

# **Antelope Valley Air Quality Management District Governing Board Regular Meeting**

## **Agenda**

### **LOCATION**

Antelope Valley Transit Authority  
District Office  
42210 6th Street West  
Lancaster, CA 93534  
661.723.8070

**TUESDAY, MARCH 15, 2022**

**10:00 A.M.**

### **BOARD MEMBERS**

Marvin Crist, Chair, City of Lancaster  
Austin Bishop, Vice Chair, City of Palmdale  
Ron Hawkins, Los Angeles County  
Howard Harris, Los Angeles County  
Ken Mann, City of Lancaster  
Steven Hofbauer, City of Palmdale  
Newton Chelette, Public Member

THIS MEETING IS BEING HELD IN ACCORDANCE WITH RESOLUTION 22-02 OF THE BOARD OF DIRECTORS OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT (“DISTRICT”) PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY EXECUTIVE ORDERS N-25-20, N-29-20 AND N-35-20, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR A THIRTY (30) DAY PERIOD OF FEBRUARY 15, 2022 THROUGH MARCH 15, 2022 PURSUANT TO BROWN ACT PROVISIONS.

JOIN BY PHONE, DIAL US: +1.701.802.5348; ENTER ACCESS CODE: 5765772

IF YOU CHALLENGE ANY DECISION REGARDING ANY OF THE LISTED PROPOSALS IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED DURING THE PUBLIC TESTIMONY PERIOD REGARDING THAT PROPOSAL OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE GOVERNING BOARD AT, OR PRIOR TO, THE PUBLIC HEARING.

DUE TO TIME CONSTRAINTS AND THE NUMBER OF PERSONS WISHING TO GIVE ORAL TESTIMONY, PUBLIC COMMENTS ARE LIMITED TO FIVE MINUTES PER SPEAKER. YOU MAY WISH TO MAKE YOUR COMMENTS IN WRITING TO ASSURE THAT YOU ARE ABLE TO EXPRESS YOURSELF ADEQUATELY.

EXCEPT WHERE NOTED, ALL SCHEDULED ITEMS WILL BE HEARD IN THE DISTRICT OFFICE OF THE GOVERNING BOARD, 42210 6th STREET WEST, LANCASTER, CA 93534.

PLEASE NOTE THAT THE BOARD MAY ADDRESS ITEMS IN THE AGENDA IN A DIFFERENT ORDER THAN THE ORDER IN WHICH THE ITEM HAS BEEN POSTED.

PUBLIC COMMENTS ON ANY AGENDA ITEM WILL BE HEARD AT THE TIME OF DISCUSSION OF THE AGENDA ITEM. PUBLIC COMMENTS NOT PERTAINING TO AGENDA ITEMS WILL BE HEARD DURING THE PUBLIC COMMENT PERIOD BELOW.

**CALL TO ORDER 10:00 A.M.**

Pledge of Allegiance.

Roll Call

Items with potential Conflict of Interests — If you believe you have a conflict of interest, please recuse yourself at the appropriate time. If you have a question regarding a potential conflict of interest, please contact District Counsel.

PUBLIC COMMENT

**CONSENT CALENDAR**

The following consent items are expected to be routine and non-controversial and will be acted upon by the Board at one time without discussion unless a Board Member requests an item be held for discussion under DEFERRED ITEMS.

1. [Approve Minutes from Regular Governing Board Meeting of February 15, 2022.](#)
2. [Monthly Grant Funding Summary. Receive and file. Presenter: Bret Banks, Executive Director/APCO.](#)
3. [Monthly Activity Report. Receive and file. Presenter: Bret Banks, Executive Director/APCO.](#)
4. [Approve payments to MDAQMD in the amount of \\$142,225.32 for January 2022 expenditures. Presenter: Bret Banks, Executive Director/APCO.](#)
5. [Receive and file the Financial Report. The Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at January 31, 2022. The Financial Reports for January provide financial and budgetary performance information for the District for the period referenced. Presenter: Bret Banks, Executive Director/APCO.](#)
6. [Ratification of Board Chairman’s determination pursuant to Government Code section 54953\(e\)\(3\) finding state or local officials continue to impose or recommend measures to promote social distancing. Adopt a resolution reaffirming the local Declaration of Emergency as adopted on April 27, 2020; ratifying the proclamation of a State of Emergency by the Governor on March 4, 2020; and authorizing remote teleconference meetings of the Governing Board of the Antelope Valley Air Quality Management District \(AVAQMD\) for the period of March 15, 2022 through April 15, 2022 pursuant to provisions of the Brown Act. Presenter: Bret Banks, Executive Director/APCO.](#)
7. [1\) Receive and file Policies and Procedures Manual for the District’s Community Air Protection \(CAP\) Program. Presenter: Julie McKeehan, Grants Analyst.](#)

**ITEMS FOR DISCUSSION**

DEFERRED ITEMS

NEW BUSINESS

8. 1) Approve Amendments to the Alternative Fuel Vehicle Incentive Program; 2) Authorize the Executive Director/APCO and staff to execute the Alternative Fuel Vehicle Program as proposed. Presenter: Bret Banks, Executive Director/APCO.
9. 1) Authorize \$100,000 in Mobile Emission Reductions Program (AB 2766) funds to the Alternative Fuel Vehicle Program; and 2) Authorize the Executive Director/APCO and staff to execute the Alternative Fuel Vehicle Program as outlined in the Work Plan. Presenter: Julie McKeehan, Grants Analyst.
10. Approve written notification to the Mojave Desert Air Quality Management District (MDAQMD) 180 days in advance of the proposed termination, but not less than ninety (90) days before the effective date of the proposed termination. The termination will be effective on August 31, 2022. Authorize the Chairman to sign and provide notice to MDAQMD. Presenter: Bret Banks, Executive Director/APCO.
11. Receive and file presentation regarding Section 185 of the Clean Air Act. Presenter: Bret Banks, Executive Director/APCO.
12. Reports: Governing Board Counsel, Executive Director/APCO, Staff.
13. Board Member Reports and Suggestions for Future Agenda Items.
14. Adjourn to Regular Governing Board Meeting of Tuesday, April 19, 2022.

***In compliance with the Americans with Disabilities Act, if special assistance is needed to participate in the Board Meeting, please contact the Executive Director during regular business hours at 661.723.8070 x22. Notification received 48 hours prior to the meeting will enable the District to make reasonable accommodations. All accommodation requests will be processed swiftly and resolving any doubt in favor of accessibility.***

I hereby certify, under penalty of perjury, that this agenda has been posted 72 hours prior to the stated meeting in a place accessible to the public. Copies of this agenda and any or all additional materials relating thereto are available at [www.avaqmd.ca.gov](http://www.avaqmd.ca.gov) or by contacting Deanna Hernandez at 760.245.1661 x6244 or by email at [dhernandez@mdaqmd.ca.gov](mailto:dhernandez@mdaqmd.ca.gov).

**Mailed & Posted on: Tuesday, March 8, 2022.**

***Deanna Hernandez***

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Deanna Hernandez

The following page(s) contain the backup material for Agenda Item: [Approve Minutes from Regular Governing Board Meeting of February 15, 2022.](#)  
Please scroll down to view the backup material.

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
GOVERNING BOARD MEETING  
TUESDAY, FEBRUARY 15, 2022  
ANTELOPE VALLEY DISTRICT OFFICE  
LANCASTER, CA

Draft Minutes

Board Members Present:

Marvin Crist, *Chair*, City of Lancaster – *via Zoom*  
Austin Bishop, *Vice Chair*, City of Palmdale – *via Zoom*  
Newton Chelette, Public Member – *via Zoom*  
Howard Harris, Los Angeles County  
Ron Hawkins, Los Angeles County – *via Zoom*  
Steven Hofbauer, City of Palmdale – *via Zoom*  
Raj Malhi, City of Lancaster – *via Zoom*

Board Members Absent:

**CALL TO ORDER**

Chair **CRIST** called the meeting to order at 10:06 a.m. Chair **CRIST** waived the Pledge of Allegiance. Roll call was taken.

**PUBLIC COMMENT**

❖ Chair **CRIST** called for **PUBLIC COMMENT**. At this time, no public comment was made telephonically or electronically, moved onto **CONSENT CALENDAR**.

**CONSENT CALENDAR**

**CONSENT CALENDAR** – The following consent items were acted upon by the Board at one time without discussion. Upon motion by Board Member **HAWKINS**, seconded by Board Member **HARRIS**, and carried by the following roll call vote, with seven **AYES** votes by Board Members, **AUSTIN BISHOP, NEWTON CHELETTE, MARVIN CRIST, HOWARD HARRIS, RON HAWKINS, STEVEN HOFBAUER and RAJ MALHI**, on the Consent Calendar, as follows:

**Agenda Item #1 – Approve Minutes from Regular Governing Board Meeting of January 21, 2021.**  
**Approved** Minutes from Regular Governing Board Meeting of January 21, 2021.

**Agenda Item #2 – Monthly Grant Funding Summary. Receive and file.**

Presenter: Bret Banks, Executive Director/APCO.

**Received and Filed** Monthly Grand Funding Summary.

**Agenda Item #3 – Monthly Activity Report. Receive and file.**

Presenter: Bret Banks, Executive Director/APCO.

**Received and Filed** Monthly Activity Report.

**Agenda Item #4 – Approve payment to MDAQMD in the amount of \$192,334.94 for December 2021 expenditures.**

Presenter: Bret Banks, Executive Director/APCO.

**Approved** payment to MDAQMD in the amount of \$192,334.94 for December 2021 expenditures.

**Agenda Item #5 – Receive and file the Financial Report. The Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at December 31, 2021.**

Presenter: Bret Banks, Executive Director/APCO.

**Received and filed** the Financial Report. The Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at December 31, 2021.

**Agenda Item #6 – Ratification of Board Chairman’s determination pursuant to Government Code section 54953(e)(3) finding state or local officials continue to impose or recommend measures to promote social distancing. Adopt a resolution reaffirming the local Declaration of Emergency as adopted on April 27, 2020; ratifying the proclamation of a State of Emergency by the Governor on March 4, 2020; and authorizing remote teleconference meetings of the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) for the period of February 15, 2022 through March 15, 2022 pursuant to provisions of the Brown Act.**

Presenter: Bret Banks, Executive Director/ APCO.

**Ratified** the Board Chairman’s determination pursuant to Government Code section 54953(e)(3) finding state or local officials continue to impose or recommend measures to promote social distancing. Adopt a resolution reaffirming the local Declaration of Emergency as adopted on April 27, 2020; ratifying the proclamation of a State of Emergency by the Governor on March 4, 2020; and authorizing remote teleconference meetings of the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) for the period of February 15, 2022 through March 15, 2022 pursuant to provisions of the Brown Act. **Adopted** Resolution 22-02, “**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT(“DISTRICT”) PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY EXECUTIVE ORDERS N-25-20, N-29-20 AND N-35-20, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR A THIRTY (30) DAY PERIOD PURSUANT TO BROWN ACT PROVISIONS.**”

**Agenda Item #7 – Adopt a budget schedule for FY 22-2023.**

Presenter: Laquita Cole, Finance Manager.

**Adopted** a budget schedule for FY 22-2023.

**Agenda Item #8 – Receive and file the Executive Director’s report of surplus and disposal for capital and non-capital equipment.**

Presenter: Laquita Cole, Finance Manager.

**Received and filed** the Executive Director’s report of surplus and disposal for capital and non-capital equipment.

**ITEMS FOR DISCUSSION**

**DEFERRED ITEMS**

None.

**NEW BUSINESS**

**Agenda Item #9 – Receive and file the annual financial audit for Fiscal Year 2020-21. The financial audit is complete and presented for review to receive and file.**

Presenter: Laquita Cole, Finance Manager (MDAQMD) on behalf of the AVAQMD, with a representative from Fedak & Brown.

Laquita Cole, Finance Manager & Chris Brown, CPA, Fedak & Brown LLP, presented the audit information and answered questions from the Board. After discussion, upon motion by Board Member **BISHOP**, seconded by Board Member **HAWKINS**, and carried by the following roll call vote, with seven **AYES** votes by Board Members, **AUSTIN BISHOP, NEWTON CHELETTE, MARVIN CRIST, HOWARD HARRIS, RON HAWKINS, STEVEN HOFBAUER and RAJ MALHI**, the Board, **receive and filed** the annual financial audit for Fiscal Year 2020-21.

**Agenda Item #10 – 1) Allocate an amount not to exceed \$52,500 in AB 134 (Community Air Protection Program) funds to Desert Haven Enterprises to replace gasoline lawn and garden equipment with zero-emissions battery-electric equipment; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel.**

Presenter: Julie McKeehan, Grants Analyst.

Julie McKeehan, Grants Analyst, presented the background information and answered questions from the Board. After discussion, upon motion by Board Member **BISHOP**, seconded by Board Member **HOFBAUER**, and carried by the following roll call vote, with seven **AYES** votes by Board Members, **AUSTIN BISHOP, NEWTON CHELETTE, MARVIN CRIST, HOWARD HARRIS, RON HAWKINS, STEVEN HOFBAUER and RAJ MALHI**, the Board, 1) **Allocated** an amount not to exceed \$52,500 in AB 134 (Community Air Protection Program) funds to Desert Haven Enterprises to replace gasoline lawn and garden equipment with zero-emissions battery-electric equipment; 2) **Authorized** the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) **Authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel.

**Agenda Item #11– Reports.**

**Governing Board Counsel –**

- Reminder that time of year Form 700's are due.

**Executive Director/APCO –**

- Updated the Board on the status of the Lawn & Garden program. Very successful program this year. Program halting for now as the District is looking to revamp the program.
- Informed the Board that an update on the Alternate Fuel Vehicle program will be presented at the next Governing Board meeting.
- Informed the Board that the AV Office relocation into the Antelope Valley Fair Grounds offices is progressing slowly.
- Informed the Board that it's budget season.
- Introduced new employee Adriana Castaneda Office Assistant.

**Staff –**

- Brad Poiriez, Executive Director/APCO, Mojave Desert AQMD, commented on Richard Corey's, Executive Officer – California Air Resources Board, retirement announcement.



**Agenda Item #12 – Board Member Reports and Suggestions for Future Agenda Items.**

- None.

**Agenda Item #13 – Adjourn to Regular Governing Board Meeting of Tuesday, January 18, 2022.**

Being no further business, the meeting adjourned at 10:24 a.m. to the next regularly scheduled Governing Board Meeting of Tuesday, March 15, 2022.

The following page(s) contain the backup material for Agenda Item: [Monthly Grant Funding Summary. Receive and file. Presenter: Bret Banks, Executive Director/APCO.](#)  
Please scroll down to view the backup material.

## Item #2 – Grant Funds Project Summary

February 2022

### AB 2766 (\$4 DMV Fee)

#### **\$655,000 Annually by Monthly Distribution**

These fees fund the District’s Mobile Source Emission Reductions (MSER) Grant Program. The funds must be used “to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act of 1988”.

**Funding Limits:** No surplus emission reductions or cost-effectiveness limit requirements.

**Current Balance: \$356,951.00**

### AB 923 (\$2 DMV Fee)

#### **\$614,000 Annually by Monthly Distribution**

These fees fund the District’s Mobile Source Emission Reductions (MSER) Grant Program. The funds must be used to remediate air pollution harms created by motor vehicles.

**Funding Limits:** Carl Moyer eligible projects; unregulated agriculture vehicles and equipment; school bus projects; light-duty vehicle retirement program; and alternative fuel and electric infrastructure projects.

Surplus emission reductions required. Subject to cost-effectiveness limit.

**Current Balance: \$371,526.00**

### Carl Moyer Program

#### **\$658,553.00 FY 20/21 Allocation**

Carl Moyer Program (CMP) funds provide incentives to gain early or extra emission reductions by retrofitting, repowering, or replacing older more polluting engines with newer, cleaner engines including zero and near zero emission technologies. CMP funding categories include on-road heavy-duty vehicles, off-road equipment, locomotives, marine vessels, light-duty passenger vehicles, lawn mower replacement and alternative fuel infrastructure projects. Surplus emission reductions required. Subject to cost-effectiveness limit.

