARB pursuant to this clause, upon completion of the event of force majeure, the Grantee must as soon as reasonably practicable recommence the performance of its obligations under this Grant Agreement. The Grantee must also provide a revised schedule to minimize the effects of the delay caused by the event of force majeure. An event

of force majeure does not relieve a party from liability for an obligation which arose before the occurrence of that event.

13. **Governing law and venue:** This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California. CARB and the Grantee hereby agree that any action arising out of this Grant Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Grant Agreement.
14. **Grantee's responsibility for work:** The Grantee shall be responsible for work and for persons or entities engaged in work, including, but not limited to sub-awardees. The Grantee and/or its sub-awardees as applicable, shall be responsible for any and all disputes arising out of its contract for work on a Project funded by this Grant Award, including but not limited to payment disputes with contractors, subcontractors, and providers of services. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.
15. **GRANTEE's Requirements for Electric Vehicle Charging Infrastructure and Equipment:** Prior to executing contracts Grantee must ensure the following requirements are included in all sub awardee contracts and or other agreements: Prior to authorizing work, a sub awardee that was awarded funds to install electrical charging equipment for use by on-road transportation vehicles, must require both:
 1. An AB 841 Certification that certifies the project will comply with all AB 841 (2020) requirements or describes why the AB 841 requirements do not apply to

the project. The certification shall be signed by the sub awardee's authorized representative.

2. EVITP Certification Numbers of each Electric Vehicle Infrastructure Training Program certified electrician that will install electric vehicle charging infrastructure or equipment.

Evidence such as Certification Numbers are not required to be obtained by Grantee if AB 841 requirements do not apply to a project.

Prior to remitting payment to a sub awardee, Grantee is responsible for collecting all AB 841 Certifications to ensure the project did comply with all AB 841 (2020) requirements and shall retain Certification Numbers in accordance with the Grantee's records retention schedule.

The requirements of this section do not apply to any of the following:

(1) Electric vehicle charging infrastructure installed by employees of an electrical corporation or local publicly owned electric utility. (2) Electric vehicle charging infrastructure funded by moneys derived from credits generated from the Low Carbon Fuel Standard Program (Subarticle 7 (commencing with Section 95480) of Article 4 of Subchapter 10 of Chapter 1 of Division 3 of Title 17 of the California Code of Regulations). (3) Single-family home residential electric vehicle chargers that can use an existing 208/240-volt outlet.

16. **Indemnification:** The Grantee agrees to indemnify, defend, and hold harmless the State and CARB and its officers, employees, agents, representatives, and successors-in-interest against any and all liability, loss, and expense, including reasonable attorneys' fees, from any and all claims for injury or damages arising out of the performance by the Grantee, and out of the operation of equipment that is purchased with funds from this Grant Award.

17. **Independent contractor:** The Grantee, and its sub-awardees, agents and employees, if any, in their performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees or agents of CARB.
18. **Nondiscrimination:** During the performance of this Grant Agreement, the Grantee and its sub awardees shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age (over 40), sexual orientation, or veteran or military status, or allow denial of family-care leave, medical-care leave, or pregnancy-disability leave. The Grantee and its sub awardees shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. The Grantee and its sub awardees shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, title 2, section 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a)-(f), set forth in Chapter 5 of Division 4.1 of title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Grantee and its sub awardees shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

The Grantee shall include the nondiscrimination and compliance provisions of this clause in all agreements with sub awardees to perform work under this Grant Agreement.

19. **No third-party rights:** The parties to this Grant Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Grant Agreement, or of any duty, covenant, obligation or undertaking establish herein.
20. **Personally identifiable information:** Information or data that personally identifies an individual or individuals is confidential in accordance with California Civil Code sections 1798, et seq. and other relevant State or Federal statutes and regulations. The Grantee shall safeguard all such information or data which comes into their possession under this Grant Agreement in perpetuity and shall not release or publish any such information or data.
21. **Prevailing wages and labor compliance:** The Grantee agrees to monitor all agreements subject to reimbursement from this Grant Agreement to ensure that the provisions of Labor Code Sections 1720-1861 are being met by sub awardees.
22. **Professionals:** The Grantee agrees that only licensed professionals will be used to perform services under this Grant Agreement where such services are called for and licensed professionals are required for those services under State law.
23. **Severability:** If a court of competent jurisdiction holds any provision of this Grant Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of those provisions, will not be affected.
24. **Term:** This Grant Award shall be effective upon full execution of this Grant Agreement and shall continue in full force and effect until all conditions of the

Grant Agreement have been met. This award is conditional based on CARB receipt and approval of a fully executed Grant Agreement accepting Fiscal Year 2021-2022 (Moyer Year 24) State Reserve Funds.

25. **Termination:** CARB may terminate this Grant Agreement for cause by written notice at any time prior to completion of projects funded by this Grant Award, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Grant Agreement within the time frame set forth by CARB via written notice to the Grantee.
26. **Timeliness:** Time is of the essence in this Grant Agreement. Grantee shall proceed with and complete the Projects funded by this Grant Award in an expeditious manner.
27. **Waiver of Rights:** Any waiver of rights with respect to a default or other matter arising under the Grant Agreement at any time by either party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State provided for in this Grant Agreement are in addition to any other rights and remedies provided by law.
28. **Incorporated Documents:** Grantee is authorized to administer a local program according to the requirements described in the following documents, which are incorporated by reference into this Grant Agreement:
 - a. CARB-approved District Application to Administer the Carl Moyer State Reserve Program for Fiscal Year 2021-2022 (Moyer Year 24).
 - b. District's Policies and Procedures (Refer to Ch.3, section C.4 of the Carl Moyer Program 2017 Guidelines).

- c. Carl Moyer Program 2017 Guidelines and any future approved Guidelines, current Program Advisories and Mail-outs, and future Program Advisories and Mail-outs issued during the grant performance period.
 - d. Carl Moyer Program Grant Disbursement Request Form.
29. **Disbursement Deadline:** The Carl Moyer Program 2021-2022 funds specified in this Grant Agreement must be disbursed by **June 30, 2024** per the 2017 Carl Moyer Program Guidelines, Volume 1, Chapter 3 (Program Administration), Section B, Table 3-1. Grant disbursement requests must be submitted by the Grantee to CARB no later than **May 1, 2024** to ensure adequate time for processing prior to the end of the fiscal year.
30. **Disbursement Request:** The Grantee shall submit the Grant Disbursement Requests to CARB Accounting Section at accountspayable@arb.ca.gov with a CC to the Grants Processing Section at MSCDGrants@arb.ca.gov. The Grantee must submit this electronically, based on CARB's current electronic submission guidance at the time of request. Requests for payment must be made with the Grant Disbursement Request Form and contain all documentation required with the form.
31. **Liquidation and Return of Funds:** Funds not liquidated by June 30 of the fourth year following grant agreement execution (**June 30, 2026**) must be returned by **September 28, 2026**. Expenditure of project funds granted may not be reduced due to any loss incurred in an uninsured bank or investment account.

32. Order of precedence: In the event of any inconsistency between the article, exhibits, attachments, specifications or provisions which constitute this Grant Agreement, the following order of precedence shall apply:
- a. Grant Agreement Cover Sheet
 - b. Exhibit A – Grant Provisions
 - c. All other Exhibits incorporated into the Grant Agreement as listed on the Grant Agreement Cover Sheet.

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher, Chairman
Jeff Hemphill, Vice
Chairman
Russ Brown
Tom Hammond
Quincy McCourt
Mendy Schuster

Staff

Erik Edholm
Air Pollution Control Officer
Vacant
Air Quality Engineer
Sarah Dacosta
Administrative Staff Assistant

Meeting of July 12, 2022

To: Governing Board

From: Erik Edholm, APCO

Subject: Budget Review

The Lassen County Air Pollution Control District's Fiscal Year 2022-2023 proposed budget is presented to the Board commensurate with cost of services budget provided by the City as stipulated in the Agreement.

Overall, revenues have been projected to increase slightly, while expenditures have been projected to stay the same. Projected revenues, which have proven stable over the years, are in excess of expenditures.

Recommendation:

Motion to approve Resolution 20-04 adopting the Fiscal Year 2022-2023 budget.

Respectfully Submitted,

Erik Edholm
Air Pollution Control Officer

RESOLUTION NO. 22-04

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT ADOPTING THE FISCAL YEAR 22/23 BUDGET.

WHEREAS, the Lassen County Air Pollution Control District is a Local Air Pollution Control District that permits stationary sources of Air Pollution, administers and disperses funds through various State grant programs, and enforces, local, state, and federal rules and regulations, and

WHEREAS, the Lassen County Air Pollution Control District annually adopts a budget for its administrative and operational costs, and

WHEREAS, the Lassen County Air Pollution Control District has considered the proposed budget, as depicted in Exhibit A.

