

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

## **Agenda**

### **PURSUANT TO GOVERNOR'S ORDER**

**N-29-20**

**TUESDAY, JUNE 16, 2020**

**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 THE BROWN ACT AS CURRENTLY IN EFFECT UNDER THE STATE EMERGENCY SERVICES ACT, THE GOVERNOR'S EMERGENCY DECLARATIONS RELATED TO COVID-19, AND THE GOVERNOR'S EXECUTIVE ORDER N-29-20 ISSUED ON MARCH 17, 2020 THAT ALLOWS ATTENDANCE BY MEMBERS OF THE DISTRICT, DISTRICT STAFF, AND THE PUBLIC TO PARTICIPATE AND CONDUCT THE MEETING BY TELECONFERENCE, VIDEOCONFERENCE, OR BOTH.

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 TELEPHONICALLY OR OTHERWISE ELECTRONICALLY AT, OR PRIOR TO, THE PUBLIC HEARING.

DUE TO TIME CONSTRAINTS AND THE NUMBER OF PERSONS WISHING TO PROVIDE PUBLIC COMMENTS, PUBLIC COMMENTS ARE LIMITED TO FIVE MINUTES PER COMMENT.

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.

PUBLIC COMMENTS ON AGENDIZED ITEMS MAY BE SUBMITTED VIA EMAIL TO PUBLICCOMMENT@AVAQMD.CA.GOV AT LEAST TWO HOURS PRIOR TO THE START OF THE MEETING

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

Pledge of Allegiance.

Roll Call

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 May 19, 2020.](#)
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 amounts of \\$127,230.10 for April 2020. 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 April 30, 2020. The Financial Reports for April provide financial and budget performance information for the District for the period referenced. Presenter: Bret Banks, Executive Director/APCO.](#)
6. [Extend the current engagement for audit services with Fedak & Brown, LLP, Riverside, for three fiscal years beginning FY20, and not to exceed \\$40,000; and authorize the Executive Director, or designee, to execute the engagement agreement. Presenter: Laquita Cole, Finance Manager.](#)
7. [Reappoint Newton Chelette as the Public Member on the Governing Board of the Antelope Valley Air Quality Management District \(AVAQMD\) for a two-year term. Presenter: Bret Banks, Executive Director/APCO.](#)
8. [1\) Authorize \\$15,000 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.](#)

## **ITEMS FOR DISCUSSION**

DEFERRED ITEMS

NEW BUSINESS

9. [Conduct Public Hearing to consider the proposed AVAQMD Budget for FY 2020-21: a. Open public hearing; b. Receive staff report; c. Receive public testimony;](#)

d. Close public hearing; e. Adopt a resolution approving and adopting the budget for FY2020-21. Presenter: Bret Banks, Executive Director/APCO.

10. Reports: Governing Board Counsel, Executive Director/APCO, Staff.
11. Board Member Reports and Suggestions for Future Agenda Items.
12. Adjourn to Regular Governing Board Meeting of Tuesday, July 21, 2020.

***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, June 9, 2020.**

*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 May 19, 2020.](#)

Please scroll down to view the backup material.

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
GOVERNING BOARD MEETING  
TUESDAY, MAY 19, 2020  
ANTELOPE VALLEY DISTRICT OFFICE  
LANCASTER, CA**

**Draft Minutes**

Board Members Present:

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

Board Members Absent:

**CALL TO ORDER**

Chair **CRIST** called the meeting to order at 10:02 a.m. Chair **CRIST** waived the Pledge of Allegiance. Roll call was taken.

**PUBLIC COMMENT**

❖ None.

**CONSENT CALENDAR**

**Agenda Item #1 – Approve Minutes from Regular Governing Board Meeting of April 21, 2020.**

Upon Motion by **MANN**, seconded by **HOFBAUER**, and carried unanimously, the Board **Approved** Minutes from Regular Governing Board Meeting of April 21, 2020.

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

Presenter: Bret Banks, Executive Director/APCO.