**Current Balance: \$0**

### AB 134 Community Air Protection (CAP) Projects

#### **\$855,673 FY 19/20 Allocation**

The purpose of AB 134 funds is to implement projects under the Carl Moyer Program specifically for projects that meet the goals of AB 617. These funds are focused on replacing older polluting engines operating in disadvantaged and low-income communities with newer, cleaner engines prioritizing zero-emission projects. CMP funding categories include on-road heavy-duty vehicles, off-road equipment, locomotives, marine vessels, light-duty passenger vehicles, lawn mower replacement and alternative fuel infrastructure projects. Surplus emission reductions required. Subject to cost-effectiveness limit.

**Current Balance: \$0**

The following page(s) contain the backup material for Agenda Item: [Monthly Activity Report. Receive and file. Presenter: Bret Banks, Executive Director/APCO.](#)  
Please scroll down to view the backup material.



## **Agenda Item #3**

**Date: March 1, 2022**

**Subject: February Operations Activity Report**

Permit Inspections - 65

Notices of Violation (NOV) Issued – 0

Vapor Recovery Tests Witnessed – 2

Complaints - 3

Complaint Investigations – 3

Asbestos Notifications – 14

Asbestos Project Inspections - 1

Active Companies - 276

Active Facilities - 530

Active Permits - 1120

Certificate of Occupancy/Building Permit Reviews - 1

CEQA Project Comment Letters - 11

### **State or Local Air Monitoring Stations (SLAMS) Network Air Monitoring Site:**

Lancaster Site (full meteorology, CO, NOx, O3, PM10, PM2)

*Full meteorology (exterior temperature, wind speed, wind direction, exterior pressure and relative humidity)*

### ***Community Sensors:***

13 **PurpleAir** particulate sensors (Del Sur School, Leona Valley Elementary, Anaverde Hills, Esperanza Elementary School, Joe Walker Middle School, Desert Willow Middle School, Amargosa Creek, Eastside High School, Littlerock High School, Knight High School, Westside School District Offices, (2) Wilsona School District.

AVAQMD CEQA PROJECTS						
BOARD MEETING						
3/15/2022						
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
1/24/2022	Palmdale	Juniper Valley TH	Site Plan Review 22-003 / Density Bonus Agreement 22-001 Determination of Application Completeness / Condition Setting to construct eight multi-family residential buildings totaling 88,200 square feet on approximately four acres located at the southwest corner of 25 <sup>th</sup> Street East and Avenue Q-4 (APN: 3018-014-074).	DCP Signage Rule 219 Permitting CARB Equip	1/26/2022	1/25/2022
2/2/2022	Palmdale	Bana at Palmdale	proposed development of a 1.02 acre parcel with three 5-story mixed-use buildings, consisting of 48 apartment units, two community rooms, retail uses and parking structures located at 38732 9 <sup>th</sup> Street East (APN: 3008-040-012).	DCP Signage Rule 219 Permitting CARB Equip	2/23/2022	2/10/2022
2/3/2022	Palmdale	Peachtree Hotel Group	CUP 22-002 Proposed development of a 2.53 acre parcel into a hotel use totaling 64,737 square feet located at the southeast corner of Avenue P-4 and Trade Center Drive (APNs: 3003-081-66 and -067).	DCP Signage Rule 219 Permitting CARB Equip	2/9/2022	2/10/2022
1/27/2022	Palmdale	Palmdale Homewood	Pre-App 22-003 proposed development of a hotel totaling 71,225.8 square feet to be located at the northwest corner of Westpark Drive and Corporate Court on approximately 1.96 acres (APN: 3004-001-040).	DCP Signage Rule 219 Permitting CARB Equip	2/9/2022	2/10/2022
2/9/2022	Palmdale	Antelope Valley Commerce Center	GPA 22-001 / ZC 22-001 / SP 22-001 / EIR 22-001 to change the Land Use designation from Industrial (IND) to Specific Plan (SP), the zoning from General Industrial (M-2) to Specific Plan (SP) and generate a Specific Plan and Environmental Impact report on 433.70 acres of vacant, undeveloped land located at the southeast corner of Avenue M and Sierra Highway (APNs: 3126-022-928 and 3126-022-929).	No Comment - Comment was submitted on this project under Pre- Application 21-024	2/23/2022	2/23/2022
2/11/2022	Lancaster	TTM 72739	TTM 72739 for 73 single-family residential lots located at the northwest corner of 65 <sup>th</sup> Street West and Avenue K (APN: 3203-018-110) on approximately 20 acres.	DCP Rule 219 Permitting CARB Equip	3/4/2022	2/23/2022

AVAQMD CEQA PROJECTS						
BOARD MEETING						
3/15/2022						
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
2/11/2022	Palmdale	Diesel Fuel Canopy	Diesel fuel canopy north of the recently constructed convenience store located at 3851 East Palmdale Boulevard (APNs: 3021-030-007).	No Comment - Comment was submitted on this project under Pre-Application 21-024	2/23/2022	2/23/2022
2/17/2022	Palmdale	Industrial Use building	Pre-Application 22-006 requesting to develop 78 acres into an industrial use of one building totaling 1,431,612 square feet located at the southwest corner of Avenue M and Division Street (APN: 3128-015-089).	DCP Rule 219 Permitting CARB Equip	2/23/2022	2/23/2022
2/17/2022	Palmdale	TTM	Pre-Application 22-007 requesting to develop 14.82 acres with 150 single-family residences located at the southeast corner of Avenue S-8 and 47 <sup>th</sup> Street East (APN: 3051-016-011).	DCP CARB Equip	2/23/2022	2/23/2022
2/17/2022	Palmdale	Woodspring Suites	Conditional Use Permit 22-003 / Site Plan Review 22-005 (Previously reviewed as Pre-Application 21-051) Determination of Application Completeness / Condition Setting requesting to develop 2.35 acres a hotel use totaling 51,730 square feet located on the south side of Avenue O-8 and approximately 290 feet west of 10 <sup>th</sup> Street West (APNs: 3005-050-002, -007, and -009).	DCP Rule 219 Permitting CARB Equip	2/23/2022	2/23/2022
2/22/2022	Palmdale	Industrial Complex	Pre-Application 22-008 requesting to develop 66.7 acres into four buildings with three of the buildings consisting of 14 industrial condos located at the northeast corner of Rancho Vista Boulevard and Division Street (APNs: 3006-027-001 through -005)	DCP Rule 219 Permitting CARB Equip	3/9/2022	2/23/2022

The following page(s) contain the backup material for Agenda Item: [Approve payments to MDAQMD in the amount of \\$142,225.32 for January 2022 expenditures. Presenter: Bret Banks, Executive Director/APCO.](#)

Please scroll down to view the backup material.



**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM #4*

**DATE:** March 15, 2022

**RECOMMENDATION:** Approve payments to MDAQMD in the amount of \$142,225.32 for January 2022 expenditures.

**SUMMARY:** The District contracts for services with MDAQMD; an invoice for services is presented for payment.

**BACKGROUND:** Key Expenses: Staffing expenses of \$120,629.13.

The AVAQMD contracts with the MDAQMD for essential executive, administrative, fiscal, engineering, and air monitoring services.

**REASON FOR RECOMMENDATION:** The AVAQMD Governing Board must authorize all payments to the MDAQMD.

**REVIEW BY OTHERS:** This item was reviewed by Allison Burns, Special Counsel as to legal form; and by Bret Banks, Executive Director/APCO, on or before March 1, 2022.

**FINANCIAL DATA:** The contract and direct expenditure amounts are part of the approved District budget for FY22. No change in appropriations is anticipated as a result of the approval of this item.

**PRESENTER:** Bret Banks, Executive Director/APCO



**Mojave Desert AQMD**  
 14306 Park Avenue  
 Victorville, CA 92392  
 760.245.1661

Due Date **DUE UPON RECEIPT**  
 Invoice Date **1/31/2022**  
 Invoice Number **43273**

# INVOICE

<b>Bill To :</b>
<b>ANTELOPE VALLEY AQMD    43301 DIVISION ST. SUITE 206    LANCASTER, CA 93535</b>
<b>Company ID 10193</b>

<b>FY22 - January 2022</b>		<b>Amount</b>
Program Staff	Program Staff	120,629.13
OVERHEAD	OVERHEAD	17,466.27
Professional Services	Professional Services	279.92
Recruitment	Recruitment	100.00
Office Expenses	Office Expenses	3,750.00
<p>TO INSURE PROPER CREDIT -            PLEASE INCLUDE A COPY OF THE INVOICE WITH YOUR PAYMENT</p> <p>FOR CREDIT CARD PAYMENTS            PLEASE VISIT <a href="http://www.mdaqmd.ca.gov">www.mdaqmd.ca.gov</a></p>		
		<b>Invoice Total 142,225.32</b>
<b>MAKE CHECKS PAYABLE TO MOJAVE DESERT AQMD</b>		<b>Amount Paid 0.00</b>
<b>PLEASE INCLUDE THE INVOICE NUMBER ON THE CHECK</b>		<b>Balance Due 142,225.32</b>

The following page(s) contain the backup material for Agenda Item: [Receive and file the Financial Report. The Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at January 31, 2022. The Financial Reports for January provide financial and budgetary performance information for the District for the period referenced. Presenter: Bret Banks, Executive Director/APCO.](#) Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM #5*

**DATE:** March 15, 2022

**RECOMMENDATION:** Receive and file.

**SUMMARY:** This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at January 31, 2022.

**BACKGROUND:** The Financial Reports for January 2022 provide financial and budgetary performance information for the District for the period referenced.

**BALANCE SHEET.** The balance sheet summarizes the District's financial position on January 31, 2022.

**STATEMENT OF REVENUES & EXPENDITURES.** A summary of all District revenue and related expenditures incurred in the day to day administration of District Operations.

**STATEMENT OF ACTIVITY.** The target variance for January is 59%.

The *District Wide* report details revenue and expenses for the District's operating account and grant funds. *Contracted Services* reports the expenses made by the (MDAQMD) and passed through to the District including salaries. *Report Recap* consolidates both reports.

**BANK REGISTERS.** This report details the Districts bank activity.

**DISTRICT CARDS.** This report details purchases made using the District's credit cards.

**REASON FOR RECOMMENDATION:** Receive and file.

**REVIEW BY OTHERS:** This item was reviewed by Allison Burns, Special Counsel as to legal form and by Bret Banks, Executive Director/APCO (AVAQMD) on or about March 7, 2022.

**PRESENTER:** Bret Banks, Executive Director/APCO.

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**Antelope Valley AQMD**  
**Balance Sheet - Governmental Funds**  
**As of January 31, 2022**

## Financial Report

	<u>General Fund</u>	<u>AB2766 Mobile Emissions</u>	<u>AB923 Mobile Emissions</u>	<u>Carl Moyer</u>	<u>Total</u>
<b>Assets</b>					
Current Assets					
Cash	4,822,327.30	695,134.84	1,595,906.46	890,433.76	8,003,802.36
Cash Held For Other Fund	(107,657.02)	32,886.19	74,763.65	7.18	0.00
Receivables	249,667.58	0.00	0.00	0.00	249,667.58
Pre-Paid	18,473.76	0.00	0.00	0.00	18,473.76
<b>Total Current Assets</b>	<b>4,982,811.62</b>	<b>728,021.03</b>	<b>1,670,670.11</b>	<b>890,440.94</b>	<b>8,271,943.70</b>
<b>Total Assets</b>	<b>4,982,811.62</b>	<b>728,021.03</b>	<b>1,670,670.11</b>	<b>890,440.94</b>	<b>8,271,943.70</b>
<b>Liabilities and Net Position</b>					
Current Liabilities					
Payables	594,606.44	9,000.00	29,730.67	255,269.33	888,606.44
Due to Others	1,569.00	0.00	0.00	0.00	1,569.00
Unearned Revenue	491,583.08	0.00	0.00	559,350.50	1,050,933.58
<b>Total Current Liabilities</b>	<b>1,087,758.52</b>	<b>9,000.00</b>	<b>29,730.67</b>	<b>814,619.83</b>	<b>1,941,109.02</b>
Restricted Fund Balance	2,017,902.69	649,150.86	1,650,543.42	75,817.45	4,393,414.42
Cash Reserves	577,718.00	0.00	0.00	0.00	577,718.00
Unassigned Fund Balance	1,366,714.76	0.00	0.00	0.00	1,366,714.76
Pre-Paid	914.05	0.00	0.00	0.00	914.05
Change in Net Position	(68,196.40)	69,870.17	(9,603.98)	3.66	(7,926.55)
<b>Total Liabilities &amp; Net Position</b>	<b>4,982,811.62</b>	<b>728,021.03</b>	<b>1,670,670.11</b>	<b>890,440.94</b>	<b>8,271,943.70</b>

**Antelope Valley AQMD**  
**Statement of Revenues & Expenditures**  
**For the Period Ending January 31, 2022**

## Financial Report

	<u>General Fund</u>	<u>AB2766 Mobile Emissions Program</u>	<u>AB923 Mobile Emissions Program</u>	<u>Carl Moyer Program</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>					
Application and Permit Fees	211,385.09	0.00	0.00	0.00	211,385.09
AB 2766 and Other Program Revenues	47,894.68	47,810.34	47,810.34	255,269.33	398,784.69
Fines	1,400.00	0.00	0.00	0.00	1,400.00
Investment Earnings	1,010.90	0.00	0.00	0.00	1,010.90
Federal and State	96,849.42	0.00	0.00	0.00	96,849.42
Miscellaneous Income	0.00	0.00	0.00	0.00	0.00
<b>Total Revenues</b>	<b>358,540.09</b>	<b>47,810.34</b>	<b>47,810.34</b>	<b>255,269.33</b>	<b>709,430.10</b>
<b>Expenditures</b>					
Program Staff	120,629.13	0.00	0.00	0.00	120,629.13
Services and Supplies	63,058.26	21,000.00	29,730.67	255,269.33	369,058.26
Contributions to Other Participants	0.00	0.00	0.00	0.00	0.00
Capital Outlay Improvements and Equipment	0.00	0.00	0.00	0.00	0.00
<b>Total Expenditures</b>	<b>183,687.39</b>	<b>21,000.00</b>	<b>29,730.67</b>	<b>255,269.33</b>	<b>489,687.39</b>
<b>Excess Revenue Over (Under) Expenditures</b>	<b>174,852.70</b>	<b>26,810.34</b>	<b>18,079.67</b>	<b>0.00</b>	<b>219,742.71</b>

**Antelope Valley AQMD**  
**Statement of Activity - MTD, MTM and YTD**  
**For 1/31/2022**

00 District Wide

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
<b>Revenues</b>				
Permitting	212,184.91	740,504.44	1,047,500.00	(0.71)
Programs	398,784.69	1,285,309.78	2,833,400.00	(0.45)
Application Fees	2,668.00	12,231.37	30,500.00	(0.40)
State Revenue	96,849.42	138,489.44	1,096,000.00	(0.13)
Fines & Penalties	250.00	19,623.98	10,000.00	(1.96)
Interest Earned	1,010.90	16,874.06	17,500.00	(0.96)
Adjustments to Revenue	(2,317.82)	(11,234.34)	0.00	0.00
<b>Total Revenues</b>	<b>709,430.10</b>	<b>2,201,798.73</b>	<b>5,034,900.00</b>	<b>(0.44)</b>
<b>Expenses</b>				
Office Expenses	5,980.41	54,036.84	108,625.00	0.50
Communications	4,985.30	16,223.30	21,050.00	0.77
Vehicles	471.34	2,369.04	7,900.00	0.30
Program Costs	334,510.32	1,056,445.58	3,104,500.00	0.34
Travel	(592.75)	(525.55)	12,650.00	(0.04)
Professional Services				
Payroll Contract	0.00	911.42	0.00	0.00
Research Studies	0.00	0.00	6,000.00	0.00
Consulting Fees	0.00	0.00	3,000.00	0.00
Stipends	600.00	4,500.00	8,400.00	0.54
Maintenance & Repairs	225.00	3,099.63	6,500.00	0.48
Non-Depreciable Inventory	0.00	5,222.96	2,300.00	2.27
Dues & Subscriptions	0.00	9,406.00	46,400.00	0.20
Legal	1,282.45	9,267.35	44,000.00	0.21
Miscellaneous Expense	0.00	256.15	2,900.00	0.09
Suspense	0.00	372.87	0.00	0.00
Capital Expenditures	0.00	15,116.89	50,000.00	0.30
<b>Total Expenses</b>	<b>347,462.07</b>	<b>1,176,702.48</b>	<b>3,424,225.00</b>	<b>0.34</b>
<b>Program Staff</b>				
<b>Excess Revenue Over (Under) Expenditures</b>	<b>361,968.03</b>	<b>1,025,096.25</b>	<b>1,610,675.00</b>	<b>(0.64)</b>