NOW, THEREFORE, BE IT RESOLVED that the Governing Board hereby adopts the 2022-2023 Fiscal Year Budget as depicted in Exhibit A:

The foregoing resolution was approved and adopted by the following vote of the Board on July 12, 2022.

AYES:

NOES:

ABSTAIN:

ABSENT:

Chris Gallagher, Chairman
Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer

EXHIBIT A

Estimated Revenues Fiscal Year 22/23

Revenues in Support of Salaries and Benefits / Services and Supplies

Fund Description	Actual Received 19/20	Actual Received 20/21	Estimated Received 21/22				Proposed Budget 22/23
Real Property Taxes	\$ 15,240	\$ 16,059	\$ 9,327				\$ 15,000
State Other DMV FEES	\$ 72,968	\$ 79,428	\$ 81,000				\$ 80,000
Air Pollution Permits	\$ 67,042	\$ 77,287	\$ 71,000				\$ 72,000
ST of California Air Pollution Subvention	\$ 34,400	\$ 34,400	\$ 34,400				\$ 34,400
Interest Revenue	\$ 4,804	\$ 1,424	\$ 1,200				\$ 1,000
Carl Moyer Admin	\$ 56,667	\$ -	\$ 25,000				\$ 56,250
Oil and Gas Admin	\$ -	\$ -	\$ 1,000				\$ 1,000
AB 197 Admin	\$ 26,850	\$ -	\$ 8,583				\$ 8,583
Prescribed Burn Admin	\$ -	\$ 30,753	\$ -				\$ 10,000
AB 617 Admin	\$ -	\$ 39,155	\$ 10,813				\$ 10,813
FARMER Admin	\$ 29,631	\$ 47,870	\$ 47,870				\$ -
SUBTOTAL	\$ 307,601	\$ 326,376	\$ 290,192				\$ 289,046

Revenues in Support of Grant Programs

	21/22	YTD Actual	Budget
State-Other			
FARMER Program	\$ -	\$ -	\$ -
AB 617 Incentive Program	\$ -	\$ -	\$ -
Carl Moyer	\$ 218,750	\$ 175,000	\$ 393,750
			Budget
			\$ 682,796

Exhibit A
Lassen County Air Pollution Control District
2022-2023 Expenditure Budget

	Actual Budget 21/22	Proposed Budget 22/23	Increase / Decrease
Salaries and Benefits	\$ 170,500	\$ 170,500	\$ -
Services and Supplies	\$ 52,000	\$ 52,000	\$ -
Expenditure Subtotal	\$ 222,500	\$ 222,500	\$ -
Carl Moyer	\$ 220,182	\$ 480,585	\$ 260,403
FARMER Program	\$ 229,800	\$ -	\$ (229,800)
Wood Stove Replacement Program	\$ 66,000	\$ 72,000	\$ 6,000
AB 617 Community Air Protection Program	\$ 89,392	\$ 89,392	\$ -
Total	\$ 827,874	\$ 864,477	\$ 36,603

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher, Chairman
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Russ Brown
Tom Hammond
Quincy McCourt
Mendy Schuster rd

Staff

Erik Edholm
Air Pollution Control Officer
Vacant
Air Quality Engineer
Sarah Dacosta
Administrative Staff Assistant

Meeting of July 12, 2022

To: Governing Board

From: Erik Edholm, APCO

Subject: Carl Moyer Grant Award, Five Dot Land and Cattle Co.

Attached is a proposed Carl Moyer Grant for execution under 23rd Cycle grant, of which the District currently has \$51,834.89 of Cycle 23 funds available for award. The proposed grant is to Five Dot Land and Cattle Co. for a tractor replacement project that will replace a 1970 John Deere 4020 with a 2022 John Deere 6120M, for a total grant amount of \$35,000.

Recommendation:

Approve Resolution 22-05 authorizing the APCO to execute grant agreement 18-23-CMP-05 in the amount of \$35,000 to Five Dot Land and Cattle Co.

Respectfully Submitted,

Erik Edholm
Air Pollution Control Officer

RESOLUTION NO. 22-05

**A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR
POLLUTION CONTROL DISTRICT APPROVING CARL MOYER GRANT AGREEMENT
18-23-CMP-05 WITH FIVE DOT LAND AND CATTLE CO.**

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

WHEREAS, Lassen County Air Pollution Control District (LCAPCD) has successfully implemented Carl Moyer Program projects in past years to reduce emissions and improve air quality in Northeast Plateau and seeks to continue to reduce emissions from diesel engines through clean air projects;

WHEREAS, the Governing Board approved on October 12, 2021 Resolution 21-12 Accepting Carl Moyer Program Funds from the California Air Resources Board;

WHEREAS, Resolution 21-12 authorized the Air Pollution Control Officer to execute on behalf of the District grant agreements with ARB, and all other necessary documents to implement and carry out the purposes of Resolution 21-12, each year until 2023;

NOW, THEREFORE, BE IT RESOLVED that the Governing Board hereby approves the Air Pollution Control Officer to execute Carl Moyer Grant Agreement 18-23-CMP-05 with Five Dot Land and Cattle Co.;

The foregoing resolution was approved and adopted by the following vote of the Board on July 12, 2022.

AYES:

NOES:

ABSTAIN:

ABSENT:

Chris Gallagher, Chairman
Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer

**LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT
CARL MOYER HEAVY-DUTY LOW EMISSION INCENTIVE PROGRAM AGREEMENT**

This Agreement (Agreement) is between the Lassen County Air Pollution Control District (District), a public agency of the State of California, and **Five Dot Land and Cattle Co.** (Participant).

1.0 Recitals

- 1.1 The District is in nonattainment of the state air quality standards for particulate matter and is impacted by the effects of toxic air contaminants, including diesel particulate matter and other pollutants from mobile sources.
- 1.2 On December 11, 2007, the District Governing Board approved Resolution No. 18-07-CMP-10, authorizing the District's participation in the CARB Carl Moyer Program which is a Heavy-Duty Low Emission Vehicle Incentive Program (Program), which is hereby incorporated by reference and made part of this agreement.
- 1.3 On September 23, 2004, Governor Schwarzenegger signed Assembly Bills 923, 1394, and 2128 which made major changes to the Carl Moyer Program and projects funded using Department of Motor Vehicles Surcharges, expanding the Program to include light-duty vehicles, Fleet Modernization, and agricultural assistance projects.
- 1.4 To implement mobile source emission reduction projects, the Program provides incentives to fleet operators and individuals for the purchase, repower and/or retrofit of low-emission on-road motor vehicles, off-road mobile equipment, and agricultural water pumps.
- 1.5 The Participant wishes to participate in the Program by purchasing and operating the equipment described in this Agreement and represents that the purchase is not required by any local, state, and/or federal rule, regulation, memorandum, or other legally binding agreement, with the exception of certain agricultural projects described in Health and Safety Code sections 41081(d)(2)(ii), 41802 and 44275.
- 1.6 The Participant has read and agreed to all requirements of the Program application and guidelines which are hereby incorporated into this Agreement.
- 1.7 This Agreement is a voluntary act intended to accelerate the introduction of low-emission vehicle and engine technology designed to reduce emissions of oxides of nitrogen, particulate matter, reactive organic gases, toxic air contaminants, and oxides of carbon within Lassen County.
- 1.8 This Agreement was approved for use by the District's Board of Directors on December 14, 2010.
- 1.9 On July 12, 2022, The District Governing Board authorized making this contract with Participant.

Terms and Conditions

2.1 Definitions

2.1.1 “Applicable emission standards” are defined as the emission standards for oxides of nitrogen (NO_x), particulate matter (PM), hydrocarbons, and carbon monoxide established by the California Air Resources Board (CARB) or the United States Environmental Protection Agency (USEPA) for a model year vehicle or engine. For “phase-in” or “interim” engines the following standards apply:

Engine Model Year	Power Rating	NO _x Standard	PM Standard
2007-2009 On-Road	All On-Road Heavy-Duty Diesel Engines	1.2 g/bhp-hr	0.01 g/bhp-hr
2012-2013 Off-Road	56 – 129 kW (75 – 174 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)
2011-2013 Off-Road	130 – 560 kW (175 – 749 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)

2.1.2 “Agricultural water pump” is defined as a stationary or portable device designed to move water used for agricultural purposes.

2.1.3 “Certified” is defined as a motor vehicle or engine that is certified by CARB or the USEPA to an emission standard or standards.

2.1.4 “Experimental Permit” is defined as an Executive Order issued by CARB for the experimental use of a non-certified or non-verified engine, fuel, or engine retrofit in California.

2.1.5 “Fleet Modernization” is defined as the transaction in which an older on-road motor vehicle or piece of off-road mobile equipment is destroyed and replaced with a similar motor vehicle or piece of equipment certified to a lower emission standard.

2.1.6 “Motor vehicle” is defined as a self-propelled device by which any person or property may be propelled, moved, or drawn upon a highway, excepting a device moved exclusively by human power or used exclusively upon stationary rails or tracks.