Upon Motion by **MANN** seconded by **HOFBAUER**, and carried unanimously, the Board **Received and Filed** Monthly Grand Funding Summary.

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

Presenter: Bret Banks, Executive Director/APCO.

Upon Motion by **MANN**, seconded by **HOFBAUER**, and carried unanimously, the Board **Received and Filed** Monthly Activity Report.

**Agenda Item #4 – Approve payments to MDAQMD in the amounts of \$127,753.04 for February 2020 and \$127,799.97 for March 2020.**

Presenter: Bret Banks, Executive Director/APCO.

Upon Motion by **MANN**, seconded by **HOFBAUER**, and carried unanimously, the Board, **approved** payments to MDAQMD in the amounts of \$127,753.04 for February 2020 and \$127,799.97 for March 2020.

**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 March 31, 2020. The Financial Reports for February and March provide financial and budget performance information for the District for the period referenced.**

Presenter: Bret Banks, Executive Director/APCO.

Upon Motion by MANN, seconded by HOFBAUER, and carried unanimously, the Board, **received and filed** the Financial Report.

**Agenda Item #6 – 1) Approve the FY 19-20 Community Air Protection Program Implementation Funds and Grant Agreement for submission to the California Air Resources Board (CARB) for expenses necessary for the implementation of Assembly Bill 617 (C. Garcia, Chapter 136, Statutes of 2017); 2) Authorize the acceptance of funds allocated and awarded to the District; and the Executive Director/APCO and staff to execute the agreement, approved as to legal form.**

Presenter: Julie McKeehan, Grants Analyst.

Upon Motion by MANN, seconded by HOFBAUER, and carried unanimously, the Board, 1) **approved** the FY 19-20 Community Air Protection Program Implementation Funds and Grant Agreement for submission to the California Air Resources Board (CARB) for expenses necessary for the implementation of Assembly Bill 617 (C. Garcia, Chapter 136, Statutes of 2017); 2) **authorized** the acceptance of funds allocated and awarded to the District; and the Executive Director/APCO and staff to execute the agreement, approved as to legal form.

**Agenda Item #7 – 1) Authorize the acceptance of Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program Funds; 2) Accept the terms and conditions for the funds; and 3) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form, and to negotiate and execute agreements for eligible projects.**

Presenter: Julie McKeehan, Grants Analyst.

Upon Motion by MANN, seconded by HOFBAUER, and carried unanimously, the Board, 1) **authorized** the acceptance of Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program Funds; 2) **accepted** the terms and conditions for the funds; and 3) **authorized** the Executive Director/APCO and staff to execute the agreement, approved as to legal form, and to negotiate and execute agreements for eligible projects.

**Agenda Item #8 – Authorize Executive Director to obtain District credit cards with Bank of the West and cancel previously issued California Special Districts Association (CSDA) credit cards.**

Presenter: Bret Banks, Executive Director/APCO.

Upon Motion by MANN seconded by HOFBAUER, and carried unanimously, the Board, **authorized** Executive Director to obtain District credit cards with Bank of the West and cancel previously issued California Special Districts Association (CSDA) credit cards.

**ITEMS FOR DISCUSSION**

**DEFERRED ITEMS**

None.

**NEW BUSINESS****Agenda Item #9 – Conduct Public Hearing to consider the proposed AVAQMD Budget for FY 2020-21: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Continue to the meeting of June 16, 2020 for adoption.**

Presenter: Bret Banks, Executive Director/APCO.

Chair Crist opened the public hearing. Bret Banks, Executive Director/APCO, presented the staff report and answered questions from the Board. Chair Crist called for public comment, being none, Chair Crist closed the public hearing and continued this item to the meeting of June 16, 2020 for adoption.

**Agenda Item #10 – Approve the Second Amendment to the Agreement between the Antelope Valley Air Quality Management District (AVAQMD) and the Mojave Desert Air Quality Management District (MDAQMD) to extend the term of the contracted services from the MDAQMD and authorize the Chairman to execute the Agreement.**

Presenter: Bret Banks, Executive Director/APCO.