**Antelope Valley AQMD**  
**Statement of Activity - MTD, MTM and YTD**  
**For 1/31/2022**

10 Contracted Services

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
<b><u>Revenues</u></b>				
<b><u>Expenses</u></b>				
Office Expenses	3,750.00	4,261.86	1,500.00	2.84
Vehicles	0.00	547.39	0.00	0.00
Travel	0.00	0.00	2,500.00	0.00
Professional Services				
Payroll Contract	112.52	155.24	125.00	1.24
Financial Audit & Actuarial Svcs	17,733.67	133,122.86	212,625.00	0.63
Non-Depreciable Inventory	0.00	4.59	0.00	0.00
Dues & Subscriptions	0.00	0.00	250.00	0.00
<b>Total Expenses</b>	<b>21,596.19</b>	<b>138,091.94</b>	<b>217,000.00</b>	<b>0.64</b>
<b><u>Program Staff</u></b>				
Program Staff	120,629.13	894,930.86	1,389,000.00	0.64
<b>Total Program Staff</b>	<b>120,629.13</b>	<b>894,930.86</b>	<b>1,389,000.00</b>	<b>0.64</b>
<b>Excess Revenue Over (Under) Expenditures</b>	<b>(142,225.32)</b>	<b>(1,033,022.80)</b>	<b>(1,606,000.00)</b>	<b>(0.64)</b>



**Antelope Valley AQMD**  
**Statement of Activity - MTD, MTM and YTD**  
**For 1/31/2022**

Report Recap

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
<b>Revenues</b>				
Permitting	212,184.91	740,504.44	1,047,500.00	(0.71)
Programs	398,784.69	1,285,309.78	2,833,400.00	(0.45)
Application Fees	2,668.00	12,231.37	30,500.00	(0.40)
State Revenue	96,849.42	138,489.44	1,096,000.00	(0.13)
Fines & Penalties	250.00	19,623.98	10,000.00	(1.96)
Interest Earned	1,010.90	16,874.06	17,500.00	(0.96)
Adjustments to Revenue	(2,317.82)	(11,234.34)	0.00	0.00
<b>Total Revenues</b>	<b>709,430.10</b>	<b>2,201,798.73</b>	<b>5,034,900.00</b>	<b>(0.44)</b>
<b>Expenses</b>				
Office Expenses	9,730.41	58,298.70	110,125.00	0.53
Communications	4,985.30	16,223.30	21,050.00	0.77
Vehicles	471.34	2,916.43	7,900.00	0.37
Program Costs	334,510.32	1,056,445.58	3,104,500.00	0.34
Travel	(592.75)	(525.55)	15,150.00	(0.03)
Professional Services				
Payroll Contract	112.52	1,066.66	125.00	8.53
Financial Audit & Actuarial Svcs	17,733.67	133,122.86	212,625.00	0.63
Research Studies	0.00	0.00	6,000.00	0.00
Consulting Fees	0.00	0.00	3,000.00	0.00
Stipends	600.00	4,500.00	8,400.00	0.54
Maintenance & Repairs	225.00	3,099.63	6,500.00	0.48
Non-Depreciable Inventory	0.00	5,227.55	2,300.00	2.27
Dues & Subscriptions	0.00	9,406.00	46,650.00	0.20
Legal	1,282.45	9,267.35	44,000.00	0.21
Miscellaneous Expense	0.00	256.15	2,900.00	0.09
Suspense	0.00	372.87	0.00	0.00
Capital Expenditures	0.00	15,116.89	50,000.00	0.30
<b>Total Expenses</b>	<b>369,058.26</b>	<b>1,314,794.42</b>	<b>3,641,225.00</b>	<b>0.36</b>
<b>Program Staff</b>				
Program Staff	120,629.13	894,930.86	1,389,000.00	0.64
<b>Total Program Staff</b>	<b>120,629.13</b>	<b>894,930.86</b>	<b>1,389,000.00</b>	<b>0.64</b>
<b>Excess Revenue Over (Under) Expenditures</b>	<b>219,742.71</b>	<b>(7,926.55)</b>	<b>4,675.00</b>	<b>1.70</b>

**Antelope Valley AQMD**  
**Bank Register from 1/01/2022 to 1/31/2022**  
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000319	1/03/2022	Credit Card Transcations - Perimeter Solutions - Century Plaza Cleaners	0.00	1,011.82	748,655.71
0000320	1/03/2022	Credit Card Transcations - Burns Environmental	0.00	660.00	749,315.71
0000324	1/03/2022	Credit Card Transaction - Southern California Edison	0.00	1,140.37	750,456.08
0004704	1/12/2022	[10076] ANTELOPE VALLEY AQMD-Bank Transfer - Credit Card A/R Receipts - September 2021	12,931.98	0.00	737,524.10
0004705	1/12/2022	[10006] BANK OF THE WEST-Credit card -1481 11/20/2021-12/19/2021	86.32	0.00	737,437.78
0004706	1/12/2022	[10518] AUSTIN BISHOP-Attendance Governing Board Meeting Tuesday, December 21, 2021.	100.00	0.00	737,337.78
0004707	1/12/2022	[10405] CANON FINANCIAL SERVICES-Copier Lease 12/2021	277.94	0.00	737,059.84
0004708	1/12/2022	[10055] NEWTON CHELETTE-Attendance Governing Board Meeting Tuesday, December 21, 2021.	100.00	0.00	736,959.84
0004709	1/12/2022	[10057] MARVIN CRIST-Attendance Governing Board Meeting Tuesday, December 21, 2021.	100.00	0.00	736,859.84
0004710	1/12/2022	[10599] HOWARD HARRIS-Attendance Governing Board Meeting Tuesday, December 21, 2021.	100.00	0.00	736,759.84
0004711	1/12/2022	[10058] RONALD HAWKINS-Attendance Governing Board Meeting Tuesday, December 21, 2021.	100.00	0.00	736,659.84
0004712	1/12/2022	[10503] STEVEN D HOFBAUER-Attendance Governing Board Meeting Tuesday, December 21, 2021.	111.20	0.00	736,548.64
0004713	1/12/2022	[10054] KENNETH MANN-Attendance Governing Board Meeting Tuesday, December 21, 2021.	100.00	0.00	736,448.64
0004714	1/12/2022	[10026] MOJAVE DESERT AQMD-FY22 - October 2021	120,402.02	0.00	616,046.62
0004715	1/12/2022	[10260] QCS BUILDING SERVICES-Invoices 23034, 23097	261.23	0.00	615,785.39
0004716	1/12/2022	[10071] QUADIENT LEASING-COPIER LEASE 01/02/2022-02/01/2022	78.17	0.00	615,707.22
0004717	1/12/2022	[10039] SPARKLETTS-Water Service 12/2021	29.43	0.00	615,677.79
0004718	1/12/2022	[10455] STRADLING YOCCA CARLSON & RAUTH-LEGAL SERVICES NOVEMBER 2021	1,394.90	0.00	614,282.89
0004719	1/12/2022	[10045] VERIZON BUSINESS-VOIP 01/01/2022-01/31/2022	427.94	0.00	613,854.95
0004720	1/12/2022	[10046] VERIZON CALIFORNIA - NJ-Long Distance 12/28/2021-01/27/2022	34.30	0.00	613,820.65
0004721	1/12/2022	[11259] WEX BANK-Fuel Purchases 12/2021	353.69	0.00	613,466.96
R22-26	1/12/2022	Operating Fund Replenishment #11	0.00	148,650.14	762,117.10
0000321	1/13/2022	Credit Card Transcations - Ravello Holdings	0.00	661.00	762,778.10
0000322	1/18/2022	Credit Card Transcations - Burns Environmental	0.00	660.00	763,438.10
0000323	1/18/2022	Credit Card Transcations - Burns Environmental	0.00	660.00	764,098.10
0000325	1/19/2022	Credit Card Transactions - Clearway Enery - Lockheed Martin	0.00	2,472.00	766,570.10
0004722	1/20/2022	[10518] AUSTIN BISHOP-Attendance Governing Board Meeting Tuesday, January 18, 2022.	100.00	0.00	766,470.10
0004723	1/20/2022	[10055] NEWTON CHELETTE-Attendance Governing Board Meeting Tuesday, January 18, 2022.	100.00	0.00	766,370.10
0004724	1/20/2022	[10057] MARVIN CRIST-Attendance Governing Board Meeting Tuesday, January 18, 2022.	100.00	0.00	766,270.10

**Antelope Valley AQMD**  
**Bank Register from 1/01/2022 to 1/31/2022**  
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0004725	1/20/2022	[10058] RONALD HAWKINS-Attendance Governing Board Meeting Tuesday, January 18, 2022.	100.00	0.00	766,170.10
0004726	1/20/2022	[10503] STEVEN D HOFBAUER-Attendance Governing Board Meeting Tuesday, January 18, 2022.	100.00	0.00	766,070.10
0004727	1/20/2022	[01773] L A TINT, INC-Refund: Refunding per B.Lods	252.96	0.00	765,817.14
0004728	1/20/2022	[10054] KENNETH MANN-Attendance Governing Board Meeting Tuesday, January 18, 2022.	100.00	0.00	765,717.14
0004729	1/20/2022	[10592] SPECTRUM BUSINESS-Inv 126316401010122 - Internet - 12/15/21 - 01/31/22	435.79	0.00	765,281.35
0004730	1/20/2022	[10483] STREAMLINE-Inv F7C1BDDC-0014 - Web Hosting - January 2022	200.00	0.00	765,081.35
0004731	1/20/2022	[10050] WOELFL FAMILY TRUST-Lease Payment - February 2022	4,823.67	0.00	760,257.68
0000326	1/24/2022	Credit Card Transaction - Interior Demolition	0.00	244.00	760,501.68
0000327	1/24/2022	Credit Card Transaction - Boeing - J&A Companies	0.00	8,865.71	769,367.39
0003316	1/25/2022	[10012] CAPCOA-Invoices 519, 523	0.00	625.00	769,992.39
0002367	1/25/2022	[01797] HERTZ EQUIPMENT RENTAL-Refund Overpayment of Inv AV1160	0.00	27.17	770,019.56
0002594	1/25/2022	[10385] LOS ANGELES SUPERIOR COURT-Process Server - Aries Blasting Civil Lawsuit	0.00	40.00	770,059.56
0002691	1/25/2022	[10071] QUADIENT LEASING-Postage Meter Rental Aug 15	0.00	94.63	770,154.19
0003719	1/25/2022	[01176] FERRELLGAS, INC - FERRELLGAS, INC-Refund: Duplicate Payment of Invoice AV3785	0.00	800.04	770,954.23
0003865	1/25/2022	[01148] ANTELOPE VALLEY PRESS - ANTELOPE VALLEY PRESS-FY2020 Subscription to newspaper	0.00	229.95	771,184.18
0004249	1/25/2022	[10006] BANK OF THE WEST-CC Charges	0.00	24.78	771,208.96
0004272	1/25/2022	[10503] STEVEN D HOFBAUER-Attendance Governing Board Meeting Tuesday, September 15, 2020.	0.00	100.00	771,308.96
0004309	1/25/2022	[10046] VERIZON CALIFORNIA - NJ-Long Distance Charges	0.00	33.88	771,342.84
0000328	1/26/2022	Credit Card Transaction - Burns Enviornmental - Vulcan Materials	0.00	1,321.00	772,663.84
0000329	1/26/2022	Credit Card Transaction - Lifelong Learning Administration	0.00	551.00	773,214.84
0000330	1/27/2022	Credit Card Transactions - Palmdale Uni-Body & Paint - West Silver Cleaners - Vulcan Meterials - Applicant	0.00	1,942.12	775,156.96
0000332	1/27/2022	Wells Fargo ACH - Northrop Grumman	0.00	70,951.19	846,108.15
0000331	1/31/2022	Credit Card Transaction - Applicant	0.00	244.00	846,352.15
<b>Total for Report:</b>			<b>143,301.54</b>	<b>242,009.80</b>	

**Antelope Valley AQMD**  
**Bank Register from 1/01/2022 to 1/31/2022**  
General Fund P6A LA County

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	1/01/2022	Interest Earned	0.00	1,010.90	2,285,619.21
0000001	1/10/2022	Daily Deposit	0.00	66,379.55	2,351,998.76
R22-26	1/12/2022	Operating Fund Replenishment #11	148,650.14	0.00	2,203,348.62
0000379	1/18/2022	Daily Deposit	0.00	12,931.98	2,216,280.60
R22-30	1/19/2022	Transfer AB2766 - October 2021	47,331.12	0.00	2,168,949.48
R22-29	1/19/2022	Transfer AB2766 - September 2021	54,525.91	0.00	2,114,423.57
R22-28	1/19/2022	Transfer AB923 - October 2021	44,377.35	0.00	2,070,046.22
R22-27	1/19/2022	Transfer AB923 - September 2021	51,123.14	0.00	2,018,923.08
0000380	1/24/2022	Daily Deposit	0.00	254,408.68	2,273,331.76
<b>Total for Report:</b>			<b>346,007.66</b>	<b>334,731.11</b>	

**Antelope Valley AQMD**  
**Bank Register from 1/01/2022 to 1/31/2022**  
**WF AB2766**

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0022452	1/12/2022	[11339] OSIEL ALBARRAN JR-AB2766 GRANT	500.00	0.00	604,777.81
0022453	1/12/2022	[11334] NORIG N ARSENIAN-AB2766 GRANT	500.00	0.00	604,277.81
0022454	1/12/2022	[11347] MARTHA P AVINA-AB2766 GRANT	500.00	0.00	603,777.81
0022455	1/12/2022	[11338] IAN BERGER-AB2766 GRANT	500.00	0.00	603,277.81
0022456	1/12/2022	[11337] JUAN H CASTILLO GONZALEZ-AB2766 GRANT	1,000.00	0.00	602,277.81
0022457	1/12/2022	[11344] SHERRIE DALEY-AB2766 GRANT	500.00	0.00	601,777.81
0022458	1/12/2022	[11348] JOHN FONTENOT-AB2766 GRANT	500.00	0.00	601,277.81
0022459	1/12/2022	[11346] YOCELYNE GOMEZ-AB2766 GRANT	500.00	0.00	600,777.81
0022460	1/12/2022	[11333] NAZIFA HOSSAIN-AB2766 GRANT	500.00	0.00	600,277.81
0022461	1/12/2022	[11343] SIJIA JIA-AB2766 GRANT	500.00	0.00	599,777.81
0022462	1/12/2022	[11341] KIM C LINO-AB2766 GRANT	500.00	0.00	599,277.81
0022463	1/12/2022	[11336] RYAN LORD-AB2766 GRANT	1,000.00	0.00	598,277.81
0022464	1/12/2022	[11335] ANTHONY LUU-AB2766 GRANT	500.00	0.00	597,777.81
0022465	1/12/2022	[11345] JUSTIN MAGEE-AB2766 GRANT	1,000.00	0.00	596,777.81
0022466	1/12/2022	[11332] ALBERTO MENDOZA GONZALEZ-AB2766 GRANT	500.00	0.00	596,277.81
0022467	1/12/2022	[11342] SEAN JOSEPH MOORE-AB2766 GRANT	500.00	0.00	595,777.81
0022468	1/12/2022	[11351] BRIAN CHRISTOPHER OWEN-AB2766 GRANT	1,000.00	0.00	594,777.81
0022469	1/12/2022	[11340] SUNI STRONG-AB2766 GRANT	500.00	0.00	594,277.81
0022470	1/12/2022	[11350] COURTLIN THOMPSON-AB2766 GRANT	500.00	0.00	593,777.81
0022471	1/12/2022	[11352] CESAR ALEJANDRO TRUJILLO-AB2766 GRANT	500.00	0.00	593,277.81
0022472	1/12/2022	[11349] KYLE A TURNER-AB2766 GRANT	500.00	0.00	592,777.81
R22-30	1/19/2022	Transfer AB2766 - October 2021	0.00	47,331.12	640,108.93
R22-29	1/19/2022	Transfer AB2766 - September 2021	0.00	54,525.91	694,634.84
0022449	1/26/2022	[11326] EVELYN D EWELL-AB2766 GRANT	0.00	500.00	695,134.84
<b>Total for Report:</b>			<b>12,500.00</b>	<b>102,357.03</b>	

**Antelope Valley AQMD**  
**Bank Register from 1/01/2022 to 1/31/2022**  
WF AB923

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0001054	1/12/2022	[10884] COAST AUTO SALVAGE-AB923 GRANT	110.00	0.00	1,500,405.97
R22-28	1/19/2022	Transfer AB923 - October 2021	0.00	44,377.35	1,544,783.32
R22-27	1/19/2022	Transfer AB923 - September 2021	0.00	51,123.14	1,595,906.46
<b>Total for Report:</b>			<b>110.00</b>	<b>95,500.49</b>	

**Antelope Valley AQMD**  
**Bank Register from 1/01/2022 to 1/31/2022**  
**WF Special Revenue**

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0009010	1/12/2022	[01012] LANCASTER SCHOOL DISTRICT-AB134 GRANT	<u>28,510.32</u>	<u>0.00</u>	1,670,107.02
<b>Total for Report:</b>			<b>28,510.32</b>	<b>0.00</b>	

The following page(s) contain the backup material for Agenda Item: [Ratification of Board Chairman's determination pursuant to Government Code section 54953\(e\)\(3\) finding state or local officials continue to impose or recommend measures to promote social distancing. Adopt a resolution reaffirming the local Declaration of Emergency as adopted on April 27, 2020; ratifying the proclamation of a State of Emergency by the Governor on March 4, 2020; and authorizing remote teleconference meetings of the Governing Board of the Antelope Valley Air Quality Management District \(AVAQMD\) for the period of March 15, 2022 through April 15, 2022 pursuant to provisions of the Brown Act. Presenter: Bret Banks, Executive Director/APCO.](#)

Please scroll down to view the backup material.