2.1.7 “Off-road equipment” is defined as a self-propelled device not intended for operation on a highway and is powered by an engine certified to off-road or nonroad emission standards.

2.1.8 “Repower” is defined as the process in which an old engine is replaced with a new engine.

2.1.9 “Retrofit” is defined as the installation of a device designed to reduce emissions from an engine.

2.1.10 “Tier 3” is defined as the emission certification of an off-road compression ignition engine to the Tier 3 emission standards as described in §2423(b)(1) of the California Code of Regulations.

2.1.11 “Verified” is defined as a device, fuel, or system that is verified by CARB or the USEPA to reduce emissions from a mobile source by a verified amount.

2.2 Participant Obligations – the Participant will:

2.2.1 ☒ Participant agrees that the original engine(s) to be replaced by this program is the same as the engine(s) stated in Participant’s application and restated in Exhibit A. Said engine(s) will be destroyed immediately or otherwise rendered unusable immediately after new engine installation. Participant agrees that the District may directly observe the Participant’s destruction of the engine and/or be provided proof of destruction or nonuseability within 30 days of new engine installation. Engine destruction may include but is not limited to: salvage receipt (with serial number), placing a hole (at least five inches in diameter) in the engine block (with accompanying photos with serial numbers visible in said photos), welding the cylinder(s) to prevent any re-use, or any other means acceptable to the District.

☐ N/A - Retrofit

2.2.2 Purchase, invoice the District, and operate the equipment described in Exhibit A by **December 31st, 2022**. Participant may submit a written request to extend this Section if the project cannot be successfully completed due to circumstances beyond the Participant's reasonable control.

2.2.3 Ensure that a functioning hour meter is installed on the equipment described in Exhibit A for the life of the project.

2.2.4 Operate the equipment described in Exhibit A in Lassen County during the term of this agreement in accordance with the requirements in Exhibit B. In addition to meeting the operating requirements established in Exhibit B, 75% of the vehicles total operation must occur within California. Agricultural water pumps are required to operate 100% within Lassen County.

2.2.5 Maintain the minimum level of required insurance described in Exhibit C during the term of this Agreement, and ensure that the District is named as an additional insured under the policy.

2.2.6 Comply with applicable Airborne Toxic Control Measures and District Rules as determined by the APCO.

2.3 Payment

2.3.1 The District will reimburse the Participant up to **\$35,000.00** towards the cost of the vehicle(s) or equipment identified in Exhibit A within 60 days of receipt of an itemized invoice.

- 2.3.2 Any payments made under this Agreement are subject to the provisions and limitations of Health and Safety Code. The District shall have no liability for payment of any compensation and expenses that are found to be in contravention of the Health and Safety Code or any other local, state, or federal law. The Participant shall reimburse the District for any payments that are later found to be in contravention of the Health and Safety Code or any other local, state, or federal law.
- 2.3.3 No payments shall be issued under this Agreement prior to final inspection of the project by District personnel.
- 2.3.4 Payment of compensation shall be made by the District to Contractor within sixty (60) days after receipt by District of statement of charges and completion of final inspection. Such statement shall be checked and approved by a person or persons designated by the District.
- 2.3.5 Payments made under this Agreement are subject to taxation and an IRS Form 1099 will be issued to the Participant. Funds may be withheld by the District as required by law for payment of tax liabilities and/or other court-ordered payments.

2.4 General Program Requirements

- 2.4.1 The Participant warrants that the vehicle(s)/engine(s) covered under this Agreement meets all the eligibility requirements described in the Program application and guidelines. The Participant further agrees to operate the vehicle(s)/engine(s) in a manner that is consistent with the eligibility requirements in the guidelines and the goals and objectives of the Program.
- 2.4.2 The Participant cannot apply for or receive additional incentive funds, including but not limited to the state Carl Moyer Program inter-district fund or any other air district fund, including those funds used as matching funds, for any equipment listed in Exhibit A of this Agreement. This requirement may be waived by District staff on an individual basis. If the District discovers that the Participant has applied for or received funds from these sources, the District will terminate this Agreement and require that any funds paid under this Agreement be returned to the District.
- 2.4.3 The Participant agrees to operate the equipment described in Exhibit A within the manufacturer's specifications including all maintenance and fueling requirements. An operational odometer, hour meter, or other District-approved usage measuring device must be installed on all projects and maintained for continuous operation. Under no circumstances may the Participant make any modifications to or tamper with the vehicle, equipment, engine, emission control system(s), or any recording devices on the vehicle or equipment prohibited under CARB and USEPA regulations. The Participant also agrees to operate the vehicle, engine, and/or equipment in compliance with all local, state, and federal rules, laws, and regulations.

2.4.4 Participant shall cooperate with the District and CARB in implementation, monitoring, enforcement, and other efforts to assure the emission benefits from the project are real, quantifiable, surplus, and enforceable.

2.5 Engine Repower and Retrofit Requirements – This Agreement is ☒ or is not ☐ subject to the following requirements:

2.5.1 The low-emission engine or engine retrofit must be either:

- (i) CARB Certified; or
- (ii) CARB Verified; or
- (iii) Under an experimental permit issued by CARB; or
- (iv) In cases where federal law preempts state requirements, approved for use by the USEPA

Engines certified to a level that is less stringent than the standard applicable to the replaced engine for any pollutant are ineligible for funding under this agreement.

2.5.2 Any engine retrofit funded under this Agreement must reduce either oxides of nitrogen or particulate matter emissions by a minimum of 25% for either pollutant.

2.5.3 If the Participant is replacing or repowering an engine, the Participant must either:

- (i) Destroy the replaced or repowered engine in a manner acceptable to the District. If the engine is destroyed, the Participant must permit the District to inspect the destroyed engine; or
- (ii) Implement a District approved destruction alternative. The District may approve a destruction alternative only if special circumstances justifying the use of an alternative exist, and there is no detrimental impact to air quality.

2.6 New Low-Emission Vehicle Purchase – This Agreement is ☐ or is not ☒ subject to the following requirements:

2.6.1 New low-emission vehicles must be certified by CARB to an oxides of nitrogen emission level below the applicable standard for that motor vehicle or piece of off-road mobile equipment. Low-emission vehicle or engine technology under an experimental permit from CARB are also eligible for funding under the Program.

2.6.2 The low-emission vehicle or engine technology funded under Section 2.6.1 must achieve at least a 30% reduction in oxides of nitrogen emissions as compared to the applicable baseline emission standards for the specific model year and power rating.

2.6.3 The low-emission vehicle or engine technology funded under Section 2.6.1 must not be certified to particulate matter, hydrocarbons, and/or carbon monoxide levels above the applicable baseline emission standards for the specific model year and power rating.

2.6.4 The Participant must submit copies of invoices from service providers that confirm:

- (i) Installation of digital odometer/hour meter; and
- (ii) Vehicle finance documents

Each invoice must include vehicle identification number, engine serial number, odometer reading, and date service was provided.

2.6.5 The Participant agrees to the following motor vehicle title requirements:

- (i) The Participant will provide a copy of the replacement vehicle's title to the District, demonstrating that the District is named as a lien holder for the vehicle.
- (ii) The Participant must be the legal owner of the replacement vehicle through the length of this Agreement.
- (iii) If the replacement vehicle is financed, the Participant will list both the District and the Finance Company as lien holders for the vehicle.
- (iv) If the replacement vehicle is financed, and the loan is repaid before the termination of this Agreement, the Participant must ensure that the District remains a lien holder on the replacement vehicle through the end date listed in Section 2.9.1.
- (v) If the replacement vehicle is repossessed by the finance company, the Participant must reimburse the District in accordance with the termination formula in Section 2.7.
- (vi) Any changes to the replacement vehicle's title must be approved in writing by the District.

2.7 Upon termination of this Agreement, if the vehicle/engine fails to fulfill the minimum required operation, the Participant shall return to the District an amount based on the difference between the required operation amount and the actual amount operated according to the following formula:

$$A = I * [(O * L) - C] / (O * L)$$

A = Amount Owed to the District

I = Total Incentive Award

O = Annual Operational Requirement (miles, hours or gallons)

L = Length of the Agreement in Years

C = Actual Operation (miles, hours, or gallons)

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 as outlined in Section 2.9.10.

- 2.8 The parties acknowledge that this Agreement will be funded by incentive fund revenues being transferred to the District; however, the District may terminate this Agreement if: (i) it does not receive all or a portion of the revenues, or (ii) funds are not specifically appropriated for this Agreement in the District's final budget prior to the expiration of the Agreement and any Agreement extensions. If the District terminates this Agreement under this paragraph, it will serve notice of the action on the Participant within 10 working days

2.9 General Requirements

2.9.1 This Agreement shall begin upon execution by all parties and terminate on **December 31st, 2025**. No work may begin on this project until this Agreement is executed by all parties. For this Agreement, the timeframe indicated by the execution of this Agreement and the afore-mentioned termination date shall serve as the contract term including both the project completion and project implementation/life periods.