Bret Banks, Executive Director/APCO, presented the background information and answered questions from the Board. After discussion and upon Motion by **HARRIS**, seconded by **BISHOP**, and carried with seven **AYES** votes by Board Members **AUSTIN BISHOP, MARVIN CRIST, NEWTOW CHELETTE, HOWARD HARRIS, RON HAWKINS, STEVEN HOFBAUER and KEN MANN**, the Board, **approved** the Second Amendment to the Agreement between the Antelope Valley Air Quality Management District (AVAQMD) and the Mojave Desert Air Quality Management District (MDAQMD) to extend the term of the contracted services from the MDAQMD and **authorized** the Chairman to execute the Agreement.

**Agenda Item #11 – Conduct a public hearing to consider the adoption of the 70 ppb Ozone Standard Implementation Evaluation: RACT SIP Analysis; Federal Negative Declarations and Emission Statement Certification (70 ppb O3 Evaluation): a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, adopting the 70 ppb O3 Evaluation and directing staff actions.**

Presenter: Bret Banks, Executive Director/APCO.

Bret Banks, Executive Director/APCO, informed the Governing Board that last minute comments were received from the California Air Resources Board. District Staff is pulling this item and this item will be presented to the Governing Board at a future Governing Board meeting.

**Agenda Item #12 – 1) Award an amount not to exceed \$83,071 in District grant funds to B Mo's Tractors & Service for the replacement of an older heavy-duty diesel equipment with new, cleaner technology; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details, and execute an agreement, 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 and upon Motion by **CHELETTE**, seconded by **HAWKINS**, and carried with seven **AYES** votes by Board Members **AUSTIN BISHOP, MARVIN CRIST, NEWTOW CHELETTE, HOWARD HARRIS, RON HAWKINS, STEVEN HOFBAUER and KEN MANN**, the Board, 1) **awarded** an amount not to exceed \$83,071 in District grant funds to B Mo's Tractors & Service for the replacement of an older heavy-duty diesel equipment with new, cleaner technology; and 2) **authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details, and execute an agreement, approved as to legal form by the Office of District Counsel.



**Correction read into the record; Agenda Item #13 should read, “1) Award an amount not to exceed \$49,900 in District grant funds to Jon Watson Loader Backhoe Service for the replacement of an older heavy-duty diesel equipment with new, cleaner technology; and 2) Authorize the Executive Director/APCO and staff to negotiate target frames and technical project details, and execute an agreement, approved as to legal form by the Office of District Counsel.”**

**Agenda Item #13 – 1) Award an amount not to exceed \$49,900 in District grant funds to Jon Watson Loader Backhoe Service for the replacement of an older heavy-duty diesel equipment with new, cleaner technology; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details, and execute an agreement, 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 and upon Motion by CHELETTE, seconded by HARRIS, and carried with seven AYES votes by Board Members AUSTIN BISHOP, MARVIN CRIST, NEWTOW CHELETTE, HOWARD HARRIS, RON HAWKINS, STEVEN HOFBAUER and KEN MANN, the Board, 1) awarded an amount not to exceed \$49,900 in District grant funds to Jon Watson Loader Backhoe Service for the replacement of an older heavy-duty diesel equipment with new, cleaner technology; and 2) authorized the Executive Director/APCO and staff to negotiate target time frames and technical project details, and execute an agreement, approved as to legal form by the Office of District Counsel.

**Agenda Item #14 – Reports.**

**Governing Board Counsel –**

- No report.

**Executive Director/APCO –**

- Recognized and thanked both the City of Lancaster and the City of Palmdale for their efforts with Operation Jumpstart.

**Staff –**

- None.

**Agenda Item #15 – Board Member Reports and Suggestions for Future Agenda Items.**

- Board Member BISHOP thanked everyone for their efforts with this meeting.
- Board Member HAWKINS thanked everyone for their efforts with this meeting.