**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER , CALIFORNIA**

*AGENDA ITEM #6*

**DATE:** March 15, 2022

**RECOMMENDATION:** Ratification of Board Chairman’s determination pursuant to Government Code section 54953(e)(3) finding state or local officials continue to impose or recommend measures to promote social distancing. Adopt a resolution reaffirming the local Declaration of Emergency as adopted on April 27, 2020; ratifying the proclamation of a State of Emergency by the Governor on March 4, 2020; and authorizing remote teleconference meetings of the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) for the period of March 15, 2022 through April 15, 2022 pursuant to provisions of the Brown Act.

**SUMMARY:** This action will allow members of the AVAQMD Governing Board to continue to meet via teleconference for the March 15, 2022 Governing Board Meeting in the same manner and using the same means of compliance with the Brown Act as has been done since early 2020.

**BACKGROUND:** On March 4, 2020 the Governor declared a State of Emergency in California due to the impacts of the novel corona virus (COVID-19). As part of the State of Emergency the Governor issued a variety of Executive Orders, specifically N-25-20, N-29-20, and N-35-20, allowing local and state agencies to hold public meetings using remote means without complying with certain specified provisions of the Ralph M. Brown Act, Government Code §§54950-54963. The waived provisions involved the ability to conduct remote meetings without: identification of all remote locations, agenda posting at all locations used, and public access to all the remote sites. Also waived was the requirement that a quorum of teleconferencing members be physically located within the jurisdiction.

On June 11, 2021 the Governor issued Executive Order N-08-21 which set forth a timetable for the resumption of applicability of those previously waived provisions. Specifically, the normal provisions of the Brown Act were to resume on September 30, 2021 and any meetings subject to the Brown Act after that date would be required to comply with all applicable provisions of the Act as it existed prior to the original State of Emergency proclamation.

**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM #6*

**PAGE 2**

The California Legislature responded by passing AB361 of 2021 which allowed the continued waiver of certain provisions of the Brown Act under certain specified conditions of emergency. The Governor signed AB361 on September 16, 2021 and thereafter issued Executive Order N-15-21 to allow meetings prior to October 1, 2021 to continue to be conducted under prior executive orders but that any meeting occurring on or after October 1, 2021 must be conducted pursuant to the provisions of the Brown Act as it existed prior to the original Executive Order waiver OR the local agency must comply with the provisions of AB361 to continue the waiver of certain provisions in 30 day increments.

The adoption of the attached resolution complies with the provisions of AB361 and will allow the Governing Board to conduct its March 15, 2022 meeting in the same manner as it has been conducting meetings throughout the pandemic emergency. Regularly scheduled Governing Board meeting agendas for 2022 will include an action item allowing AVAQMD to comply with the provisions of AB361 to continue the waiver of certain provisions in 30-day increments.

**REASON FOR RECOMMENDATION:** AB361 of 2021 requires a Governing Board resolution making findings and declaring (or ratifying) a local emergency to allow waiver of specific Brown Act meeting provisions.

**REVIEW BY OTHERS:** This item was reviewed by Allison Burns on or about February 24, 2022.

**FINANCIAL DATA:** No increase in appropriation is anticipated.

**PRESENTER:** Bret Banks, Executive Director/APCO

## **RESOLUTION NO. 22-03**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT (“DISTRICT”) PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY EXECUTIVE ORDERS N-25-20, N-29-20 AND N-35-20, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR A THIRTY (30) DAY PERIOD PURSUANT TO BROWN ACT PROVISIONS.**

**WHEREAS**, Antelope Valley Air Quality Management District is committed to preserving and ensuring public access and participation in meetings of the Board of Directors; and

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

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

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

**WHEREAS**, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological, or human-caused disasters; and

**WHEREAS**, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

**WHEREAS**, such conditions now exist in the District, specifically, the Governor of California issued a series of Executive Orders aimed at containing the novel coronavirus; and

**WHEREAS**, the State of California and County of Los Angeles recommend social distancing due to the coronavirus; and

**WHEREAS**, the Board of Directors does hereby find that the threat of the coronavirus has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of California; and

**WHEREAS**, as a consequence of the local emergency, the Board of Directors does hereby find that the Board of Directors of Antelope Valley Air Quality Management District shall conduct its meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that the Board of

Directors shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

**WHEREAS**, the District will post an agenda (72 hours in advance of a regular Board meeting and 24 hours in advance of a Special Board meeting) on the District’s website at [avaqmd.ca.gov](http://avaqmd.ca.gov) which will contain information on how the public can participate in the meeting and provide Public Comments.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the District’s jurisdiction, and social distancing is recommended by the State of California and County of Los Angeles.

Section 3. Ratification of Governor’s Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California’s Proclamation of State of Emergency, effective as of this Resolution’s issuance date of March 15, 2022.

Section 4. Remote Teleconference Meetings. The Executive Director/CEO and the Board of Directors of Antelope Valley Air Quality Management District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) April 15, 2022, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors of Antelope Valley Air Quality Management District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

**PASSED AND ADOPTED** by the Board of Directors of Antelope Valley Air Quality Management District this 15 day of March, 2022.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary



**Antelope Valley Air Quality Management District**

43301 Division Street, Suite 206

Lancaster, CA 93535

661-723-8070

[www.AVAQMD.ca.gov](http://www.AVAQMD.ca.gov)

**DATE: March 15, 2022**

**TO: BOARD OF DIRECTORS**

**SUBJECT: RESOLUTION 22-03 PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY EXECUTIVE ORDERS N-25-20, N-29-20 AND N-35-20, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR A THIRTY (30) DAY PERIOD PURSUANT TO BROWN ACT PROVISIONS**

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**RECOMMENDATION**

That the Board of Directors approve Resolution 22-01, proclaiming a local emergency, ratifying the proclamation of a state of emergency by Executive Orders N-25-20, N-29-20 and N-35-20, and authorizing remote teleconference meetings for a thirty (30) day period pursuant to Brown Act provisions

**FISCAL IMPACT**

None.

**BACKGROUND**

On September 16, 2021, Governor Newsom signed Assembly Bill ("AB") 361 into law. AB 361 is urgency legislation amending the Brown Act to allow legislative bodies of local agencies to meet remotely with relaxed teleconferencing requirements during declared emergencies under certain conditions.

AB 361 adds new procedures and clarifies the requirements for conducting remote meetings, including the following:

- **Public Comment Opportunities in Real Time:** A legislative body that meets remotely pursuant to AB 361 must allow members of the public to access the meeting via a call-in option or an internet-based service option, and the agenda for the remote meeting must provide an opportunity for members of the public to directly address the body in real time. A legislative body cannot require public comments to be submitted in advance of the meeting.

- **No Action During Disruptions:** In the event of a disruption that prevents the local agency from broadcasting the remote meeting, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, AB 361 prohibits the legislative body from taking any further action on items appearing on the meeting agenda until public access to the meeting via the call-in or internet-based options is restored.
- **Periodic Findings:** To continue meeting remotely pursuant to AB 361, a legislative body must make periodic findings concerning the declared emergency and its effects. AB 361 will sunset on January 1, 2024.

The proposed resolution would make the findings required by AB 361 in order to allow Antelope Valley Air Quality Management District to continue to make remote attendance available to its board members and the public if and to the extent needed.

Prepared and Submitted by:

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Allison E. Burns

General Counsel, Antelope Valley Air Quality Management District

The following page(s) contain the backup material for Agenda Item: [1\) Receive and file Policies and Procedures Manual for the District's Community Air Protection \(CAP\) Program. Presenter: Julie McKeehan, Grants Analyst.](#)  
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM #7*

**DATE:** March 15, 2022

**RECOMMENDATION:** 1) Receive and file Policies and Procedures Manual for the District's Community Air Protection (CAP) Program.

**SUMMARY:** Receive and file the District's Policies and Procedures Manual for the District's Community Air Protection (CAP) Program. The manual complies with program requirements as stated in Chapter 3, Section B.5 of the CAP Guidelines.

**BACKGROUND:** Assembly Bill (AB) 617 (C. Garcia, Chapter 136, Statutes of 2017) provides a community-focused action framework to improve air quality, reduce exposure to criteria air pollutants, and toxic air contaminants in communities most impacted by air pollution. Subsequent legislation has allocated funds for incentive projects to reduce or eliminate emissions from mobile, stationary, and community-identified pollution sources. These funds are distributed through the CAP via incentives. Funded by Cap-and-Trade auction proceeds, CAP incentives are awarded by the District to projects that reduce toxic and smog-forming pollutants that affect public health in communities disproportionately affected by air pollution. The manual explains the District's local implementation of the CAP Guidelines. Staff will review this manual at least once a year and make it available to the public.

**REASON FOR RECOMMENDATION:** Review and file.

**REVIEW BY OTHERS:** This item was reviewed by Allison E. Burns Special Counsel to the Governing Board as to legal form and by Bret Banks, Executive Director/APCO – Antelope Valley Operations on or before February 28, 2022.

**FINANCIAL DATA:** No change in appropriation is anticipated at this time.

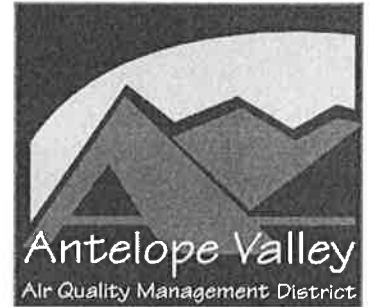
**PRESENTER:** Julie McKeehan, Grants Analyst.

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cc: Julie McKeehan



*ANTELOPE VALLEY*  
AIR QUALITY MANAGEMENT DISTRICT



# Community Air Protection Incentives Program Policies and Procedures Manual

Adopted: January 18, 2022

43301 DIVISION ST., SUITE 206  
LANCASTER, CA 93535-4649  
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# Policies and Procedures Manual for Community Air Protection Incentives Projects

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# Policies and Procedures Manual for Community Air Protection Incentives Projects

## A. Introduction

Assembly Bill (AB) 617 (C. Garcia, Chapter 136, Statutes of 2017) provides a community-focused action framework to improve air quality and reduce exposure to criteria air pollutants and toxic air contaminants in the communities most impacted by air pollution. Subsequent legislation has allocated funds for incentive projects to reduce or eliminate emissions from mobile, stationary, and community-identified pollution sources. These funds are distributed through the Community Air Protection (CAP) Program and known as CAP incentives.

Funded by Cap-and-Trade auction proceeds, CAP incentives are directed by the Air District to projects that reduce the toxic and smog-forming pollutants that affect public health in communities disproportionately affected by air pollution. Project decisions follow outreach by the air district to the public in affected communities, and the opportunity for community members to propose and comment on specific projects.

Projects funded with CAP incentives must align with the goals and requirements of California Climate Investments, which include targeting funds to projects that meaningfully reduce local pollutant exposure in disadvantaged and low-income communities while also showing a net reduction in greenhouse gas emissions. As directed by the California Air Resources Board (CARB), at least 80 percent of CAP incentives must be invested in projects located in and benefitting these disadvantaged and low-income communities, with 70 percent invested in disadvantaged communities.<sup>1</sup>

This manual explains the Air District's local implementation of the Community Air Protection Incentives Guidelines (CAP Guidelines)<sup>2</sup> adopted for the State of California by CARB. Air District staff will review this manual at least once a year and make it available to the public and be posted on the Air District website. The manual is required by Chapter 3, Section B.5 of the *CAP Guidelines*. It includes the specific requirements of that section and other procedures referred to in the *CAP Guidelines* that affect local implementation. The manual also includes any Air District requirements that are

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<sup>1</sup> See CARB Resolution 18-15 at <https://ww3.arb.ca.gov/board/res/2018/res18-15.pdf>.

<sup>2</sup> <https://ww2.arb.ca.gov/resources/documents/community-air-protection-incentives-guidelines>

additional to or more stringent than State requirements, and any CARB approvals of Air District program elements that vary from State requirements.

CAP incentives were initially distributed under the auspices of the Carl Moyer Memorial Air Quality Standard Attainment Program (Moyer Program). Where there is full consistency in the policies and procedures that the Air District has adopted under both CAP incentives and the Moyer Program, this manual may refer the reader to the Carl Moyer Program Guidelines.

In addition to the *CAP Guidelines* cited above, the following documents provide further background and policy guidance for CAP incentives.

- ◆ Assembly Bill No. 617 <sup>3</sup>
- ◆ California Climate Investments (CCI) Funding Guidelines <sup>4</sup>
- ◆ Community Air Protection Blueprint <sup>5</sup>
- ◆ Carl Moyer Program Guidelines <sup>6</sup>

## **B. Air District Roles and Responsibilities**

CAP incentives are administered within the Air District's Grants Section, under the immediate supervision of the Finance Manager. The Grants Section supervises community engagement, including public meetings and workshops, and reviews project applications. Following the review, the Grants Section will propose eligible projects for funding to the Governing Board. The Governing Board will approve projects for funding, or may otherwise instruct the Executive Director/Air Pollution Control Officer to make final funding decisions, including decisions on project substitutions.

The Grants Section will execute funding agreements with CARB, meaningfully engage members of their communities to seek guidance on how best to direct CAP incentives in the community, issue project solicitations, evaluate and select projects for the CAP Incentives Proposal, request fund disbursements from CARB, review reports by grantees, and carry out project inspections and audits. The Grants Section will also respond to public inquiries about potential funding opportunities and project eligibility,

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<sup>3</sup>[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB617](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB617)

<sup>4</sup><https://ww2.arb.ca.gov/resources/documents/cci-funding-guidelines-administering-agencies>

<sup>5</sup><https://ww2.arb.ca.gov/capp-blueprint>

<sup>6</sup><https://ww2.arb.ca.gov/guidelines-carl-moyer>

maintain the Air District's CAP incentives website, and plan and staff public meetings and workshops, in consultation with the Air District Public Liaison Officer.

### **C. Pollution Source Categories**

The Air District allocates CAP incentives to mobile source projects eligible under the Moyer Program. In addition to Moyer projects, CAP incentives may be used to support stationary, area and other mobile source projects identified in the *CAP Guidelines*. Currently these include (a) hexavalent chromium plating facilities and (b) specified projects to reduce air pollution in schools, including emissions from composite wood products, lawn and garden equipment, air filtration, and school transportation.

### **D. Public Outreach**

Outreach for project solicitation includes outreach to potential applicants and community groups involved in the community engagement process, and may include press releases to local media. The District will provide direct outreach to groups of potential applicants in disadvantaged and low-income communities to increase awareness of funding opportunities. The District may also conduct outreach in or near disadvantaged communities to seek input on important community needs from local residents and community-based organizations. A survey may be distributed asking participants to highlight their community's air quality-related needs (toxics, diesel PM, wildfire smoke, criteria pollutants, GHGs, etc.). The issue reported by the most community members will be considered the community's primary need for the purposes of project ranking. Other needs will be considered secondary needs for the purposes of ranking projects. Priorities identified by community members and organizations will be documented and provided to the District's Governing Board.