2.9.2 Except as specified in Section 2.9.2(ii), the receipt of funds and performance under this Agreement prohibits application for any form of emission reduction credit for the life of the contract term outlined in Section 2.9.1.

- (i) This prohibition includes, but is not limited to all attainment, nonattainment, criteria and noncriteria pollutants, Application for Emission Reduction Credits (ERC), Mobile Emission Reduction Credits (MERC) and/or Certificates of Advanced Placement (CAP). This prohibition extends to credits from all Air Quality Management or Air Pollution Control Districts.
- (ii) For projects involving the replacement of a stationary diesel agricultural water pump with an electric water pump in conjunction with the Pacific Gas & Electric Company's (PG&E) PUC-approved discounted AG-ICE electric rate program, PG&E may retain all of the carbon dioxide credits and a portion of the remaining emission credits for reductions generated through this Agreement. The portion of the remaining emission credits retained by PG&E will be the difference in emissions between a Tier 3 diesel engine and the emissions associated with generating electricity for the electric pump.

2.9.3 The District, CARB, or their designee may conduct an audit of the Participant's operations to verify that the Participant is complying with the Agreement terms.

- (i) As a condition of accepting funds, the Participant agrees to designate CARB as a third-party beneficiary with full auditing, inspection, and enforcement rights throughout the entire term of the Agreement.

- (ii) Any audits will be conducted at a reasonable time and with reasonable notice to the Participant. The Participant agrees to provide the District and CARB with on-site access to the vehicle(s)/equipment described in Exhibit A.

- 2.9.4 The Participant shall defend, indemnify, and hold harmless District, CARB, its officers, agents, employees and volunteers from any and all losses, costs, damages, fines or expenses (including attorney fees, court costs and expert fees) or liability of any kind or character to any person or property arising from, or alleged to arise from, any breach of the responsibilities required of the Participant by this Agreement or which are related in any way to the vehicle(s)/equipment, including any and all liability for general, special, consequential, or other damages resulting from the use of the vehicle(s)/equipment by the Participant, for which financial assistance or other incentives are received from the District by the Participant.
- 2.9.5 Participant shall complete and return all requested information and surveys sent from the District, yearly, on **January 1st** of each year, for at least **Three years** from the commencement of operation. Noncompliance with the reporting requirements shall require on-site monitoring or inspection by the District. The Participant shall keep the following records from the beginning of operation of the equipment described in Exhibit A through the end of the term described in Section 2.9.1 and for three years following the end date listed in Section 2.9.1. It is the responsibility of the Participant to maintain records adequate to document the subsequent information. The District may request these records at any time during the term of this Agreement, including:

For On-Road Projects	For Off-Road Projects
1. Copies of all driver log book entries for the preceding year	1. Hours operated
2. Miles traveled	2. Fuel consumed
3. Fuel consumed	3. Fuel cost
4. Fuel cost	4. Engine downtime
5. Vehicle downtime	5. Type and cost of maintenance performed
6. Type and cost of maintenance performed	

- 2.9.6 The Participant shall maintain in force at all times during the term of this Agreement and any extensions or modifications thereto, insurance in accordance with Exhibit C. In the event the Participant does not have the required certificate of insurance, or if the required insurance lapses, this Agreement shall be terminated immediately.
- 2.9.7 No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by both parties.
- 2.9.8 The Participant shall observe and comply with all applicable federal, state and District statutes, ordinances, regulations, rules, directives, and laws. This Agreement shall be deemed to be executed within the State of California and construed in accordance with and governed by the laws of the State of

California. If a provision of this Agreement violates any applicable law or regulation, that provision will be stricken from the Agreement, and all other provisions will remain in full force. Any action or proceeding arising out of this Agreement shall be filed in a state court or federal court located in Lassen County, California.

- 2.9.9 No performance rendered or payment due under this Agreement may be delegated or assigned without the written consent of all the parties hereto. If the Participant assigns any of its rights or obligations under this contract, all of the terms and conditions of this contract shall apply to the Participant's assignee.
- 2.9.10 The Participant will submit written documentation of performance towards the requirements outlined in Exhibit B to the District by December 31 of each year until termination of this Agreement. The District may request additional performance documentation at its discretion.
- 2.9.11 This agreement may be terminated by the District upon 30-day notice if the Participant fails to meet any of the obligations established in this Agreement or outlined in the Carl Moyer Program guidelines or the Health and Safety Code. If the Agreement is terminated, the Participant will refund the entire incentive paid by the District. The APCO may, at his or her discretion, waive the refund or allow the Participant an opportunity to cure its failure to meet the Agreement obligations. Additionally, the District and/or CARB may seek all available remedies for breaches of any Agreement provisions, Carl Moyer Program requirements, or Health and Safety Code.
- 2.9.12 The Participant may not sell or encumber the equipment described in Exhibit A without the written consent of the District.
- 2.9.13 The District has made no representations or guarantees to the Participant regarding the quality, condition, or proposed use of the low emission vehicle and engine technology funded under this Agreement or the effects of such technology on the normal operations of the Participant.
- 2.9.14 If either of the events listed in this paragraph occur, the Participant must notify the District within 30 days of the date Participant knows, or should have known, that the event has occurred or is likely to occur:
- (i) The Participant suffers a catastrophic loss; or
 - (ii) The Participant files for bankruptcy; or
 - (iii) Any other event has occurred or is likely to occur that could impair the Participant's ability to perform the conditions of this Agreement.
- 2.9.15 This Agreement will bind the successors of the District and Participant in the same manner as if they were expressly named.

2.9.16 Correspondence between the District and Participant should be addressed to the following:

To District	To Participant
Lassen County APCD 720 South Street Susanville, CA 96130 Phone: (530) 257-1041 Fax: (530) 257-1057	Logan Swickard 717-005 Hwy 395 E Standish, CA 96128 Phone: (530) 254-6987

The address and/or contacts may be changed only by written notice to the other party. Such written notice may be given by mail or personal service.

2.9.17 This Agreement consists of the following:

- (i) Participant Agreement
- (ii) Exhibit A – Vehicle and Engine Information Page
- (iii) Exhibit B – Performance Requirements
- (iv) Exhibit C – Insurance Requirements

DISCLOSURE AGREEMENT: The undersigned representative of Participant affirmatively states that neither they nor any other representative of Participant will submit another application or sign another contract for the same engine(s), equipment, and/or vehicle(s) detailed in Exhibit A with any other source of funds, including but not limited to other air districts or multidistrict funding under the Carl Moyer Program.

Any owner or owner’s designee who is found to have submitted multiple applications or signed multiple contracts for the same engine(s), equipment, and/or vehicle(s) shall, at a minimum, be disqualified from funding for that engine(s) from all sources, may be required to reimburse the public agencies for any monies received, and may also be banned from submitting future applications to any and all Carl Moyer Program solicitations. In addition, as a violation of law, including but not limited to the Health and Safety Code and Business and Professions Code, ARB and the districts may levee fines and/or seek criminal charges.

The undersigned representative of Participant has read and agrees to comply with all terms and conditions in this Agreement and also affirmatively states that he or she has legal authority to bind Participant to the terms and conditions of this Agreement.

Approved by Participant

_____ **Date:** _____

Approved by the Lassen County Air Pollution Control District

_____ **Date:** _____
Erik Edholm
Air Pollution Control Officer

Approved to as form:

_____ **Date:** _____
Greg Einhorn
District Counsel

EXHIBIT A

Vehicle / Equipment Information Form

Vocation(s) (Please list all vehicle/equipment uses):

Farming

Equipment:

Agricultural Tractor

Project Type:

Replacement

Counties Vehicle Currently Operates

Lassen County	Modoc County, Shasta County
Main Location of Operation (include cross streets)	

Annual Vehicle/Equipment Usage Information (be able to prove hours)

	Within the Lassen County Area	Outside of Lassen County Area	Total Operation
Hours	100%	0%	500 Hours

Existing Vehicle Information

Make: John Deere	Model: 4020	Model Year: 1970	GVWR:
Vehicle Identification Number: T213P-231951R	Fleet Identification Number:	License Plate:	Odometer:

Existing Engine Information

Make: John Deere	Model: 6.6L	Model Yr: 1970	Serial Number: N/A	HP: 101	Hour Meter: N/A
Fuel Type: Diesel					

New or Replacement Vehicle Information

Make: John Deere	Model: 6120 M	Model Year: 2022	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate:	Odometer:

New Engine or Retrofit System Information

Make: John Deere	Model: Powertech 4.5L	Model Yr: 2022	Serial Number:	HP: 120	NOx Cert:
Fuel Type: Diesel					

EXHIBIT B – PERFORMANCE REQUIREMENTS

The below listed vehicle(s)/engine(s) must meet the minimum performance requirements shown to avoid reimbursement according to Section 2.7 of this Agreement

Vehicle and Engine Year Make & Model*	Vehicle and Engine Serial Numbers*	Minimum Usage (hours)	Anticipated Annual NOx Reduction (tons)	Payback Requirement per Hour	Maximum Incentive Amount
2022 John Deere 6120M Tractor		1500	.45	\$23.33	\$35,000.00
Total					

* The District will fill in information upon verification of project completion.