**Agenda Item #16 – Adjourn to Regular Governing Board Meeting of Tuesday, June 16, 2020.**

Being no further business, the meeting adjourned at 10:28 a.m. to the next regularly scheduled Governing Board Meeting of Tuesday, June 16, 2020.

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

May 2020

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

#### \$599,000 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: \$ 48,158.00\***

### PROPOSED PROJECTS

<u>Action Date</u>	<u>Project Description</u>	<u>Grant Award</u>	<u>Status</u>
June-20	AFV Program Add'l Funds	15,000.00	pending
<b>BALANCE PENDING APPROVAL</b>		<b>\$ 48,158.00</b>	

- Status marked pending\* are not included in the Balance Pending Approval

<b>AB 2766 Approved Funding Awards</b>			
<u>Action Date</u>	<u>Project Description</u>	<u>Grant Award</u>	<u>Status</u>
Feb-18	LBC – Bus Replacement Project #1 of 7	\$ 71,848.00	paid
Feb-18	LBC – Bus Replacement Project #2 of 7	74,733.00	paid
Feb-18	LBC – Bus Replacement Project #3 of 7	69,121.00	paid
Feb-18	LBC – Bus Replacement Project #4 of 7	69,121.00	paid
Feb-18	LBC – Bus Replacement Project #5 of 7	83,860.00	paid
Feb-18	LBC – Bus Replacement Project #6 of 7	84,000.00	pending*
Feb-18	LBC – Bus Replacement Project #7 of 7	96,000.00	pending*
Mar-18	Kyle & Kyle Ranches On-road Vehicle Project	31,984.00	paid
Mar-18	2018 Lawn Mower Exchange Program	10,000.00	paid
May-18	AFV Program Add'l Funds	15,000.00	paid
May-18	LBC – Bus Replacement Project #1 of 7	66,516.00	paid
Aug-18	AFV Program Add'l Funds	15,000.00	paid
Aug-18	Antelope Valley College - Student Pass Program	80,000.00	paid
Aug-18	Heritage Sign Company Vehicle Replacement Project	8,720.00	paid
Oct-18	LBC - Bus Replacement Project #1 of 7	5,332.00	paid
Oct-18	American Plumbing Services Vehicle Replacement	10,810.00	paid
Nov-18	UAV Vehicle Replacement Project	27,869.00	paid
Nov-18	AFV Program Add'l Funds	15,000.00	paid
Dec-18	AFV Program Add'l Funds	15,000.00	paid
Dec-18	Paraclete High School Vehicle Replacement Project	35,000.00	paid
Dec-18	LA County Sheriff's Palmdale Bio Diesel Truck Project	50,000.00	paid
Mar-19	AFV Program Add'l Funds	15,000.00	paid
Apr-19	AFV Program Add'l Funds	30,000.00	paid
Apr-19	Curb Crafters Vehicle Replacement	19,029.00	cancelled
July-19	AFV Program Add'l Funds	20,000.00	paid
Sept-19	AFV Program Add'l Funds	50,000.00	paid
Oct-19	Kyle & Kyle Ranches HD Truck Replacement Project	33,000.00	paid
Dec-19	Public Transit Programs-Member Agencies	25,000.00	paid
Jan-20	AFV Program Add'l Funds	50,000.00	paid
Feb-20	City of Palmdale – SAVES Project	78,000.00	pending
Apr-20	AFV Program Add'l Funds	11,500.00	paid
Apr-20	Jack O'Connor Construction	30,000.00	paid
Apr-20	AV Fair Assoc. – Implementation of MSERP	75,000.00	pending

**AB 923 (\$2 DMV Fee)****\$609,500 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: \$475,380.00**

**PROPOSED PROJECTS**

<u>Action Date</u>	<u>Project Description</u>	<u>Grant Award</u>	<u>Status</u>
<b>BALANCE PENDING APPROVAL</b>		<b>\$</b>	<b>0.00</b>