A map of Disadvantaged Communities (SB 535 (De León, Chapter 830, Statutes of 2012)) and Low-income Communities (AB 1550 (Gomez, Chapter 369, Statutes of 2016)) can be found at the [California Climate Investments Priority Populations](#).

The Air District reports to CARB on implementation of CAP incentives twice a year in spring and fall, consistent with the requirements of the CAP Guidelines and CCI Funding Guidelines. In these reports, the District includes each public outreach event and campaign held for CAP incentives, including the date and time, place, format, estimated attendance or audience size, accessibility, meeting materials, whether language interpretation was requested and provided.

## E. Procedures for Project Selection

CAP incentives are intended for investment in projects that provide direct, meaningful, and assured benefits in high priority communities suffering disproportionate shares of air pollution. For this reason, the Air District prioritizes projects that reduce emissions or exposure in disadvantaged (Senate Bill (SB) 535) and low-income (AB 1550) communities.

The District accepts proposed projects/applications on an open basis, and reviews and evaluates projects on a monthly basis that are consistent with the supported project categories as described in Section C. Applications found to meet CAP incentives project eligibility requirements under State guidelines are evaluated for funding consideration based on benefit to community, community need, and the following criteria, as applicable. Note that emission reductions estimated relative to the criteria are limited to emission reductions that are surplus to existing rules and regulations.

1. Whether the project or project type is eligible under the Moyer or CAP Guidelines and identified by community members and organizations as primary need;
2. Hours or miles of operation within one or more SB 535 community or AB 1550 communities during the project lifetime, with higher priority assigned to SB 535 communities;
3. Amount of PM<sub>2.5</sub> and toxic air contaminant emission reductions projected within the AB 617, SB 535, or AB 1550 community during the project lifetime;<sup>7</sup>
4. Cost-effectiveness of criteria pollutant emission reductions estimated from the project during its lifetime;<sup>8</sup>
5. Whether the project incorporates zero-emissions equipment, technologies, or charging infrastructure, especially for medium- and heavy-duty vehicles;

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<sup>7</sup> State guidelines make reducing PM<sub>2.5</sub> and air toxics where needed a pre-eminent purpose of the CAP incentives projects. Especially when needed to support Community Emissions Reduction Programs the Air District elects to weigh this criterion more heavily. For some project types, reduced pollutant exposure at sensitive receptor sites may be substituted for this criterion. Examples are the installation of air filtration equipment at schools and proximity-based projects that support transportation, land use and urban design strategies.

<sup>8</sup> Mobile source projects outside the *CAP Guidelines* must meet Moyer Program cost-effectiveness requirements as applicable. The Air District also considers the cost-effectiveness of stationary source projects. The Air District will consider less cost-effective projects in Community Emissions Reduction Programs, when supported by community steering committees, community organizations, and community members. The Air District will document its cost-effectiveness methodologies and calculations, and inform communities of relative risk when comparing strategies that address different sources and different pollutants.

6. Whether the project will provide demonstrable reductions in greenhouse gas emissions, such as through reduced consumption of fossil fuels directly through new vehicles or equipment, or indirectly through charging infrastructure.

Air District staff will review submitted project proposals/applications and rank them by the community identified need and cost-effectiveness.

Applicants will be notified within 45 working days of submittal of the proposal/application's eligibility, if the project meets a community identified need. Applicants will also be informed of the date, time and location of the regular meeting of the District Governing Board for when the proposed project is scheduled to move forward for funding consideration. Proposed projects moving forward for funding consideration will be listed, at least one week prior to the District's Governing Board meeting, in the AVAQMD's Board Agenda Packet and on the District's webpage dedicated to Community Air Protection Incentives for viewing of proposed and awarded projects. Applicants will be notified within 3 working days of the District's Governing Board's decision.

Applicants should not order or make down payments on new equipment prior to Governing Board action to award the project and authorization by Air District staff following project pre-inspection.<sup>9</sup> A grantee may not receive equipment nor begin work on a repower or retrofit project prior to full execution of a contract between the Air District and the grantee, unless the Air District has provided the potential grantee with written notification that any work performed is not guaranteed funding until a contract is executed. For infrastructure projects, discretionary costs may be accrued by an applicant prior to contract execution, but such costs are not reimbursable until after contract execution.

## **F. Application Review and Project Documentation**

Air District staff will review each project application for CAP incentives funding, and notify applicants within 30 days if the application is not complete. In such cases Air District staff make every effort to clarify what is required to make the application complete. Project applications must include the information needed to evaluate the project relative to the scoring criteria in Section E, including cost-effectiveness and location information.

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<sup>9</sup> The term "equipment" as used in this manual refers all equipment eligible for grant funding, including vehicles, engines, off-road mobile equipment, stationary equipment, filtration devices, lawn-and-garden equipment, charging stations and other infrastructure.

The application and all correspondence with the applicant are kept in a project file along with an explanation for project selection which is summarized in the Board Agenda Item. Air District staff will work with applicants to ensure that the estimated emissions reductions are eligible and in excess of adopted regulations, and that the project meets cost-effectiveness and other applicable requirements of State guidelines. This will include verifying that the project meets requirements that apply for the emissions source category in State guidelines. Documentation requirements include the following.

1. Documentation of historical vehicle, equipment, or engine usage, such as miles traveled, hours operated, or fuel consumed per year, for 24 months or as required by source category;<sup>10</sup>
2. Documentation of project costs;
3. Engine or retrofit device Executive Orders, if applicable;
4. Proof of vehicle compliance check as needed for mobile projects;
5. Other documentation identified in the source category chapter.

**Applicant Certification.** Project applications include language informing the applicant that by signing and submitting the application, the applicant certifies under penalty of perjury that the information in the application is accurate and true. The applicant must also provide:

1. A disclosure statement specifying all sources of funding applied for at the time of the CAP incentives project application. Because the sum of project funding from all sources cannot exceed the total project cost, the applicant must specify whether the applicant has submitted an application for incentive funds to any other entity or program for the same equipment (for example, repowering of the same engine). The applicant must disclose to whom other applications were submitted, whether funds have been awarded or may be awarded, and the amount or potential amount of other funding.
2. A regulatory compliance statement certifying that the applicant is currently in compliance with all federal, State, and local air quality rules and regulations at time of application submittal, and is not aware of any outstanding or pending enforcement actions.

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<sup>10</sup> If an applicant has been on active military duty at any time during the previous 24 months, documentation prior to deployment and covering the same length of time as the deployment period may be used to meet the title, registration, usage, and operation in California requirements as applicable for each source category. The applicant must submit a copy of *DD Form 214, Certificate of Release or Discharge from Active Duty* to verify military service during the deployment period.



**Application Signatures.** The application will include a section for the vehicle, engine or equipment owner to sign and date the application. If a third party completes the application on behalf of the owner, the third party must separately sign the application.

**Subsequent Applications and Limitations.** An applicant may re-apply for project funding if a previous application for the same project has been rejected by the Air District and is no longer being considered. Once under contract, CAP incentives participants may not apply for funding for the same project from CAP incentives, the Moyer Program, the Proposition 1B Program, or any other incentive program. An applicant who if found to have applied for or received incentive funds from another entity or program for the same project without disclosing that information will be disqualified from funding for that project from all sources within the control of the Air District or CARB.

If the Air District amends the contract to reduce the term, the amended project must be cost-effective during the reduced contract term, based on the cost-effectiveness values and limit that applied when the original contract was executed. If the Air District agrees to accept a prorated repayment of the CAP incentives grant, the repayment and amended contract execution must both occur prior to the execution of any new contract for funding.

Emissions reductions from previously funded projects must not be included as emissions benefits for any subsequent project under CAP incentives or any other incentive program. In addition, projects funded with CAP incentives may not be used to generate a compliance extension or credit for regulatory compliance.

**Recordkeeping.** The Air District maintains a file for each project selected for funding, for three years following the end of the contract term. In the event final payment has not been issued prior to the end of the contract term, the three-year clock is re-started upon final payment. Applications for unfunded projects are generally kept a minimum of two years following the solicitation period, or two years from receipt if there is not a specified solicitation period.

## G. Contract Requirements

The Air District will execute a contract with each grantee receiving CAP incentives, stating the grantee and the Air District as parties to the contract. All executed project contracts and contract amendments are kept in the Air District's project files. An applicant may not order or make a down payment on new equipment prior to contract execution or written confirmation from the Air District that its Governing Board has approved the project for funding. Only after contract execution may a grantee receive new equipment or begin work on a repower project.<sup>11</sup> Contracts will include the following elements.

1. **Notices and Signatures.** The Air District will include in contracts the contact information for both parties, and how notices will be sent and received. The contract will include a section for signatures and dates of signature or contract execution.<sup>12</sup>
2. **Funding Sources.** Grantee certification that (a) all funding sources applied for or received for the project have been disclosed, and (b) the grantee will notify the Air District of any additional sources of funding received for the total cost of the project, including sources that become available after contract execution. Grantees receiving co-funding from other sources for the project must meet all criteria associated with each funding source used. Grantees that are not public entities will commit to providing at least 15 percent of the project's eligible costs from non-public sources. The contract will include terms that prohibit the grantee from receiving grants and other funds that exceed the total project cost.
3. **Contract Term.** The contract will specify the time terms for project completion and project implementation. The Air District will ensure project completion can occur in time to meet grant liquidation deadlines set in statute.
  - a. Project completion is the timeframe starting with the date of contract execution until project post-inspection confirms that the project has become operational, including the period when equipment is ordered, delivered and installed.

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<sup>11</sup> Where timely action is required to move the project forward, Air District staff may provide written authorization for the grantee to proceed at his or her own fiscal risk pending contract execution. For infrastructure projects a grantee may accrue discretionary costs prior to contract execution, but such costs are not reimbursable until after contract execution.

<sup>12</sup> Digital signatures, if used, must comply with California Government Code section 16.5, Title 2, California Code of Regulations, sections 22000–22005.

- b. Project implementation is the timeframe used to calculate project cost-effectiveness. The contract will require the grantee to operate and maintain the grant-funded project according to the terms of the contract for the full project implementation period.
4. **Project Specifications.** The Air District will include in contracts detailed information on baseline and new equipment. The project application may be attached to the contract to help meet this need if it is accurate and complete. The Air District will include the following in contract language.
- a. A statement that the project complies with all applicable guidelines;
  - b. Grantee certification that the grantee's fleet and all equipment is compliant with federal, State, and local air quality rules and regulations in effect at the time of contract execution, and that grantee will maintain compliance for the full contract term;
  - c. For repower projects, a statement that installation of the engine will be completed in a manner that does not void the engine manufacturer warranty and any remaining warranty provided by the equipment manufacturer;
  - d. Projects funded with CAP incentives must be included when defining the size of the fleet for determining regulatory requirements;
  - e. Throughout the contract term, the project will not be used to generate credits or compliance extensions, and must be excluded when determining regulatory compliance;
  - f. The Air District may approve substitution of eligible replacement equipment that is verified or certified to achieve equivalent or greater emission reductions than the original replacement equipment, in the same location as the original project replacement equipment, following prior request by the grantee;
  - g. The Air District may include in the contract an estimation of usage for the old equipment, in cases where 24 months of documented, verified historic usage is not available. The Air District will base this estimation on comparisons to the applicant's documented historic usage of similar equipment in similar applications, discounted by 20 percent. Limited usage documentation or other circumstances will be considered on a case-by-case basis.

5. **Maintenance.** The contract will require the grantee to maintain the funded equipment according to the manufacturer's specifications for the life of the project, including a prohibition on tampering. The grantee must maintain a working hour meter for projects that use hours of operation as a means of calculating emissions reductions and cost-effectiveness. If the hour meter fails, the grantee must immediately notify the Air District, and remain responsible for validating any hours not recorded by the hour meter. The grantee must either repair or replace the non-operating meter or provide other documentation of equipment operating hours acceptable to the Air District.
6. **Payment Terms.** The contract will include the following payment terms.
  - a. *Maximum Contract Amount.* The maximum contract amount must not exceed the maximum funding level corresponding to the current program cost-effectiveness limit, nor may the maximum contract amount exceed the project incremental cost. The maximum contract amount must also comply with any funding caps and other criteria for the specific project category as identified in the *CAP Guidelines*.
  - b. *Itemized Invoices.* Payment terms must require itemized invoices from the engine or equipment supplier for repowers and infrastructure projects, paid invoices from the vehicle owner for new vehicles, and satisfactory post-inspection by the Air District prior to payment of the owner's invoice. An invoice payment for a specific vehicle, engine, or piece of equipment may not exceed the amount indicated on the project contract for that vehicle, engine, or equipment. The contract will specify that the Air District will pay the lower of the contract amount or the final invoice amount.
7. **Reporting.** The Air District will include in contracts a provision and dates for grantees to submit annual reports, commencing no later than 18 months after project post-inspection and continuing annually thereafter throughout the project implementation phase of the contract. The contract will inform the grantee that noncompliance with reporting requirements will require on-site monitoring or inspections.
8. **Inspections, Audits and Records.** The contract will include language to allow Air District or CARB staff or their designees to conduct an inspection and/or audit of the project, equipment and associated records during the contract term. The contract will require grantees to maintain usage and other records associated with the project for at least three years after the end of the contract term.

9. **Repercussions for Nonperformance.** The contract will include provisions for grantee nonperformance with the terms of the contract, including the following.
- a. The contract will specify that by executing the contract the grantee understands and agrees to use the equipment according to the terms of the contract, and to cooperate with the Air District and CARB in implementation, monitoring, enforcement, and other efforts to ensure project emissions benefits are realized.
  - b. The contract will specify repercussions to the grantee for noncompliance with contract requirements, including but not limited to cancelling the contract and recapturing project funds in proportion to loss of emission reductions or reduction in usage (subject to the provisions in Section L of this manual for inadequate use).
  - c. The contract will inform the grantee that the Air District and CARB have the authority to seek any remedies available under the law for noncompliance with CAP incentives requirements and contract nonperformance. The contract will state that CARB, as an intended third-party beneficiary, reserves the right to enforce the terms of the contract at any time during the contract term to ensure emissions reductions are obtained.

## **H. Invoicing and Payment**

Within 30 days of project completion, the grantee should submit to the Air District an invoice package that describes all equipment purchased with grant funds and provides documentation that costs are eligible and have been expended in compliance with the project description and schedule. The package will include (a) serial numbers and proof of warranties required under *CAP Guidelines*, (b) an itemization of payments to, and copies of invoices from, vendors, consultants, and contractors, and (c) documentation of hours incurred to complete the project and the hourly rates for any labor charges. Costs not directly related to the project will not be included in the invoice, or will be shown as not eligible for reimbursement by the Air District.

Eligible costs are those required to ensure the effective installation and operation of the new equipment, not part of typical equipment maintenance or repair. Transport and installation costs are eligible, as are taxes, provided they are verified and within the overall grant amount. Tires, axles, paint, brakes, and mufflers are not eligible costs for engine repower projects. Other ineligible costs may be specified by source category in the *CAP Guidelines*.

Invoices are part of the public record for the project. The Air District will maintain copies of all invoices and documentation of payments in the project file and in the Air District Office of Accounting. Prior to final payment, the Air District will verify through physical inspection that the project is completed and operational, and that any older equipment replaced as part of the project has been destroyed. Air District staff will verify that the invoice is consistent with equipment information on the inspection form completed after project completion, and that the sum of funds paid on project invoices does not exceed the total project cost.

**Payments to Grantees.** The Air District will pay grantees for eligible costs, not to exceed the amount of the grant, within 45 working days of receipt of an invoice package assuming the completion of required project inspections with satisfactory results. Payment will be made directly to the grantee unless the contract specifies payment to a dealer or distributor. If the contract required the grantee to demonstrate a regulatory requirement is met as a condition of project funding, the Air District will require documentation that the requirement is met before issuing payment.<sup>13</sup> The contract may specify that a portion of the grant payment will be withheld pending the receipt and review of one or more reports from the grantee.

**Records Retention.** The Air District will retain grant receipts and expenditure documents, including invoices, contracts, vouchers, personnel records, and payroll records for five years after the grant liquidation period or the last recorded grant transaction, whichever is later.