EXHIBIT C – INSURANCE REQUIREMENTS

INSURANCE

Contractor agrees to maintain any and all insurance required for the term of this contract. Limits of liability and coverage details are pursuant to the District's insurance requirements specification. The following insurance coverage is required:

- ☒ COMMERCIAL/GENERAL LIABILITY
- ☐ BUSINESS AUTOMOTIVE LIABILITY
- ☐ PUBLIC ENTITIES/SELF-INSURED STATUS
- ☐ PROFESSIONAL LIABILITY INSURANCE
- ☐ WORKERS COMPENSATION and EMPLOYERS LIABILITY

CONTRACTOR shall furnish the DISTRICT with certificate(s) of insurance or self-insurance and/or original endorsement(s) and/or insurance binder(s) affecting coverage required below. The certificates, endorsements, and/or binders for each insurance policy are to be signed by a person authorized by the insurer to effect coverage on its behalf. The certificates, endorsements, and/or binders are to be received and approved by the DISTRICT before work commences. The DISTRICT reserves the right to require complete, certified copies of all required insurance policies, at any time. If CONTRACTOR provides self-insurance, it shall, on intervals specified by the APCO, provide financial statements sufficiently detailed so as to allow the APCO to assess CONTRACTOR'S capability of providing such self-insurance. The APCO may reject self-insurance coverage where he finds that sufficient coverage will not be afforded to the DISTRICT.

During the term of the Agreement, CONTRACTOR shall, at its sole expense, obtain and maintain in full force and affect the type and limits of liability requirements as follows:

- I. A. **COMMERCIAL/GENERAL LIABILITY:** Bodily Injury and Property Damage for premises and operations; Personal Injury and Advertising for premises and operations; Independent Contractors (if any basis); Incidental Contracts; Contractual Liability; and Products and Completed Operations.

"Claims made" policies are unacceptable.

Minimum Limits: \$1,000,000 combined single limit, on an occurrence policy form.

BUSINESS AUTOMOBILE LIABILITY: Protection against loss of a result of liability to others caused by an accident and resulting in bodily injury and/or property damage, arising out of the ownership or use of any automobile. If CONTRACTOR has no owned automobiles, then only hired and non-owned automobile coverage are required.

Minimum Limits: \$1,000,000 per occurrence for bodily injury or property damage, combined single limit.

- B. **Public Entities/Self-Insured Status:** CONTRACTOR shall maintain status as a legally self-insured public entity for general liability and shall maintain a self-insured retention of three

hundred thousand dollars (\$300,000) per occurrence.

- C. **Professional Liability Insurance** (when the contract involves professional services such as engineering, architectural, legal, accounting, instructing, and consulting, professional liability insurance is required. If not contracting for professional services, delete this paragraph.) Professional liability insurance covering professional services shall be provided in an amount of at least \$1,000,000 per occurrence or \$1,000,000 on a claims made basis. However, if coverage is written on a claims made basis, the policy shall be endorsed to provide at least a two-year extended reporting provision.

- II. **Workers Compensation and Employers Liability:** CONTRACTOR shall carry full Worker's Compensation insurance coverage for all persons directly employed or volunteers, in carrying out the work under this contract, in accordance with the "Worker's Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any acts amendatory thereof. Employer's Liability statutory limits will apply. If CONTRACTOR has no employees, no Worker's Compensation coverage is required. If CONTRACTOR hires subcontractors to perform under this agreement, the CONTRACTOR shall assure that the subcontractor carries workers compensation insurance for all of its employees, who are required to be covered by applicable law.

- III. **Notice of Cancellation.** Each insurance policy shall be endorsed, and evidence of such endorsement shall be provided to the DISTRICT, that coverage not be suspended, voided, canceled, reduced in coverage or in limits, or material change in coverage, except after thirty (30) days prior written notice has been given to the DISTRICT. Ten-(10) days prior written notice of cancellation for non-payment of CONTRACTOR's insurance premium is permissible.

- IV. **Additional Insured:** It is mandatory that all of the above insurance policies (except workers compensation) shall include the DISTRICT as additional insured. The DISTRICT, its officials, trustees, agents, employees, and volunteers are to be covered as additional insured as respects liability arising out of activities performed by or on behalf of the CONTRACTOR.

- V. In addition, it is understood and agreed that the following be made a part of this Agreement.

- A. **Excess/Umbrella:** An excess policy or an umbrella policy (following form) may be utilized to meet the above-required limits of liability.
- B. **Supplementary Payments:** The above-stated limits of liability coverage for Commercial/Comprehensive General Liability, and Business Automobile Liability assumes that the standard "supplementary payments" clause will pay in addition to the applicable limits of liability and that these supplementary payments are not included as part of the insurance limits of liability. If any of the policies indicate that defense costs are included in the general aggregate limit, then the general aggregate limits must be a multiple of the per occurrence limits.
- C. **Contractors' Insurance as Primary:** The CONTRACTOR's insurance coverage shall be primary insurance. Any insurance or self-insurance maintained by the DISTRICT, its officials, trustees, agents, employees or volunteers shall be excess to the CONTRACTOR's insurance and shall not contribute with it.
- D. **Acceptability of Insurers:** Insurance is to be placed with admitted State of California insurers which have an A.M. Best's rating of no less than A: VII, or be an equivalent program of self-insurance.
- E. **District Risk Manager Exceptions:** Any exceptions to the above insurance requirements are subject to the concurrence of the DISTRICT'S Risk Manager.

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher, *Chairman*
Jeff Hemphill, *Vice Chairman*
Russ Brown
Tom Hammond
Quincy McCourt
Mendy Schuster

Staff

Erik Edholm
Air Pollution Control Officer
Vacant
Air Quality Engineer
Sarah Dacosta
Administrative Staff Assistant

Meeting of July 12, 2022

To: Governing Board

From: Erik Edholm, APCO

Subject: Carl Moyer Grant Award, Humphrey Ranch

Attached is a proposed Carl Moyer Grant for execution under 23rd/24th Cycle grant, of which the District currently has \$51,834.89 of Cycle 23 and \$175,000 of Cycle 24 funds available for award. The proposed grant is to Humphrey Ranch for a stationary agricultural irrigation pump project that will replace a 2005 200 HP Mercedes Benz Diesel Engine with a 2022 150 HP Electric Engine, for a total grant amount of \$43,750.

Recommendation:

Approve Resolution 22-06 authorizing the APCO to execute grant agreement 18-23-CMP-06 in the amount of \$43,750 to Humphrey Ranch.

Respectfully Submitted,

Erik Edholm
Air Pollution Control Officer

RESOLUTION NO. 22-06

**A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR
POLLUTION CONTROL DISTRICT APPROVING CARL MOYER GRANT AGREEMENT
18-23-CMP-06 WITH HUMPHREY RANCH**

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

WHEREAS, Lassen County Air Pollution Control District (LCAPCD) has successfully implemented Carl Moyer Program projects in past years to reduce emissions and improve air quality in Northeast Plateau and seeks to continue to reduce emissions from diesel engines through clean air projects;

WHEREAS, the Governing Board approved on October 12, 2021 Resolution 21-12 Accepting Carl Moyer Program Funds from the California Air Resources Board;

WHEREAS, Resolution 21-12 authorized the Air Pollution Control Officer to execute on behalf of the District grant agreements with ARB, and all other necessary documents to implement and carry out the purposes of Resolution 21-12, each year until 2023;

NOW, THEREFORE, BE IT RESOLVED that the Governing Board hereby approves the Air Pollution Control Officer to execute Carl Moyer Grant Agreement 18-23-CMP-06 with Humphrey Ranch;

The foregoing resolution was approved and adopted by the following vote of the Board on July 12, 2022.

AYES:

NOES:

ABSTAIN:

ABSENT:

Chris Gallagher, Chairman
Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer

**LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT
CARL MOYER HEAVY-DUTY LOW EMISSION INCENTIVE PROGRAM AGREEMENT**

This Agreement (Agreement) is between the Lassen County Air Pollution Control District (District), a public agency of the State of California, and **Humphrey Ranch** (Participant).