<b>AB 923 Approved Funding Awards</b>			
<u>Action Date</u>	<u>Project Description</u>	<u>Grant Award</u>	<u>Status</u>
Jan-18	Wilsona School District EV School Bus Charging Project	\$ 49,976.00	paid
Feb-18	Vehicle Retirement Program Add'l Funds	47,000.00	paid
Mar-18	2018 Lawn Mower Exchange Program	10,000.00	paid
Mar-18	Robertsons Palmdale Honda EV Charging Project	86,000.00	paid
May-18	Home2 Suites by Hilton Palmdale EV Charging Project	15,200.00	paid
May-18	Sierra Commons EV Charging Project	30,640.00	paid
Sep-18	AV Harley-Davidson EV Charging Project	20,000.00	paid
Nov-18	Vehicle Retirement Program Add'l Funds	50,000.00	paid
Dec-18	High Desert Dairy Equipment Replacement Project	54,918.00	paid
Dec-18	AVTA EV Charging Project	50,000.00	pending
Dec-18	AVSTA (3) New Electric School Buses	28,669.00	paid
June-19	Waste Management-AV CNG Station	279,515.00	cancelled
June-19	City of Lancaster EV Charging City-MOAH	10,000.00	pending
July-19	Waste Management-AV CNG Station add'l funds	70,000.00	cancelled
July-19	Learn 4 Life EV Charging Project	47,591.00	cancelled
Sept-19	AVSTA CNG Fueling Station Project	104,000.00	pending
Oct-19	XL Hybrid Plug-In Truck Pilot Project	164,694.00	paid
Nov-19	Truck and Bus Replacement Project	120,000.00	paid
Jan-20	City of Palmdale EV Charging Project	6,000.00	pending
Jan-20	Boething Treeland Farms ERP	138,418.00	paid
Feb-20	City of Palmdale - SAVES Project	30,000.00	pending
Feb-20	Lancaster School District - Electric Riding Mower	23,000.00	paid
Apr-20	Commercial Lawn and Garden Exchange Program	50,000.00	paid
Apr-20	City of Palmdale - SAVES Project add'l funds	5,799.00	pending
Apr-20	2020 Residential Lawn and Garden Exchange	24,934.00	paid
May-20	Jon Watson Loader Backhoe Services ERP	49,900.00	pending

**Carl Moyer Program****\$701,500 Annually**

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: \$ 127.00**

**PROPOSED PROJECTS**

<u>Action Date</u>	<u>Project Description</u>	<u>Grant Award</u>	<u>Status</u>
<b>BALANCE PENDING APPROVAL</b>		<b>\$ 0.00</b>	

<b>Carl Moyer Program Approved Funding Awards</b>			
<u>Action Date</u>	<u>Project Description</u>	<u>Grant Award</u>	<u>Status</u>
Apr-18	McWhirter Steel Forklift Replacement Project	\$ 185,943.00	paid
May-18	McCarthy Steel Forklift Replacement Project	59,155.00	paid
June-18	Gall Brothers Engineering Equipment Replacement Proj.	94,211.00	paid
Jul-18	Fine Grade Equipment Replacement Project	240,850.00	paid
Aug-18	Heritage Sign Company Vehicle Replacement Project	23,545.00	paid
Oct-18	American Plumbing Service Vehicle Replacement Proj.	14,112.00	paid
Dec-18	Bills Landscaping Equipment Replacement Project	94,700.00	paid
Dec-18	High Desert Dairy Equipment Replacement Project	45,082.00	paid
Deposit	Carl Moyer Program Yr. 21 FY 18-19	661,741.00	received
Mar-19	Commercial Lawn and Garden Exchange Program	200,000.00	cancelled
Apr-19	AV Fair Assoc. ERP Aerial Lift Project 4	93,140.00	paid
Apr-19	Curb Crafters On-road Replacement Project	14,363.00	cancelled
June-19	Alameda Metals Corporation Equipment Replacement	214,111.00	paid
Deposit	Carl Moyer Program Interest FY 18-19	15,179.00	received
Oct-19	XL Plug-In Hybrid Truck Pilot Project	115,306.00	paid
Oct-19	Kyle & Kyle Ranches HD Truck Replacement Project	40,000.00	paid
Apr-20	Bills Landscaping Equipment Replacement Project	21,000.00	pending
Apr-20	California Compaction Equipment Replacement Project	110,165.00	paid
May-20	B Mos Tractors ERP	83,071.00	pending