## I. Project Inspections

Project inspections are field visits conducted for projects awarded CAP incentives. There are several types of project inspections. Except in limited cases permitted under *CAP Guidelines*, Air District staff conducts a *pre-inspection* prior to executing a contract to verify equipment information in the grant application. Air District staff conducts a *post-inspection* after completion of the project, to verify that the equipment identified for funding in the contract agreement has been purchased and installed and is operating properly, that replaced equipment is no longer operable, and that the completed project is consistent with the project scope in the contract and the invoice submitted by the grantee.

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<sup>13</sup> Documentation is demonstrated with a letter from the equipment owner or legal representative, except where CARB or Air District certification of compliance is required. See the applicable source category chapter for further information.

Staff will separately inspect replaced equipment to verify its destruction. Staff may also conduct an inspection during a project audit to verify continued project operation.

Additional or different inspection requirements may apply to infrastructure or stationary source projects, as specified in the source category requirements of the *CAP Guidelines*.

**Procedures.** Air District staff will arrange the time and location for project inspections with the equipment owner or operator -- or in some cases, a truck dealer or the dismantler of old equipment. Inspections are generally conducted onsite by Air District staff, but staff may arrange a remote inspection by videoconference, with the assistance of an equipment owner, operator, dealer or dismantler equipped with a suitable camera.

A staff member will be identified as a point of contact for the applicant or grantee. Air District staff will provide their own safety equipment for the inspection; generally, this includes a hardhat, goggles, earplugs, dust mask, reflective vest, gloves and steel-toed boots. Air District staff will adhere to other on-site safety requirements as instructed at the project site.

Staff will complete an inspection form with contact information for the inspector and the applicant or grantee, the inspection date, equipment location, and information specific to each piece of equipment under inspection. Information collected may include but is not limited to the items below, as applicable to both old and new equipment. Where information cannot be obtained at an inspection, Air District staff will document so in the inspection report.

1. Equipment type, make, fuel type, model year, model and unit numbers, and as applicable and available, engine tier and engine family;
2. Equipment power in kilowatts or horsepower;
3. Equipment serial numbers;<sup>14</sup>
4. Vehicle identification number, license plate number or other equipment identifiers, e.g., marine vessel name and identification number;
5. Equipment usage meter reading (usually in hours or miles), if applicable and used to calculate cost-effectiveness;

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<sup>14</sup> In cases where the serial number is missing or illegible, Air District staff will stamp or tag the engine with a unique CAP incentives number. For equipment that has been replaced, staff will verify and document that the old serial numbers match those on the project contract. Serial numbers are also recorded for electrical agricultural pumps and associated variable frequency devices.

6. For pre-inspections, certification or supporting documentation from the applicant or grantee that the equipment under inspection is in compliance with applicable rules and regulations;
7. For post-inspection of retrofit devices, information from the labels affixed on the device and the engine (Note: where such labels are missing the inspector will provide direction to the grantee for the installation of compliant labels.);

Staff will ask to witness engine or motor start and verify that the equipment is operated according to its stated use. Other procedures apply to infrastructure projects based on direction in state guidelines. Staff will verify the battery charging capability of electric charging stations and the generation of power by solar and wind projects, for example.

Air District staff will note on the inspection form (and document with photographs where possible) any concerns, problems, or follow-up issues identified during the inspection.

**Photographs.** During inspections, Air District staff will usually take multiple photographs of each relevant piece of equipment, to ensure pictures are clear and avoid the need for follow-up visits. In the case of remote inspections, the lead inspector will request specific pictures of the equipment from the grantee during the inspection; photographs taken should be transmitted to the Air District on the day of the inspection. Photographs will include equipment identification numbers as noted above, and close-up pictures of each engine plate or equipment tag. Staff will photograph and obtain information for both the new and replaced equipment, including verification of old equipment destruction (e.g., a hole in the block of a replaced engine). Photograph requirements may vary for stationary source and infrastructure projects.

Air District staff will download photographs to Air District computers using a filename that includes the project number, date of the inspection and equipment identifier. Staff will scan and file the inspection form with the photographs, and retain electronic copies in the project file.

**Destruction Verification.** For replacement and repower projects, Air District staff will document the destruction of old equipment to ensure it is not used again. Replaced engines will be photographed following their destruction; the photograph should show a jagged hole in the engine block that is at least three inches at the narrowest point. A portion of the oil pan flange should be connected to the hole unless infeasible. Or any other photographs documenting the vehicle/engine destruction.



For vehicle replacement projects (not repowers), photographs must show cuts in the chassis or other structural frame; the frame rails between the front and rear axles should be completely severed to render the equipment unusable. Other approved methods of engine destruction will be approved by the Air District on a case-by-case basis. The methods must render the engine inoperable. At some post-inspections, inspectors may request documentation from the dismantler that the engine and frame are destroyed. Inspectors will verify that the documentation from the dismantler is valid and retain it with electronic records of the inspection.

## **J. Grantee Reporting and Documentation**

Grantees are required to submit annual reports to the Air District within 18 months of post-inspection and annually thereafter for the term of the contract. Annual reports include the following information:

1. Grantee name, address, email address and telephone number;
2. Information needed to uniquely identify the project's equipment, such as make, model, horsepower, and serial number;
3. Current location of the equipment identified under item 2 which will include an estimated percentage of the time or miles the vehicle or equipment has operated within the disadvantaged or low-income community;
4. Estimated percentage of time or miles the vehicle or equipment has been operated within the boundaries of the Air District since the previous annual report;
5. Current and past-year readings of usage metering devices (e.g., hour meter, odometer, or electronic monitoring unit) for the equipment included in the project, and dated current photographs of the usage metering devices displaying use as of the date indicated;
6. Estimated energy use since the previous report, in gallons or therms of fuel or kilowatt-hours of electricity, for each engine, vehicle or other equipment included in the project;
7. If usage is more than 30 percent below that identified in the project application, a description of conditions that have affected project usage and a projection of future usage.

As discussed in Section G and specified in the contract, the grantee must maintain a working hour meter for projects that used hours of operation as a means of calculating emissions reductions and cost-effectiveness. In any case where a usage metering device

has failed, the grantee will include in the report an estimate of hours or miles of operation since the last yearly report (or since project completion, if a yearly report has not yet been submitted). The estimate should be supported by fuel receipts, operation logs, or other explanation of the methods used to determine usage.

When an annual report is overdue, incomplete, or inaccurate, the Air District will make a reasonable attempt to obtain a complete and accurate report from the grantee. Air District staff may also request an inspection of the funded equipment. In the absence of a satisfactory annual report the Air District will identify the project for a performance audit.

Failure to submit annual reports is considered a breach of the grant contract. It may result in recapture of grant funds from the grantee and/or jeopardize the grantee's eligibility to participate in future incentive and grant programs. Grantees that have not submitted complete required reports will not be granted funds for new CAP incentives projects until all reports are satisfactorily submitted.

Air District staff will review annual reports within 15 days of receipt. This review will check the completeness and accuracy of the report, whether actual documented equipment usage compares to contracted usage requirements, the location of equipment operation relative to commitments in the contract, ownership of the equipment, and changes to grantee contact information. Air District staff will follow up with the grantee on issues to be addressed as a result of the annual report. The Air District will maintain a copy of the report in the project file.

## **K. Project Monitoring and Audits**

CAP incentives projects are monitored during their contract terms to ensure they are compliant with the requirements of their contracts and the program guidelines. Projects are monitored using annual reports, project audits that involve inspections of selected funded equipment to ensure it is operating in accordance with the grant requirements, project inspections, notifications of potential fraud or misuse of grant funds from third-parties, and grantee self-reporting of problems with the project.

The Air District conducts performance audits of at least five percent of projects funded with CAP incentives. Audits include inspections of some or all contracted equipment; projects with multiple vehicles or equipment will have individual equipment inspections consistent with *CAP Guidelines*.

During a performance audit, actual documented equipment usage is checked to see how the equipment is being used in comparison to the contracted usage requirements. The equipment location is checked to see where it is operating relative to any requirements specified in the contract. The inspector checks serial numbers and confirms the funded equipment is operational. Equipment ownership is confirmed to see if the funded equipment still belongs to the grantee, and grantee contact information is verified. Application materials may also be re-checked if there are questions regarding the accuracy of the information originally submitted or to identify any administrative errors made by Air District staff.

Other expectations of the grantee with respect to project audits may be specified in the contract for the project, which requires grantees to cooperate fully with inspections and audits, including providing on a timely basis copies of any project records to the Air District and to State agencies who request them. In addition to performance audits conducted by Air District or CARB staff, project financial audits may be conducted by the California Department of Finance, the California State Auditor, or another State agency.

## **L. Project Compliance**

The Air District will work with the grantee when a project is not meeting operational and usage expectations set forth in the application and contract, to ensure CAP incentives project requirements are met and emissions reductions are achieved. The Air District may consider unforeseen circumstances beyond the grantee's control in determining repercussions for nonperformance.

The contract requires grantees to notify the Air District if there is a change in the usage of funded equipment or if equipment is removed from service. Air District staff will collect a written statement (email or letter) from the grantee explaining the status of the equipment, including the dates the equipment was removed from service, and the usage meter readings at the time if available.

**Equipment Out of Service.** The Air District will address situations where funded equipment has been removed from service as described below.

1. *Sale of the funded equipment:* If the grantee no longer owns the funded equipment, the grantee will either (a) return to the Air District a pro-rated amount of grant funds as specified in the project contract, or (b) work with Air District staff and the new equipment owner to transfer the terms of the contract to the current owner through a successor agreement.

2. *Removal of equipment from the Air District:* The grantee will work with Air District staff to determine how much the equipment has operated outside of Air District boundaries relative to contract requirements. Air District staff will consider whether the change of location is temporary or permanent when considering next steps. Relocation of the equipment outside the Air District could result in the recapture of grant funds.
3. *Equipment stolen or not operational:* The grantee is required to maintain the funded equipment, and ensure it is operational throughout the project term. If the equipment is not operational, the grantee must repair the equipment, replace it with an emissions-equivalent piece of equipment (as clean, or cleaner than the funded equipment), or repay a pro-rated amount of grant funds to the Air District. If equipment is destroyed in an accident or is stolen, the grantee must provide appropriate documentation of the loss, which should include an insurance statement or police report. Before an equipment substitution is approved, Air District staff must first evaluate the proposed equipment to ensure that the emission reductions from the proposed equipment are equivalent or greater. After substitute equipment has been purchased, Air District staff will inspect this equipment and update project data to reflect the changes.

**Equipment with Inadequate Use.** As required under *CAP Guidelines*, the Air District works to ensure emissions reductions are realized for the equipment it funds with CAP incentives. Air District staff review each grantee annual report and conduct inspections of selected projects to check whether equipment is still being used in the expected locations and overall activity is at least 70 percent of levels specified in the contract. When average usage over a three-year period (or for the contract period if less than three years) for a contracted engine, vehicle, fleet, or other equipment is less than 70 percent of the activity required in the contract, the Air District will discuss with the grantee appropriate remedial action, which may include one or more of the following:

1. *Extension.* The Air District will notify the grantee of a contract extension to allow more time to meet usage expectations. The project may be extended for additional years as long as emission reductions remain surplus to regulatory requirements.
2. *Funds Recapture.* The Air District may require the grantee to return funds in proportion to the loss of emission reductions, so that recaptured funds can be assigned to projects that cover the shortfall.

3. *Ownership Transfer.* The grantee may transfer ownership of some or all of the project's equipment to another entity committed to complying with contract terms. The new equipment owner must complete a substitute contract with the Air District.
4. *Recalculation.* The Air District may recalculate project cost-effectiveness based on the reported decrease in usage. If the project is still below the applicable cost-effectiveness limit, calculated consistent with the methodology and limit in effect on the date of contract execution and prior to the end of the contract, the Air District will continue to monitor the project over the next year to determine if additional actions are necessary. (This option does not apply to projects not subject to a cost-effectiveness limit, such as charging infrastructure.)
5. *Usage Waiver.* Grant a usage waiver, without penalty, to the grantee for a defined time period. The grantee must demonstrate to the Air District's satisfaction that the engine, vehicle, or equipment is not being underutilized in favor of operating other, higher-polluting equipment, and that the underutilization was due to unforeseen conditions beyond the grantee's control, such as (a) a decrease in usage due to economic recession; (b) unforeseen fluctuations in water allocations or pumping needs for agricultural irrigation pump engines, (c) significant land fallowing for off-road agricultural equipment and agricultural irrigation pump engines.

To be considered for a waiver, the grantee must provide a written request to the Air District along with documentation that substantiates the need for the waiver and verifies that higher-polluting equipment is not consequently receiving more use. The Air District will specify the length of time for which the waiver is valid. The waiver will not exempt the grantee from any contract requirement to provide annual usage reports. It will be documented in writing, approved by the APCO or designee, and included in the project file.

For projects that include multiple pieces of equipment or engines, the Air District may review and recalculate the funded equipment collectively to see if the project as a whole has performed as expected. A waiver is not required in this event.

## **M. Calculation and Use of Interest Revenue**

The Air District tracks interest earned on the funds received from CARB for CAP incentives in a subsidiary revenue ledger, separate from CAP incentives grant funds received and other incentive funds. Consistent with other Air District incentive programs, interest is calculated by applying a rate, specific to fiscal year and the account

where funds are kept, to the average daily balance of CAP incentives in the Air District account during the fiscal year. The average daily balance includes interest already earned on the grant, to account for compounding.

All interest earned is used to support projects selected through the process described in Section E. The Air District may retain a percentage of interest earned for administrative purposes, which may vary by fiscal year according to requirements of statute or State guidelines, as specified in grant agreements between the Air District and CARB.

The Air District will report to CARB annually the interest earned on CAP incentive funds during the previous fiscal year. The amount reported is added to the CAP incentives target based on the fiscal year in which it accrued, with a liquidation period equivalent to the amount of time given to liquidate that fiscal year appropriation. The Air District works to liquidate earned interest by the end of the grant performance period, but will remit to CARB any unused portion of interest within 90 days following the end of the grant period.

## **N. Procedures for California Climate Investments**

The Air District has established additional procedures to support the requirements specified in Section IV of the California Climate Investments (CCI) Funding Guidelines. These include the following.

**Logo and Funding Language.** CAP incentives are made possible by California Climate Investments, as statewide program that puts Cap-and-Trade dollars to work reducing greenhouse gases, strengthening the economy, and improving public health and the environment -- particularly in disadvantaged communities. CAP incentives encourage industries to invest in clean technologies and develop innovative ways to reduce pollution. Grantees are encouraged to include recognition of California Climate Investments as the source of the CAP incentives for their projects. For more information, visit the California Climate Investments website at [www.caclimateinvestments.ca.gov](http://www.caclimateinvestments.ca.gov).



**Transparency.** In addition to a website for its CAP incentives, the Air District maintains websites specific to the disadvantaged and low-income communities that receive priority for CAP incentive projects, with current information about CAP incentives availability and the process for selection of projects.

**Methods and Reporting.** The Air District reports to CARB semi-annually on projects with executed contracts, for CARB entry into the California Climate Investments Reporting and Tracking System. CARB’s emissions reduction quantification methodologies, co-benefit assessment methodologies, priority population benefit criteria tables, and reporting templates are used to estimate, track and report project benefits.<sup>15</sup> The Air District works with CARB to post project results including emission reductions on the California Climate Investments website for the Annual Report to the Legislature.<sup>16</sup> This enables the public to access the project location (e.g., address, census tract), funding amounts, emission reductions and the methods used to estimate them, and benefits to priority populations. Where projects and programs are included in or respond to strategies in a Community Emissions Reduction Program, the Air District includes information in the program’s annual status report on funds distributed, equipment deployed, and emissions reduced.

**Audits.** As described in Section K of this manual, the Air District has its own procedures to monitor CAP incentives project outcomes through project performance audits, either during or after project implementation. The Air District also makes program and project records available for CARB incentive program reviews. Air District and CARB implementation of CAP incentives are in turn subject to oversight, including audits by the California State Auditor, Department of Finance, other State oversight agencies, or a third-party auditor.

**Contact Resources.** The Air District provides on its website and in solicitation materials and reports contact information for the public to ask questions or obtain additional information (e.g., phone, email, social media). In addition to consulting the Air District, members of the public can direct general inquires in English or Spanish to CARB’s email ([info@caclimateinvestments.ca.gov](mailto:info@caclimateinvestments.ca.gov)) and phone hotline (800-757-2907).