1.0 Recitals

- 1.1 The District is in nonattainment of the state air quality standards for particulate matter and is impacted by the effects of toxic air contaminants, including diesel particulate matter and other pollutants from mobile sources.
- 1.2 On December 11, 2007, the District Governing Board approved Resolution No. 18-07-CMP-10, authorizing the District's participation in the CARB Carl Moyer Program which is a Heavy-Duty Low Emission Vehicle Incentive Program (Program), which is hereby incorporated by reference and made part of this agreement.
- 1.3 On September 23, 2004, Governor Schwarzenegger signed Assembly Bills 923, 1394, and 2128 which made major changes to the Carl Moyer Program and projects funded using Department of Motor Vehicles Surcharges, expanding the Program to include light-duty vehicles, Fleet Modernization, and agricultural assistance projects.
- 1.4 To implement mobile source emission reduction projects, the Program provides incentives to fleet operators and individuals for the purchase, repower and/or retrofit of low-emission on-road motor vehicles, off-road mobile equipment, and agricultural water pumps.
- 1.5 The Participant wishes to participate in the Program by purchasing and operating the equipment described in this Agreement and represents that the purchase is not required by any local, state, and/or federal rule, regulation, memorandum, or other legally binding agreement, with the exception of certain agricultural projects described in Health and Safety Code sections 41081(d)(2)(ii), 41802 and 44275.
- 1.6 The Participant has read and agreed to all requirements of the Program application and guidelines which are hereby incorporated into this Agreement.
- 1.7 This Agreement is a voluntary act intended to accelerate the introduction of low-emission vehicle and engine technology designed to reduce emissions of oxides of nitrogen, particulate matter, reactive organic gases, toxic air contaminants, and oxides of carbon within Lassen County.
- 1.8 This Agreement was approved for use by the District's Board of Directors on December 14, 2010.
- 1.9 On July 12, 2022, The District Governing Board authorized making this contract with Participant.

Terms and Conditions

2.1 Definitions

2.1.1 “Applicable emission standards” are defined as the emission standards for oxides of nitrogen (NO_x), particulate matter (PM), hydrocarbons, and carbon monoxide established by the California Air Resources Board (CARB) or the United States Environmental Protection Agency (USEPA) for a model year vehicle or engine. For “phase-in” or “interim” engines the following standards apply:

Engine Model Year	Power Rating	NO _x Standard	PM Standard
2007-2009 On-Road	All On-Road Heavy-Duty Diesel Engines	1.2 g/bhp-hr	0.01 g/bhp-hr
2012-2013 Off-Road	56 – 129 kW (75 – 174 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)
2011-2013 Off-Road	130 – 560 kW (175 – 749 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)

2.1.2 “Agricultural water pump” is defined as a stationary or portable device designed to move water used for agricultural purposes.

2.1.3 “Certified” is defined as a motor vehicle or engine that is certified by CARB or the USEPA to an emission standard or standards.

2.1.4 “Experimental Permit” is defined as an Executive Order issued by CARB for the experimental use of a non-certified or non-verified engine, fuel, or engine retrofit in California.

2.1.5 “Fleet Modernization” is defined as the transaction in which an older on-road motor vehicle or piece of off-road mobile equipment is destroyed and replaced with a similar motor vehicle or piece of equipment certified to a lower emission standard.

2.1.6 “Motor vehicle” is defined as a self-propelled device by which any person or property may be propelled, moved, or drawn upon a highway, excepting a device moved exclusively by human power or used exclusively upon stationary rails or tracks.

2.1.7 “Off-road equipment” is defined as a self-propelled device not intended for operation on a highway and is powered by an engine certified to off-road or nonroad emission standards.

2.1.8 “Repower” is defined as the process in which an old engine is replaced with a new engine.

2.1.9 “Retrofit” is defined as the installation of a device designed to reduce emissions from an engine.

2.1.10 "Tier 3" is defined as the emission certification of an off-road compression ignition engine to the Tier 3 emission standards as described in §2423(b)(1) of the California Code of Regulations.

2.1.11 "Verified" is defined as a device, fuel, or system that is verified by CARB or the USEPA to reduce emissions from a mobile source by a verified amount.

2.2 Participant Obligations – the Participant will:

2.2.1 ☒ Participant agrees that the original engine(s) to be replaced by this program is the same as the engine(s) stated in Participant's application and restated in Exhibit A. Said engine(s) will be destroyed immediately or otherwise rendered unusable immediately after new engine installation. Participant agrees that the District may directly observe the Participant's destruction of the engine and/or be provided proof of destruction or nonuseability within 30 days of new engine installation. Engine destruction may include but is not limited to: salvage receipt (with serial number), placing a hole (at least five inches in diameter) in the engine block (with accompanying photos with serial numbers visible in said photos), welding the cylinder(s) to prevent any re-use, or any other means acceptable to the District.

☐ N/A - Retrofit

2.2.2 Purchase, invoice the District, and operate the equipment described in Exhibit A by **December 31st, 2022**. Participant may submit a written request to extend this Section if the project cannot be successfully completed due to circumstances beyond the Participant's reasonable control.

2.2.3 Ensure that a functioning hour meter is installed on the equipment described in Exhibit A for the life of the project.

2.2.4 Operate the equipment described in Exhibit A in Lassen County during the term of this agreement in accordance with the requirements in Exhibit B. In addition to meeting the operating requirements established in Exhibit B, 75% of the vehicles total operation must occur within California. Agricultural water pumps are required to operate 100% within Lassen County.

2.2.5 Maintain the minimum level of required insurance described in Exhibit C during the term of this Agreement, and ensure that the District is named as an additional insured under the policy.

2.2.6 Comply with applicable Airborne Toxic Control Measures and District Rules as determined by the APCO.

2.3 Payment

2.3.1 The District will reimburse the Participant up to **\$43,750.00** towards the cost of the vehicle(s) or equipment identified in Exhibit A within 60 days of receipt of an itemized invoice.

- 2.3.2 Any payments made under this Agreement are subject to the provisions and limitations of Health and Safety Code. The District shall have no liability for payment of any compensation and expenses that are found to be in contravention of the Health and Safety Code or any other local, state, or federal law. The Participant shall reimburse the District for any payments that are later found to be in contravention of the Health and Safety Code or any other local, state, or federal law.
- 2.3.3 No payments shall be issued under this Agreement prior to final inspection of the project by District personnel.
- 2.3.4 Payment of compensation shall be made by the District to Contractor within sixty (60) days after receipt by District of statement of charges and completion of final inspection. Such statement shall be checked and approved by a person or persons designated by the District.
- 2.3.5 Payments made under this Agreement are subject to taxation and an IRS Form 1099 will be issued to the Participant. Funds may be withheld by the District as required by law for payment of tax liabilities and/or other court-ordered payments.

2.4 General Program Requirements

- 2.4.1 The Participant warrants that the vehicle(s)/engine(s) covered under this Agreement meets all the eligibility requirements described in the Program application and guidelines. The Participant further agrees to operate the vehicle(s)/engine(s) in a manner that is consistent with the eligibility requirements in the guidelines and the goals and objectives of the Program.
- 2.4.2 The Participant cannot apply for or receive additional incentive funds, including but not limited to the state Carl Moyer Program inter-district fund or any other air district fund, including those funds used as matching funds, for any equipment listed in Exhibit A of this Agreement. This requirement may be waived by District staff on an individual basis. If the District discovers that the Participant has applied for or received funds from these sources, the District will terminate this Agreement and require that any funds paid under this Agreement be returned to the District.
- 2.4.3 The Participant agrees to operate the equipment described in Exhibit A within the manufacturer's specifications including all maintenance and fueling requirements. An operational odometer, hour meter, or other District-approved usage measuring device must be installed on all projects and maintained for continuous operation. Under no circumstances may the Participant make any modifications to or tamper with the vehicle, equipment, engine, emission control system(s), or any recording devices on the vehicle or equipment prohibited under CARB and USEPA regulations. The Participant also agrees to operate the vehicle, engine, and/or equipment in compliance with all local, state, and federal rules, laws, and regulations.

2.4.4 Participant shall cooperate with the District and CARB in implementation, monitoring, enforcement, and other efforts to assure the emission benefits from the project are real, quantifiable, surplus, and enforceable.

2.5 Engine Repower and Retrofit Requirements – This Agreement is ☒ or is not ☐ subject to the following requirements:

2.5.1 The low-emission engine or engine retrofit must be either:

- (i) CARB Certified; or
- (ii) CARB Verified; or
- (iii) Under an experimental permit issued by CARB; or
- (iv) In cases where federal law preempts state requirements, approved for use by the USEPA

Engines certified to a level that is less stringent than the standard applicable to the replaced engine for any pollutant are ineligible for funding under this agreement.

2.5.2 Any engine retrofit funded under this Agreement must reduce either oxides of nitrogen or particulate matter emissions by a minimum of 25% for either pollutant.

2.5.3 If the Participant is replacing or repowering an engine, the Participant must either:

- (i) Destroy the replaced or repowered engine in a manner acceptable to the District. If the engine is destroyed, the Participant must permit the District to inspect the destroyed engine; or
- (ii) Implement a District approved destruction alternative. The District may approve a destruction alternative only if special circumstances justifying the use of an alternative exist, and there is no detrimental impact to air quality.