**AB 617 Community Air Protection (CAP) Implementation****\$48,588 FY 19/20 Allocation**

The purpose of AB 617 is to reduce emission sources in disadvantaged and low income communities by community-based air monitoring and local emission reduction programs. Funding is allocated to Air Districts to implement and administer all aspects of AB 617. These funds support community collaborative/community involved programs such as the deployment of air monitoring systems (i.e. Purple Air Sensors) and supporting local emission reductions programs. As a result, the AVAQMD is able to create new and enhance existing programs (i.e. lawn and garden equipment replacement, vehicle retirement, light-duty alternative fuel vehicle purchase incentive and residential electric vehicle charging) suggested by individual residents and group members as programs that best serve emission reductions within the community).

**Current Balance: \$ 48,588.00**

**PROPOSED PROJECTS**

<u>Action Date</u>	<u>Project Description</u>	<u>Grant Award</u>	<u>Status</u>
<b>BALANCE PENDING APPROVAL</b>		<b>\$ 0.00</b>	

<b>AB 617 CAP Admin. Approved Funding Awards</b>			
<u>Action Date</u>	<u>Project Description</u>	<u>Grant Award</u>	<u>Status</u>
June-18	AB 617 CAP Implementation Funds FY 17-18 (Initial)	\$ 65,569.00	received
Oct-18	AB 617 CAP Implementation Funds FY 17-18 (Amend)	+ 75,000.00	received
Feb-19	Lawn Mower Exchange Events 2019	45,000.00	paid
Mar-19	Admin Support Costs	15,489.00	paid
Mar-19	Commercial Lawn and Garden Program	75,000.00	paid
Apr-19	Air Quality Sensors	4,440.00	paid
Deposit	AB 617 CAP Implementation Funds FY 18-19	+ 79,305.00	received
Aug-19	CAP AFV Incentive Program	75,000.00	cancelled
Oct-19	Admin Support Costs	11,140.00	paid
Apr-20	Admin Support Costs	20,247.00	paid
May-20	AB 617 Implementation Funds FY 19-20	+ 48,588.00	pending

**AB 134 Community Air Protection (CAP) Projects****\$1,088,281 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: \$ 432,502.00**

**PROPOSED PROJECTS**

<u>Action Date</u>	<u>Project Description</u>	<u>Grant Award</u>	<u>Status</u>
<b>BALANCE PENDING APPROVAL</b>		<b>\$</b>	<b>0.00</b>

<b>AB 134 CAP Projects Approved Funding Awards</b>			
<u>Action Date</u>	<u>Project Description</u>	<u>Grant Award</u>	<u>Status</u>
June-18	AB 134 CAP Funds	\$ 468,750.00	received
Dec-18	AVSTA (3) New Electric School Buses	468,750.00	paid
Deposit	CAP Interest FY 17/18	2581.00	received
Nov-19	AVSTA (3) New Electric School Buses	2581.00	paid
Nov-19	AB CAP Funds	1,008,281.00	pending receipt
Feb-20	AVTA - Level III EV Charging Project	500,000.00	cancelled
Feb-20	Coast Auto Salvage - Forklift Replacement Project	76,264.00	pending
Apr-20	Waste Management CNG Fueling Station	349,515.00	pending
Apr-20	Lancaster Choice Energy - EV Charging Stations Project	150,000.00	pending

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.