**Meeting Investment Minimums.** As California Climate Investments, CAP incentives provide the opportunity to yield significant benefits to communities that are exposed to multiple sources of pollution, disproportionately burdened by the impacts of climate

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<sup>15</sup> For these methods and tables, see “Community Air Protection Funds” at <https://ww2.arb.ca.gov/resources/documents/cci-quantification-benefits-and-reporting-materials>. Types of co-benefits and methods for assessing them are found at <https://ww2.arb.ca.gov/resources/documents/cci-methodologies>.

<sup>16</sup> See [www.caclimateinvestments.ca.gov/annual-report](http://www.caclimateinvestments.ca.gov/annual-report) and [www.arb.ca.gov/ccimap](http://www.arb.ca.gov/ccimap).

change, and are particularly vulnerable to environmental pollutants. Statewide, at least 70 percent of CAP incentives must be invested in projects located in and benefitting disadvantaged (SB 535) communities, and an additional 10 percent in projects located in and benefitting either disadvantaged communities or low-income (AB 1550) communities or households.

The Air District uses a three-step approach under CCI Funding Guidelines to evaluate whether these benefits occur from each CAP incentives project.<sup>17</sup>

- ◆ *Step 1: Identify the Priority Population(s).* The project must be located within a census tract identified as a disadvantaged community or low-income community, or directly benefit residents of a low-income household;
- ◆ *Step 2: Address a Need.* The project must meaningfully address an important community or household need for the disadvantaged community, low-income community, or low-income household;
- ◆ *Step 3: Provide a Benefit.* Identify at least one direct, meaningful, and assured benefit from the evaluation criteria that the project provides to priority populations. The benefit provided must directly address the identified need.

The Air District reports the results of these evaluations by project, using benefit and co-benefit metrics specified in the CCI Funding Guidelines, when it reports to CARB on CAP incentives projects. CARB considers the results of the Air District's evaluations with those of other air districts to determine whether CAP incentives investment minimums have been met statewide.

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<sup>17</sup> For a more detailed explanation of the benefit and co-benefit evaluation criteria, see CCI benefit criteria table for Clean Transportation and Equipment at <https://ww2.arb.ca.gov/sites/default/files/classic/cc/capandtrade/auctionproceeds/ccidoc/criteriatable/criteria-table-cte.pdf>.



The following page(s) contain the backup material for Agenda Item: [1\) Approve Amendments to the Alternative Fuel Vehicle Incentive Program](#); [2\) Authorize the Executive Director/APCO and staff to execute the Alternative Fuel Vehicle Program as proposed](#). Presenter: [Bret Banks, Executive Director/APCO](#).  
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM #8*

**DATE:** March 15, 2022

**RECOMMENDATION:** 1) Approve Amendments to the Alternative Fuel Vehicle Incentive Program; 2) Authorize the Executive Director/APCO and staff to execute the Alternative Fuel Vehicle Program as proposed.

**SUMMARY:** This item proposes staff recommended amendments to the Mobile Source Emission Reductions Program Work Plan's Appendix A for the Alternative Fuel Vehicle Incentive Program to reduce the incentive amount offered for eligible vehicles purchased at AV Dealerships from \$1,000 to \$500 and eliminate the incentive for eligible vehicles purchased outside of AV Dealerships and online. The proposed recommendations are the result of a steady increase in the number of AFV applications processed on an annual basis that have tripled from 2018. At this rate, the costs are an estimated 34% of the District's annual allocation of the \$4 Motor Vehicle Fee (AB 2766) used to fund the program.

**BACKGROUND:** In June 2006, the AVAQMD Governing Board approved District staff to establish an Alternative Fuel Vehicle Incentive program (Program) to incentivize Antelope Valley residents to adopt alternative fuel vehicles. At that time, compressed natural gas was the only available option. In 2011, with the release of the Chevy Volt, the Program was expanded to incentivize and encourage the adoption of electric vehicles. In July 2014 the availability of electric vehicles increased and we experienced increased interest and participation in the Program. As a result of increased participant, the incentives amounts were decreased and additional limits were created based on where the vehicle was purchased. Since inception, the AFV Incentive Program has provided incentives for over 1,100 clean vehicles and over 130 home refueling/charging units totaling more than \$2.1 million of local funds to Antelope Valley residents to support the operation of cleaner vehicles.

**REASON FOR RECOMMENDATION:** Governing Board authorization is needed to allocate Mobile Source Emission Reductions Program funds and/or changes to the guidelines.

**REVIEW BY OTHERS:** This item was reviewed by Allison E. Burns Special Counsel to the Governing Board as to legal form and by Bret Banks, Executive Director/APCO on or before February 28, 2022.

**FINANCIAL DATA:** Sufficient funds are available from the District's Mobile Source Emission Reductions (AB 2766) funds.

**PRESENTER:** Bret Banks, Executive Director

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cc: Laquita Cole  
Michelle Powell  
Julie McKeehan

The following page(s) contain the backup material for Agenda Item: [1\) Authorize \\$100,000 in Mobile Emission Reductions Program \(AB 2766\) funds to the Alternative Fuel Vehicle Program; and 2\) Authorize the Executive Director/APCO and staff to execute the Alternative Fuel Vehicle Program as outlined in the Work Plan. Presenter: Julie McKeehan, Grants Analyst.](#)

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM #9*

**DATE:** March 15, 2022

**RECOMMENDATION:** 1) Authorize \$100,000 in Mobile Emission Reductions Program (AB 2766) funds to the Alternative Fuel Vehicle Program; and 2) Authorize the Executive Director/APCO and staff to execute the Alternative Fuel Vehicle Program as outlined in the Work Plan.

**SUMMARY:** This item authorizes \$100,000 in Mobile Emission Reductions Program (AB 2766) funds to the District's ongoing grant program used to incentivize the purchase of light-duty alternative fuel vehicles.

**BACKGROUND:** In June 2006, the AVAQMD Governing Board approved District staff to establish an Alternative Fuel Vehicle Incentive program (Program) to incentivize Antelope Valley residents to adopt alternative fuel vehicles. In July 2014 the availability of electric vehicles vastly increased and the District realized overwhelming interest and participation in the Program which exhausted available funds; therefore, in order to continue the successful Program, incentives were decreased with limits based on purchase area. Since inception, the AFV Incentive Program has provided incentives to over 1,100 clean vehicles and over 130 home refueling/charging units totaling more than \$2.1 million of local funds.

**REASON FOR RECOMMENDATION:** Governing Board authorization is needed to allocate Mobile Source Emission Reductions Program funds and/or changes to the guidelines.

**REVIEW BY OTHERS:** This item was reviewed by Allison E. Burns Special Counsel to the Governing Board as to legal form and by Bret Banks, Executive Director/APCO on or before February 28, 2022.

**FINANCIAL DATA:** Sufficient funds are available from the District's Mobile Source Emission Reductions (AB 2766) funds.

**PRESENTER:** Julie McKeehan, Grants Analyst

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cc: Laquita Cole  
Michelle Powell  
Julie McKeehan

The following page(s) contain the backup material for Agenda Item: [Approve written notification to the Mojave Desert Air Quality Management District \(MDAQMD\) 180 days in advance of the proposed termination, but not less than ninety \(90\) days before the effective date of the proposed termination. The termination will be effective on August 31, 2022. Authorize the Chairman to sign and provide notice to MDAQMD. Presenter: Bret Banks, Executive Director/APCO.](#)

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM #10*

**DATE:** March 15, 2022

**RECOMMENDATION:** Approve written notification to the Mojave Desert Air Quality Management District (MDAQMD) 180 days in advance of the proposed termination, but not less than ninety (90) days before the effective date of the proposed termination. The termination will be effective on August 31, 2022. Authorize the Chairman to sign and provide notice to MDAQMD.

**SUMMARY:** The Agreement between the AVAQMD and the MDAQMD allows for the termination of the agreement for contracted services from the MDAQMD with written notification 180 days in advance of the proposed termination, but not less than ninety (90) days before the effective date of the proposed termination. The termination will be effective on August 31, 2022. Authorize the Chairman to sign and provide notice to MDAQMD.

**BACKGROUND:** Since July 1, 1997 the MDAQMD has provided, under contract, all of the services required for the AVAQMD to perform its regulatory duties within the jurisdictional boundaries of the AVAQMD. The most recent amendment to the longstanding contract was on or about May 19, 2020 that extended the term of services to June 20, 2025. Since the inception of the contractual agreement in 1997, both Districts have benefited from the flexibility allowed in the improved scope of work, the clarity of the description in the scope of services, and the transparency that resulted from streamlining those services.

The Agreement provides that either party “may terminate this agreement at any time by giving written notification to the other party 180 days in advance of the proposed termination, but not less than ninety (90) days before the effective date of the proposed termination.” The termination will be effective on August 31, 2022.

This action recommends that the Governing Board approve the letter addressed to the MDAQMD Board Chairman and Executive Director as outlined in the Agreement and authorizes the AVAQMD Board Chair to execute the letter.

**REASON FOR RECOMMENDATION:** Governing Board approval is needed for the issuing the letter of termination. Additionally, Governing Board authorization is needed for the Executive Director/APCO and staff to negotiate and execute the agency transition.

**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM #10*

**PAGE 2**

**REVIEW BY OTHERS:** This item was reviewed by Allison E. Burns, Special Counsel to the Governing Board, as to legal form and by Bret Banks, Executive Director/APCO – Antelope Valley Operations on or before March 1, 2022.

**FINANCIAL DATA:** None

**PRESENTER:** Bret Banks, Executive Director

cc: Laquita Cole  
Barbara Lods  
Michelle Powell

March 15, 2022

Mojave Desert Air Quality Management District  
14306 Park Avenue  
Victorville, CA 92392

**Subject: Notice of Termination of the Agreement Between the Antelope Valley Air Quality Management District and Mojave Desert Air Quality Management District**

Chairman Abel and Executive Director Poiriez

After a long and mutually beneficial contractual relationship memorialized most recently in the Agreement Between the Antelope Valley Air Quality Management District and the Mojave Desert Air Quality Management District dated April 25, 2016 (Agreement), the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) is writing to provide written notice to the Mojave Desert Air Quality Management District (MDAQMD), pursuant to the Agreement, to terminate the Agreement. The Agreement provides that either party “may terminate this agreement at any time by giving written notification to the other party 180 days in advance of the proposed termination, but not less than ninety (90) days before the effective date of the proposed termination.” The termination will be effective on August 31, 2022 (Termination Date).

The Governing Board of the AVAQMD intends to offer employment to the staff dedicated to the AVAQMD office in the same or similar capacity and subject to the personnel policies and procedures of the AVAQMD. AVAQMD will assume all Personnel Costs of the dedicated staff transferred to AVAQMD employment on the Termination Date.

The Governing Board of the Antelope Valley Air Quality Management District wishes to express our sincere appreciation to the Mojave Desert Air Quality Management District for the extremely successful and mutually beneficial relationship that has stood the test of time of over 25 years.

AVAQMD looks forward to continuing our partnership with MDAQMD in protecting the air quality of the High Desert while supporting the growth of the regional economy and providing benefits to our residents’ health.

If you need any additional information or have any other questions or concerns, please contact Bret Banks at 661-723-8070 ext. 22 or [bbanks@avaqmd.ca.gov](mailto:bbanks@avaqmd.ca.gov).

Sincerely,

Marvin E. Crist  
Board Chairman

MEC/bsb



The following page(s) contain the backup material for Agenda Item: [Receive and file presentation regarding Section 185 of the Clean Air Act. Presenter: Bret Banks, Executive Director/APCO.](#)

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM #11*

**DATE:** March 15, 2022

**RECOMMENDATION:** Receive and file presentation regarding Section 185 of the Clean Air Act.

**SUMMARY:** A staff presentation by Bret Banks, Executive Director/APCO.

**BACKGROUND:** From time to time District staff provides presentations to the Governing Board and such presentations are intended to expand the knowledge base of the Governing Board members on potential rule amendments.

**REASON FOR RECOMMENDATION:** Presentations are received and filed.

**REVIEW BY OTHERS:** This item was reviewed by Allison E. Burns, Special Counsel to the Governing Board, as to legal form and by Bret Banks, Executive Director/APCO – on or before March 1, 2022.

**FINANCIAL DATA:** No increase in appropriation is anticipated.

**PRESENTER:** Bret Banks, Executive Director/APCO.



# Mojave Desert AQMD

## CAA Section 185 Penalty Provision

*Rules 315, 315.1, 315.2*

Alan De Salvio

Deputy APCO

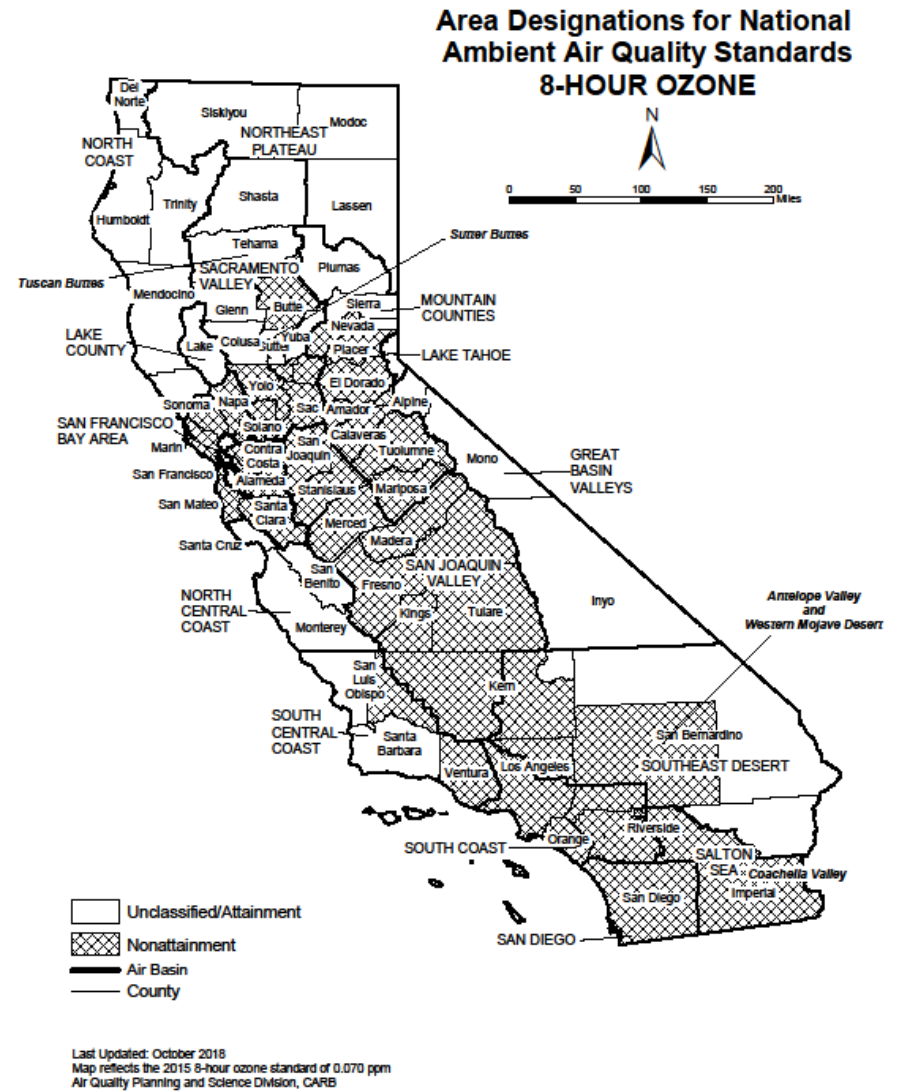
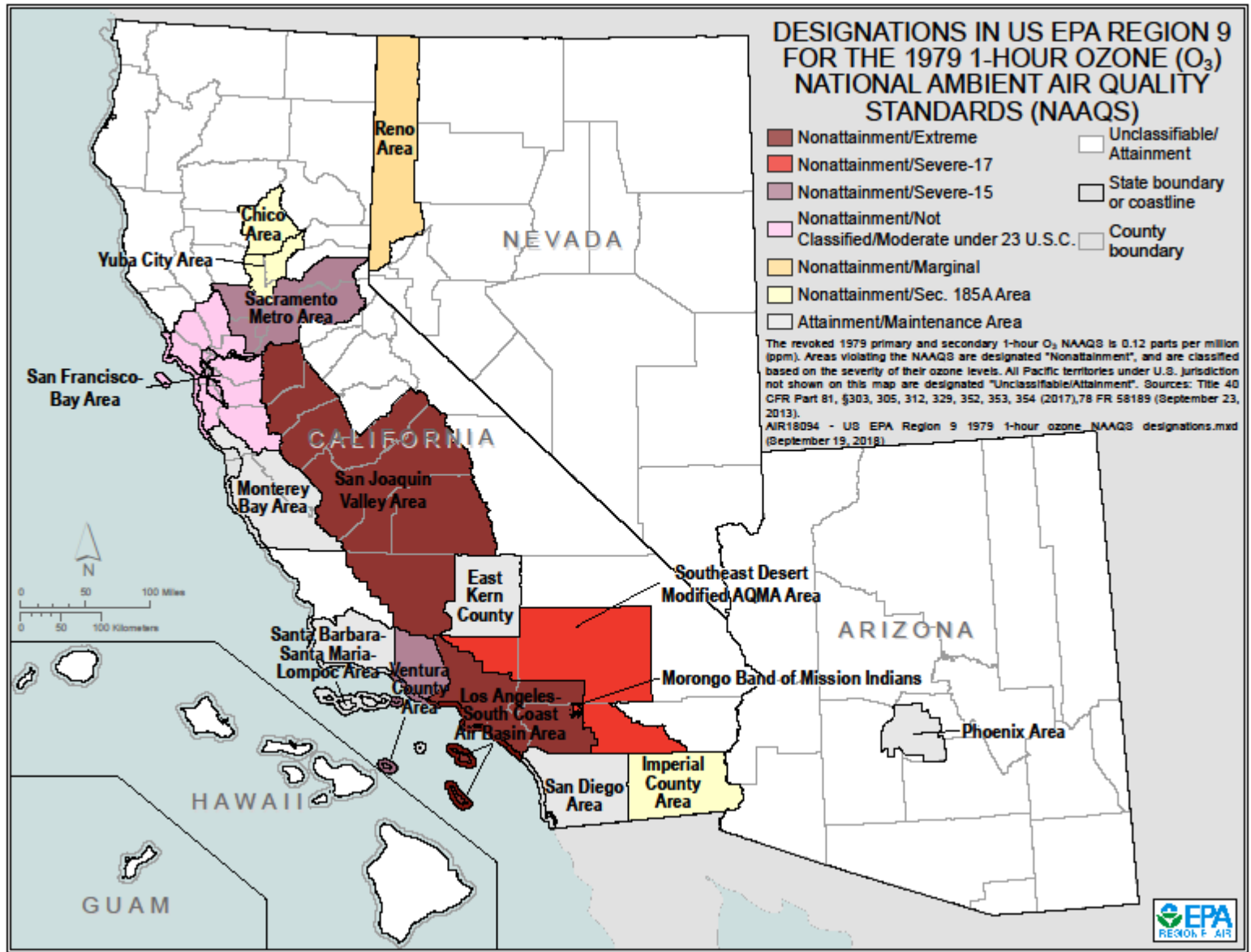
MDAQMD and AVAQMD