2.6 New Low-Emission Vehicle Purchase – This Agreement is ☐ or is not ☒ subject to the following requirements:

2.6.1 New low-emission vehicles must be certified by CARB to an oxides of nitrogen emission level below the applicable standard for that motor vehicle or piece of off-road mobile equipment. Low-emission vehicle or engine technology under an experimental permit from CARB are also eligible for funding under the Program.

2.6.2 The low-emission vehicle or engine technology funded under Section 2.6.1 must achieve at least a 30% reduction in oxides of nitrogen emissions as compared to the applicable baseline emission standards for the specific model year and power rating.

2.6.3 The low-emission vehicle or engine technology funded under Section 2.6.1 must not be certified to particulate matter, hydrocarbons, and/or carbon monoxide levels above the applicable baseline emission standards for the specific model year and power rating.

2.6.4 The Participant must submit copies of invoices from service providers that confirm:

- (i) Installation of digital odometer/hour meter; and
- (ii) Vehicle finance documents

Each invoice must include vehicle identification number, engine serial number, odometer reading, and date service was provided.

2.6.5 The Participant agrees to the following motor vehicle title requirements:

- (i) The Participant will provide a copy of the replacement vehicle's title to the District, demonstrating that the District is named as a lien holder for the vehicle.
- (ii) The Participant must be the legal owner of the replacement vehicle through the length of this Agreement.
- (iii) If the replacement vehicle is financed, the Participant will list both the District and the Finance Company as lien holders for the vehicle.
- (iv) If the replacement vehicle is financed, and the loan is repaid before the termination of this Agreement, the Participant must ensure that the District remains a lien holder on the replacement vehicle through the end date listed in Section 2.9.1.
- (v) If the replacement vehicle is repossessed by the finance company, the Participant must reimburse the District in accordance with the termination formula in Section 2.7.
- (vi) Any changes to the replacement vehicle's title must be approved in writing by the District.

2.7 Upon termination of this Agreement, if the vehicle/engine fails to fulfill the minimum required operation, the Participant shall return to the District an amount based on the difference between the required operation amount and the actual amount operated according to the following formula:

$$A = I * [(O * L) - C] / (O * L)$$

A = Amount Owed to the District

I = Total Incentive Award

O = Annual Operational Requirement (miles, hours or gallons)

L = Length of the Agreement in Years

C = Actual Operation (miles, hours, or gallons)

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 as outlined in Section 2.9.10.

- 2.8 The parties acknowledge that this Agreement will be funded by incentive fund revenues being transferred to the District; however, the District may terminate this Agreement if: (i) it does not receive all or a portion of the revenues, or (ii) funds are not specifically appropriated for this Agreement in the District's final budget prior to the expiration of the Agreement and any Agreement extensions. If the District terminates this Agreement under this paragraph, it will serve notice of the action on the Participant within 10 working days

2.9 General Requirements

2.9.1 This Agreement shall begin upon execution by all parties and terminate on **December 31st. 2025**. No work may begin on this project until this Agreement is executed by all parties. For this Agreement, the timeframe indicated by the execution of this Agreement and the afore-mentioned termination date shall serve as the contract term including both the project completion and project implementation/life periods.

2.9.2 Except as specified in Section 2.9.2(ii), the receipt of funds and performance under this Agreement prohibits application for any form of emission reduction credit for the life of the contract term outlined in Section 2.9.1.

- (i) This prohibition includes, but is not limited to all attainment, nonattainment, criteria and noncriteria pollutants, Application for Emission Reduction Credits (ERC), Mobile Emission Reduction Credits (MERC) and/or Certificates of Advanced Placement (CAP). This prohibition extends to credits from all Air Quality Management or Air Pollution Control Districts.
- (ii) For projects involving the replacement of a stationary diesel agricultural water pump with an electric water pump in conjunction with the Pacific Gas & Electric Company's (PG&E) PUC-approved discounted AG-ICE electric rate program, PG&E may retain all of the carbon dioxide credits and a portion of the remaining emission credits for reductions generated through this Agreement. The portion of the remaining emission credits retained by PG&E will be the difference in emissions between a Tier 3 diesel engine and the emissions associated with generating electricity for the electric pump.

2.9.3 The District, CARB, or their designee may conduct an audit of the Participant's operations to verify that the Participant is complying with the Agreement terms.

- (i) As a condition of accepting funds, the Participant agrees to designate CARB as a third-party beneficiary with full auditing, inspection, and enforcement rights throughout the entire term of the Agreement.

- (ii) Any audits will be conducted at a reasonable time and with reasonable notice to the Participant. The Participant agrees to provide the District and CARB with on-site access to the vehicle(s)/equipment described in Exhibit A.

- 2.9.4 The Participant shall defend, indemnify, and hold harmless District, CARB, its officers, agents, employees and volunteers from any and all losses, costs, damages, fines or expenses (including attorney fees, court costs and expert fees) or liability of any kind or character to any person or property arising from, or alleged to arise from, any breach of the responsibilities required of the Participant by this Agreement or which are related in any way to the vehicle(s)/equipment, including any and all liability for general, special, consequential, or other damages resulting from the use of the vehicle(s)/equipment by the Participant, for which financial assistance or other incentives are received from the District by the Participant.
- 2.9.5 Participant shall complete and return all requested information and surveys sent from the District, yearly, on **January 1st** of each year, for at least **Three years** from the commencement of operation. Noncompliance with the reporting requirements shall require on-site monitoring or inspection by the District. The Participant shall keep the following records from the beginning of operation of the equipment described in Exhibit A through the end of the term described in Section 2.9.1 and for three years following the end date listed in Section 2.9.1. It is the responsibility of the Participant to maintain records adequate to document the subsequent information. The District may request these records at any time during the term of this Agreement, including:

For On-Road Projects	For Off-Road Projects
1. Copies of all driver log book entries for the preceding year	1. Hours operated
2. Miles traveled	2. Fuel consumed
3. Fuel consumed	3. Fuel cost
4. Fuel cost	4. Engine downtime
5. Vehicle downtime	5. Type and cost of maintenance performed
6. Type and cost of maintenance performed	

- 2.9.6 The Participant shall maintain in force at all times during the term of this Agreement and any extensions or modifications thereto, insurance in accordance with Exhibit C. In the event the Participant does not have the required certificate of insurance, or if the required insurance lapses, this Agreement shall be terminated immediately.
- 2.9.7 No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by both parties.
- 2.9.8 The Participant shall observe and comply with all applicable federal, state and District statutes, ordinances, regulations, rules, directives, and laws. This Agreement shall be deemed to be executed within the State of California and construed in accordance with and governed by the laws of the State of

California. If a provision of this Agreement violates any applicable law or regulation, that provision will be stricken from the Agreement, and all other provisions will remain in full force. Any action or proceeding arising out of this Agreement shall be filed in a state court or federal court located in Lassen County, California.

- 2.9.9 No performance rendered or payment due under this Agreement may be delegated or assigned without the written consent of all the parties hereto. If the Participant assigns any of its rights or obligations under this contract, all of the terms and conditions of this contract shall apply to the Participant's assignee.
- 2.9.10 The Participant will submit written documentation of performance towards the requirements outlined in Exhibit B to the District by December 31 of each year until termination of this Agreement. The District may request additional performance documentation at its discretion.
- 2.9.11 This agreement may be terminated by the District upon 30-day notice if the Participant fails to meet any of the obligations established in this Agreement or outlined in the Carl Moyer Program guidelines or the Health and Safety Code. If the Agreement is terminated, the Participant will refund the entire incentive paid by the District. The APCO may, at his or her discretion, waive the refund or allow the Participant an opportunity to cure its failure to meet the Agreement obligations. Additionally, the District and/or CARB may seek all available remedies for breaches of any Agreement provisions, Carl Moyer Program requirements, or Health and Safety Code.
- 2.9.12 The Participant may not sell or encumber the equipment described in Exhibit A without the written consent of the District.
- 2.9.13 The District has made no representations or guarantees to the Participant regarding the quality, condition, or proposed use of the low emission vehicle and engine technology funded under this Agreement or the effects of such technology on the normal operations of the Participant.
- 2.9.14 If either of the events listed in this paragraph occur, the Participant must notify the District within 30 days of the date Participant knows, or should have known, that the event has occurred or is likely to occur:
- (i) The Participant suffers a catastrophic loss; or
 - (ii) The Participant files for bankruptcy; or
 - (iii) Any other event has occurred or is likely to occur that could impair the Participant's ability to perform the conditions of this Agreement.
- 2.9.15 This Agreement will bind the successors of the District and Participant in the same manner as if they were expressly named.