## **Item #3 Monthly Activity Report – May 2020**

	<u>May 2020</u>	<u>May 2019</u>	<u>YTD (7/1/20)</u>
Complaints	5	0	11
Complaint Investigations	5	0	11
Asbestos Notifications	10	10	90
Asbestos Inspections	0	0	0
Permit Inspections	89	63	1,075
Permit Inspections in Compliance (%)	100	100	100
Notice of Violation (NOV)	0	0	5

### **\*Outstanding NOVs**

- AV00000210, Issued 02/2018
- AV00000216, Issued 05/2019

**Number of Active Companies: 286**  
**Number of Active Facilities: 517**  
**Number of Active Permits: 1,114**  
**Permit Applications: 10**

### **Project Comment Letters – May 2020**

**Attached**

AVAQMD CEQA PROJECTS						
BOARD MEETING						
6/16/2020						
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
5/4/2020	Lancaster	New Shop Warehouse	Site Plan Review 20-03 to construct a 16,500 sq. ft. office warehouse. This project is located near Challenger Way & Avenue L (APN: 3126-014-012) on approximately 1.08 acre.	No Comment	6/3/2020	5/6/2020
5/4/2020	Palmdale	Townhomes	General Plan Amendment 18-002, Zone Change 18-002 and Site Plan Review 18-005 for the proposed project to construct 80 row townhomes on approximately 5 acres located at the southeast corner of 42nd Street East and Avenue S (APNs: 3052-001-071 and -072).	No Comment	5/23/2020	5/5/2020
5/11/2020	Palmdale	Expansion of Sam Yellen Community Park	Notice of Intent to Adopt a Mitigated Negative Declaration for CUP 11-006 Major Modification and SPR 20-004 for the phase two expansion of Sam Yellen Community Park located at the southwest corner of Hillcrest Drive and Avenue S on approximately 15 acres.	DCP CARB Equipment	5/24/2020	5/12/2020
5/11/2020	Palmdale	Pearblossom Hwy. Gas Station & Townhome Site Development	General Plan Amendment 20-001, Zone Change 20-001, Conditional Use Permit 20-005, and Site Plan review 20-008 to construct a commercial retail center, gas station, car wash and residential condominiums to be located north of Pearblossom Highway, west of 45th Street East.	DCP Gas Station Permitting CARB Equip	5/13/2020	5/13/2020
5/20/2020	Lancaster	Terracina at Lancaster	Notice of Availability/Notice of Intent to Adopt a Mitigated Negative Declaration for SPR No. 19-07. The proposed project consists of the construction and operation of a 264-unit low-income apartment complex, located on approximately 13.05 acres at the northeast corner of 17th Street East and Avenue J-4.	DCP Rule 219 Permitting CARB Equipment	6/19/2020	5/27/2020

AVAQMD CEQA PROJECTS						
BOARD MEETING						
6/16/2020						
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
5/19/2020	Palmdale	Wireless Tower-Faux Water Tower	Tentative Tract Map 61894 Time Extension No. 2 Determination of Application Completeness/Condition Setting requesting a time extension to previously approved Tentative Tract Map 61894, to subdivide 461.43 acres into 334 single-family lots, three detention basin lots, and 29 open space lots to be located at the southwest corner of Avenue S and Parkwood Drive (APNs: 3206-023-004; 3206-024-008; 3206-075-001).	No Comment	6/4/2020	5/27/2020
5/19/2020	Palmdale	Residential Transient Hotel	Pre-Application 20-007 Conceptual Review to develop 3.78 acres into a hotel use consisting of three buildings to be located at the southwest corner of Avenue Q and 5th Street West (APNs: 3004-001-031, 037 and 038).	No Comment	6/2/2020	5/27/2020
5/22/2020	Palmdale	TTM 061894	Pre-Application 20-007 Conceptual Review to develop 3.78 acres into a hotel use consisting of three buildings to be located at the southwest corner of Avenue Q and 5th Street West (APNs: 3004-001-031, 037 and 038).	No Comment	5/28/2020	5/27/2020