February 16, 2022

# CAA Section 185 Penalty Provision Introduction

- The AVAQMD (and a portion of the MDAQMD) is a federal ozone nonattainment area (or FONA).
- The Federal government has promulgated several ozone standards that apply to the FONA, each of which has (or had) a different attainment date:
  - 1990 one hour (120 ppb) – attainment date 2007
  - 1997 eight hour (84 ppb) – attainment date 2019
  - 2008 eight hour (75 ppb) – attainment date 2027
  - 2015 eight hour (70 ppb) – attainment date 2033





# CAA Section 185 Penalty Provision

## Clean Air Act Section 185

- This section of the Clean Air Act (CAA) applies to severe and extreme ozone nonattainment areas which fail to attain the ozone standard by the applicable attainment date (for us 2007, 2019, 2027 and soon 2033 for the various federal ozone standards)
- It applies to each major stationary source of ozone precursors (VOC and NOx) in the ozone nonattainment area
- The ozone nonattainment area boundary has not changed within the AVAQMD and MDAQMD for any federal ozone standard, up to and including the latest 70 ppb standard





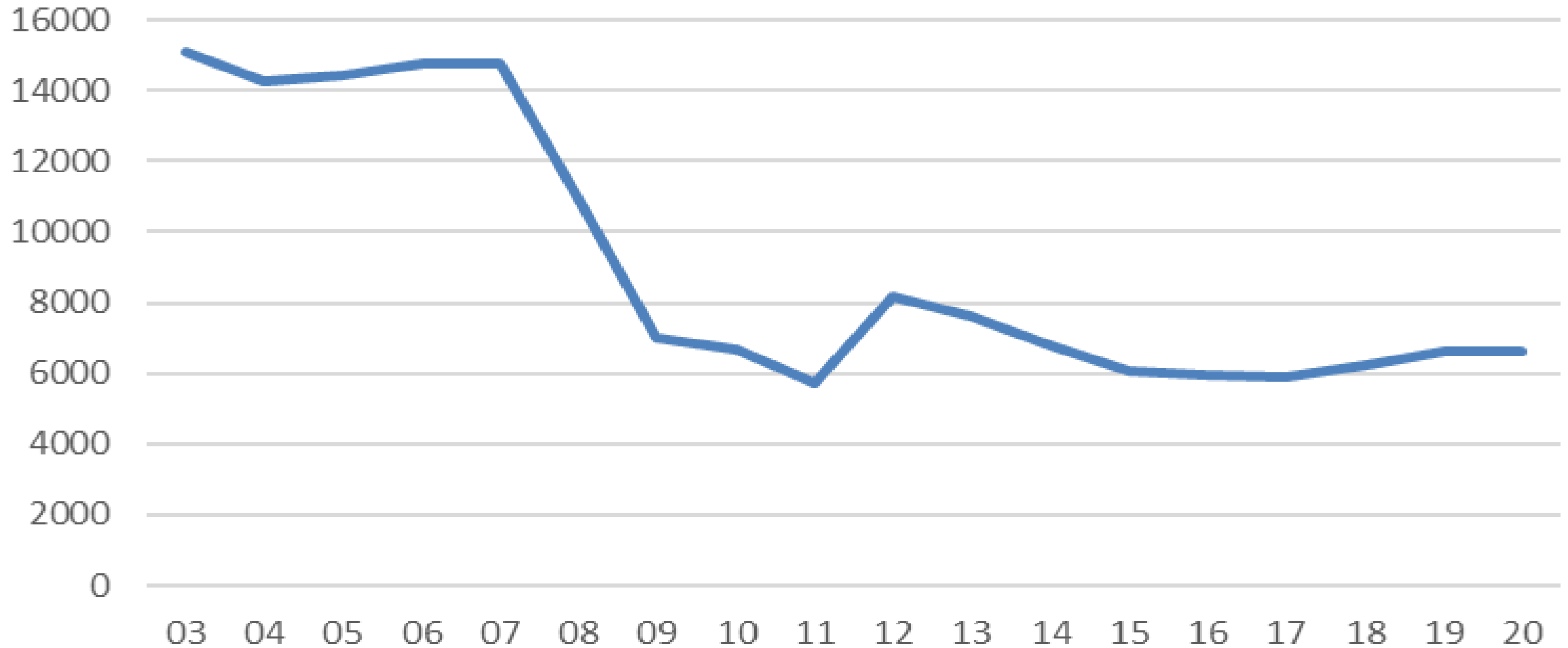
# CAA Section 185 Penalty Provision Major Sources

As of 2007, the list included:

Nox Major?		VOC Major?		Facility Name
PTE	Act'l	PTE	Act'l	
yes	yes	yes	yes	CEMEX Quarry and River
yes	yes	yes	yes	PG&E Hinkley
yes	yes	yes	yes	NRG Coolwater
yes	yes	yes	yes	SCG Newberry Springs
yes	yes	yes	yes	High Desert Power Project
yes	yes	yes	no	SEGS III-VII (Kramer)
yes	yes	yes	no	SEGS VIII & IX (Harper)
yes	yes	yes	yes	USMCLB Yermo
yes	yes	yes	yes	Mitsubishi Cement
yes	yes	yes	no	AGC Glass
no	no	yes	no	C&M Wood Industries
no	no	yes	no	CalNev Barstow
no	no	yes	yes	Mobile Pipe Lining and Coating
no	no	yes	yes	Molded Fiberglass
no	no	yes	no	Northwest Pipe & Casing
yes	no	yes	no	SCG Adelanto
yes	no	no	no	SEGS I & II (Sunray)
yes	yes	yes	yes	CalPortland
yes	no	yes	yes	Lockheed Martin Aeronautical Co.
yes	yes	yes	yes	Northrop Grumman Systems Corp.



# Major Source Emission Trend (tons of NOx and VOC)





# CAA Section 185 Penalty Provision Affected Facilities

- Two facilities in the AVAQMD and 18 in the MDAQMD
- Major for either or both of NO<sub>x</sub> and VOC (major is 25 tons per year potential to emit)
- No penalty provision has been activated by any agency, as there has been no finding of failure to attain
- Section 185 is triggered by failure to attain, without regard to reason for failure (or actual source of ozone causing failure)
- For the purpose of Section 185, AVAQMD and portion of MDAQMD are the same federal ozone nonattainment area and are therefore linked



# CAA Section 185 Penalty Provision

## Section 185 Penalty Structure

- Upon finding of failure to attain a given standard, mandatory penalties are levied on each major source during each year (after attainment year) that standard is not attained
- Penalty is based on emissions over 80 percent of actual facility emissions during attainment year (so 2007, 2019, 2027 and soon 2033 become baseline years for various standards)
- An indexed penalty per ton over the 80 percent baseline, which began at \$5000 per ton (and is up to \$10,663 per ton in 2021)
- For NOx and VOC (if major for that pollutant)





# CAA Section 185 Penalty Provision

## Even more bad news

- As there are multiple standards, in theory there could be multiple penalties (based on different attainment years and therefore different baselines):

	Two Applicable Ozone Standards							Three Applicable Ozone Standards					Four		
<b>2019</b>	2020	2021	2022	2023	2024	2025	2026	<b>2027</b>	2028	2029	2030	2031	2032	<b>2033</b>	2034

- Proposed rule language will only apply one penalty per year (the greatest)

# CAA Section 185 Penalty Provision

## Any good news?

- Carl Moyer, AB2766 and lawn and garden equipment replacement program revenues have been deemed qualified as 'equivalent' to Section 185 penalties and will therefore proportionately reduce the penalty amounts
- In fiscal 2018, these totaled ~\$1.9 million in MD and another ~1.6 million in AV – in a theoretical scenario where we were not attaining the one hour standard that year (the only applicable standard that year), the equivalency account would have met the entire \$760,000 penalty amount. However – the theoretical scenario penalty amount in 2020 totals \$13.5 million...



# CAA Section 185 Penalty Provision

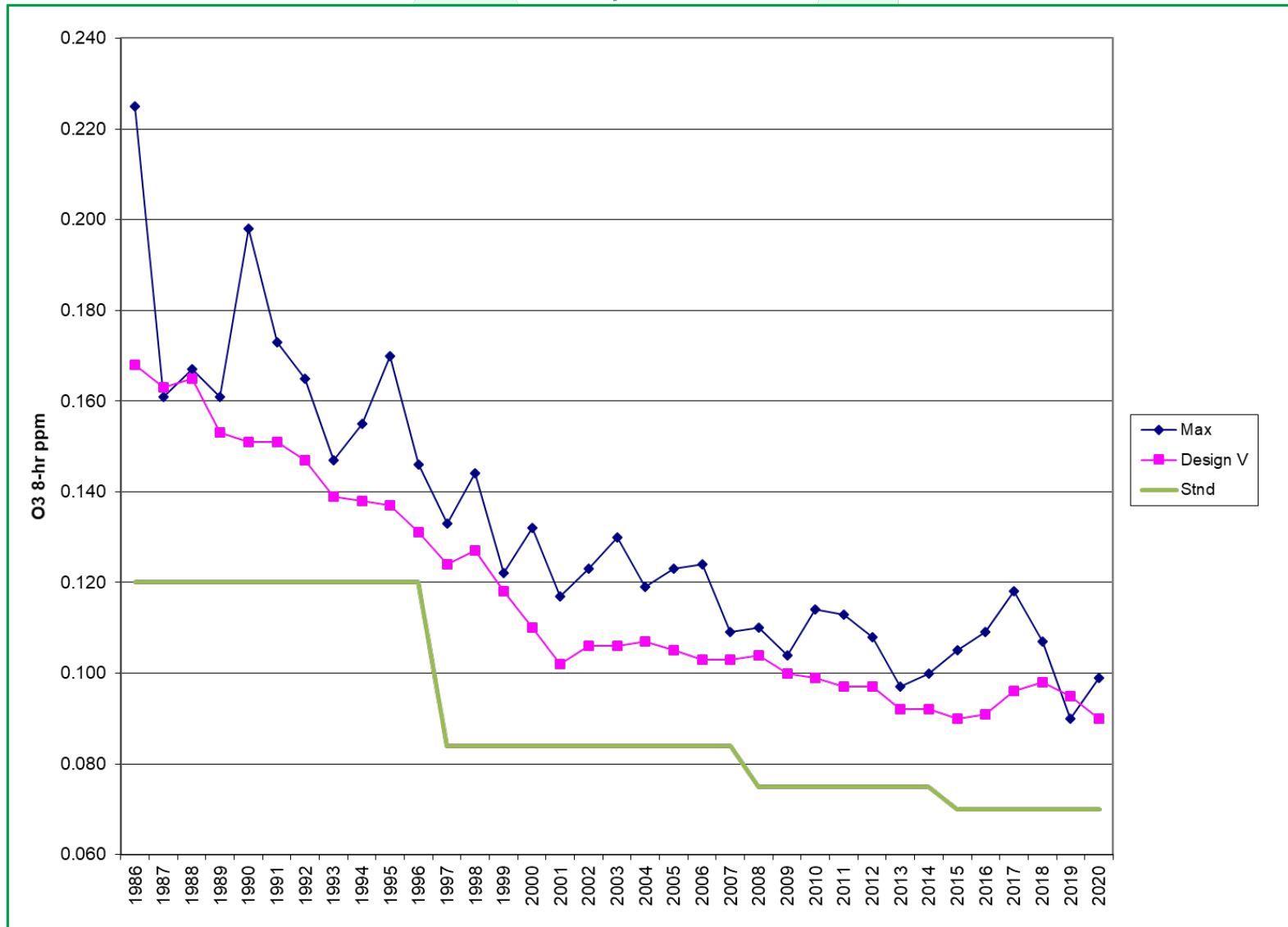
## Ozone history

- Ozone history has been good since 2010
- Clean data finding for one hour (120 ppb) standard
- However, eight hour standards are problematical





# CAA Section 185 Penalty Provision



# CAA Section 185 Penalty Provision

## Federal requirement

- District staff are concerned that, in the unlikely, but potential, case of a finding of failure to attain, without proposed rule structure USEPA could levy the Section 185 penalty(s) directly
- District position is that levying the penalty locally is preferred (and District would return the penalty through grants/projects to affected facilities)
- Also note that USEPA can be litigated and forced to take action, as could the District(s)



# CAA Section 185 Penalty Provision

## Rule history

- Rule 315 was adopted in 2011 to meet the one hour standard Section 185 required in each District
- Note the one hour standard nonattainment area includes a portion of SCAQMD
- This Rule version included aggregating language and other creative language [which was DOA (Dead On Arrival)]
- USEPA commented negatively
- District does not plan to touch this rule as it should never be activated and it has to address SCAQMD (due to SEDAQMA – long story)





# CAA Section 185 Penalty Provision

## Proposed actions

- Proposed draft 315.1 (one for each District) which addresses first eight hour standard (1997 84 ppb standard)
- Proposed draft 315.2 (one for each District) which addresses second eight hour standard (2008 75 ppb standard)
- 315.1 could apply at any time as we are above the standard – fixed 2019 baseline, penalties 2020 or later (trigger year)
- 315.2 could apply in 2028 or later (2027 baseline) – cannot be triggered before 2028



# CAA Section 185 Penalty Provision Questions and discussion

- Q & A