2.9.16 Correspondence between the District and Participant should be addressed to the following:

To District	To Participant
Lassen County APCD 720 South Street Susanville, CA 96130 Phone: (530) 257-1041 Fax: (530) 257-1057	Marki Humphrey PO Box 55 Milford, CA 96121 Phone: (530) 253-2894

The address and/or contacts may be changed only by written notice to the other party. Such written notice may be given by mail or personal service.

2.9.17 This Agreement consists of the following:

- (i) Participant Agreement
- (ii) Exhibit A – Vehicle and Engine Information Page
- (iii) Exhibit B – Performance Requirements
- (iv) Exhibit C – Insurance Requirements

DISCLOSURE AGREEMENT: The undersigned representative of Participant affirmatively states that neither they nor any other representative of Participant will submit another application or sign another contract for the same engine(s), equipment, and/or vehicle(s) detailed in Exhibit A with any other source of funds, including but not limited to other air districts or multidistrict funding under the Carl Moyer Program.

Any owner or owner’s designee who is found to have submitted multiple applications or signed multiple contracts for the same engine(s), equipment, and/or vehicle(s) shall, at a minimum, be disqualified from funding for that engine(s) from all sources, may be required to reimburse the public agencies for any monies received, and may also be banned from submitting future applications to any and all Carl Moyer Program solicitations. In addition, as a violation of law, including but not limited to the Health and Safety Code and Business and Professions Code, ARB and the districts may levee fines and/or seek criminal charges.

The undersigned representative of Participant has read and agrees to comply with all terms and conditions in this Agreement and also affirmatively states that he or she has legal authority to bind Participant to the terms and conditions of this Agreement.

Approved by Participant

_____ **Date:** _____

Approved by the Lassen County Air Pollution Control District

_____ **Date:** _____
Erik Edholm
Air Pollution Control Officer

Approved to as form:

_____ **Date:** _____
Greg Einhorn
District Counsel

EXHIBIT A

Vehicle / Equipment Information Form

Vocation(s) (Please list all vehicle/equipment uses):

Farming

Equipment:

Stationary Irrigation Pump

Project Type:

Retrofit

Counties Vehicle Currently Operates

Lassen County	Modoc County, Shasta County
Main Location of Operation (include cross streets)	

Annual Vehicle/Equipment Usage Information (be able to prove hours)

	Within the Lassen County Area	Outside of Lassen County Area	Total Operation
Hours	100%	0%	1000 Hours

Existing Vehicle Information

Make: N/A	Model:	Model Year:	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate:	Odometer:

Existing Engine Information

Make: Mercedes	Model: 6.6L	Model Yr: 2005	Serial Number: C511025	HP: 200	Hour Meter: N/A
Fuel Type: Diesel					

New or Replacement Vehicle Information

Make: N/A	Model:	Model Year:	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate:	Odometer:

New Engine or Retrofit System Information

Make: Electric Motor	Model: Powertech VHS	Model Yr: 2022	Serial Number:	HP: 150	NOx Cert:
Fuel Type: Diesel					

EXHIBIT B – PERFORMANCE REQUIREMENTS

The below listed vehicle(s)/engine(s) must meet the minimum performance requirements shown to avoid reimbursement according to Section 2.7 of this Agreement

Vehicle and Engine Year Make & Model*	Vehicle and Engine Serial Numbers*	Minimum Usage (hours)	Anticipated Annual NOx Reduction (tons)	Payback Requirement per Hour	Maximum Incentive Amount
150 HP VHS Motor		3000	1.25	\$23.33	\$43,750.00
Total					

* The District will fill in information upon verification of project completion.

EXHIBIT C – INSURANCE REQUIREMENTS

INSURANCE

Contractor agrees to maintain any and all insurance required for the term of this contract. Limits of liability and coverage details are pursuant to the District's insurance requirements specification. The following insurance coverage is required:

- ☒ COMMERCIAL/GENERAL LIABILITY
- ☐ BUSINESS AUTOMOTIVE LIABILITY
- ☐ PUBLIC ENTITIES/SELF-INSURED STATUS
- ☐ PROFESSIONAL LIABILITY INSURANCE
- ☐ WORKERS COMPENSATION and EMPLOYERS LIABILITY

CONTRACTOR shall furnish the DISTRICT with certificate(s) of insurance or self-insurance and/or original endorsement(s) and/or insurance binder(s) affecting coverage required below. The certificates, endorsements, and/or binders for each insurance policy are to be signed by a person authorized by the insurer to effect coverage on its behalf. The certificates, endorsements, and/or binders are to be received and approved by the DISTRICT before work commences. The DISTRICT reserves the right to require complete, certified copies of all required insurance policies, at any time. If CONTRACTOR provides self-insurance, it shall, on intervals specified by the APCO, provide financial statements sufficiently detailed so as to allow the APCO to assess CONTRACTOR'S capability of providing such self-insurance. The APCO may reject self-insurance coverage where he finds that sufficient coverage will not be afforded to the DISTRICT.

During the term of the Agreement, CONTRACTOR shall, at its sole expense, obtain and maintain in full force and affect the type and limits of liability requirements as follows:

- I. A. **COMMERCIAL/GENERAL LIABILITY:** Bodily Injury and Property Damage for premises and operations; Personal Injury and Advertising for premises and operations; Independent Contractors (if any basis); Incidental Contracts; Contractual Liability; and Products and Completed Operations.

"Claims made" policies are unacceptable.

Minimum Limits: \$1,000,000 combined single limit, on an occurrence policy form.

BUSINESS AUTOMOBILE LIABILITY: Protection against loss of a result of liability to others caused by an accident and resulting in bodily injury and/or property damage, arising out of the ownership or use of any automobile. If CONTRACTOR has no owned automobiles, then only hired and non-owned automobile coverage are required.

Minimum Limits: \$1,000,000 per occurrence for bodily injury or property damage, combined single limit.

- B. **Public Entities/Self-Insured Status:** CONTRACTOR shall maintain status as a legally self-insured public entity for general liability and shall maintain a self-insured retention of three

hundred thousand dollars (\$300,000) per occurrence.

- C. **Professional Liability Insurance** (when the contract involves professional services such as engineering, architectural, legal, accounting, instructing, and consulting, professional liability insurance is required. If not contracting for professional services, delete this paragraph.) Professional liability insurance covering professional services shall be provided in an amount of at least \$1,000,000 per occurrence or \$1,000,000 on a claims made basis. However, if coverage is written on a claims made basis, the policy shall be endorsed to provide at least a two-year extended reporting provision.

- II. **Workers Compensation and Employers Liability:** CONTRACTOR shall carry full Worker's Compensation insurance coverage for all persons directly employed or volunteers, in carrying out the work under this contract, in accordance with the "Worker's Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any acts amendatory thereof. Employer's Liability statutory limits will apply. If CONTRACTOR has no employees, no Worker's Compensation coverage is required. If CONTRACTOR hires subcontractors to perform under this agreement, the CONTRACTOR shall assure that the subcontractor carries workers compensation insurance for all of its employees, who are required to be covered by applicable law.

- III. **Notice of Cancellation.** Each insurance policy shall be endorsed, and evidence of such endorsement shall be provided to the DISTRICT, that coverage not be suspended, voided, canceled, reduced in coverage or in limits, or material change in coverage, except after thirty (30) days prior written notice has been given to the DISTRICT. Ten-(10) days prior written notice of cancellation for non-payment of CONTRACTOR's insurance premium is permissible.

- IV. **Additional Insured:** It is mandatory that all of the above insurance policies (except workers compensation) shall include the DISTRICT as additional insured. The DISTRICT, its officials, trustees, agents, employees, and volunteers are to be covered as additional insured as respects liability arising out of activities performed by or on behalf of the CONTRACTOR.

- V. In addition, it is understood and agreed that the following be made a part of this Agreement.

- A. **Excess/Umbrella:** An excess policy or an umbrella policy (following form) may be utilized to meet the above-required limits of liability.
- B. **Supplementary Payments:** The above-stated limits of liability coverage for Commercial/Comprehensive General Liability, and Business Automobile Liability assumes that the standard "supplementary payments" clause will pay in addition to the applicable limits of liability and that these supplementary payments are not included as part of the insurance limits of liability. If any of the policies indicate that defense costs are included in the general aggregate limit, then the general aggregate limits must be a multiple of the per occurrence limits.
- C. **Contractors' Insurance as Primary:** The CONTRACTOR's insurance coverage shall be primary insurance. Any insurance or self-insurance maintained by the DISTRICT, its officials, trustees, agents, employees or volunteers shall be excess to the CONTRACTOR's insurance and shall not contribute with it.
- D. **Acceptability of Insurers:** Insurance is to be placed with admitted State of California insurers which have an A.M. Best's rating of no less than A: VII, or be an equivalent program of self-insurance.
- E. **District Risk Manager Exceptions:** Any exceptions to the above insurance requirements are subject to the concurrence of the DISTRICT'S Risk Manager.