The following page(s) contain the backup material for Agenda Item: [Approve payments to MDAQMD in the amounts of \\$127,230.10 for April 2020. 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:** June 16, 2020

**RECOMMENDATION:** Approve payments to MDAQMD in the amount of \$127,230.10 for April 2020.

**SUMMARY:** The District contracts for services with MDAQMD; invoices for services are presented for payment.

**BACKGROUND:** Key Expenses: Staffing costs \$111,500.00 per month.

**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 June 2, 2020.

**FINANCIAL DATA:** The contract and direct expenditure amounts are part of the approved District budget for FY20. 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 **4/30/2020**  
 Invoice Number **42637**

# INVOICE

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

FY20	Amount	
Professional Services	111,500.00	
Overhead	15,624.75	
Vehicles Expenses	96.07	
Professional Services	9.28	
<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>		
<p><b>MAKE CHECKS PAYABLE TO MOJAVE DESERT AQMD</b>  <b>PLEASE INCLUDE THE INVOICE NUMBER ON THE CHECK</b></p>	<b>Invoice Total</b>	<b>127,230.10</b>
	<b>Amount Paid</b>	<b>0.00</b>
	<b>Balance Due</b>	<b>127,230.10</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 April 30, 2020. The Financial Reports for April provide financial and budget 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:** June 16, 2020

**RECOMMENDATION:** Receive and file.

**SUMMARY:** The Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at April 30, 2020.

**BACKGROUND:** The Financial Reports for April provide financial and budget performance information for the District for the period referenced.

**BALANCE SHEET.** The balance sheet summarizes the District's financial position on April 30, 2020.

**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 April is 83%.

*District Wide* reports 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. *Report Recap* is 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 June 2, 2020.

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



**Antelope Valley AQMD**  
**Balance Sheet - Governmental Funds**  
**As of April 30, 2020**

## 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	2,995,870.35	240,984.54	1,128,837.54	519,625.79	4,885,318.22
Cash Held For Other Fund	(61,068.51)	58,468.40	2,600.11	0.00	0.00
Receivables	74,616.36	0.00	0.00	0.00	74,616.36
Pre-Paid	12,806.58	0.00	0.00	0.00	12,806.58
<b>Total Current Assets</b>	<b>3,022,224.78</b>	<b>299,452.94</b>	<b>1,131,437.65</b>	<b>519,625.79</b>	<b>4,972,741.16</b>
<b>Total Assets</b>	<b>3,022,224.78</b>	<b>299,452.94</b>	<b>1,131,437.65</b>	<b>519,625.79</b>	<b>4,972,741.16</b>
<b>Liabilities and Net Position</b>					
Current Liabilities					
Payables	855,104.03	11,500.00	46,408.00	400.00	913,412.03
Accruals	1,329.40	0.00	0.00	0.00	1,329.40
Due to Others	1,645.00	0.00	0.00	0.00	1,645.00
Unearned Revenue	0.00	0.00	0.00	444,948.98	444,948.98
<b>Total Current Liabilities</b>	<b>858,078.43</b>	<b>11,500.00</b>	<b>46,408.00</b>	<b>445,348.98</b>	<b>1,361,335.41</b>
Restricted Fund Balance	0.00	367,812.06	1,055,552.13	66,331.49	1,489,695.68
Cash Reserves	487,785.00	0.00	0.00	0.00	487,785.00
Unassigned Fund Balance	2,475,331.99	0.00	0.00	0.00	2,475,331.99
Pre-Paid	4,367.68	0.00	0.00	0.00	4,367.68
Change in Net Position	(803,338.32)	(79,859.12)	29,477.52	7,945.32	(845,774.60)
<b>Total Liabilities &amp; Net Position</b>	<b>3,022,224.78</b>	<b>299,452.94</b>	<b>1,131,437.65</b>	<b>519,625.79</b>	<b>4,972,741.16</b>

**Antelope Valley AQMD**  
**Statement of Revenues & Expenditures**  
**For the Period Ending April 30, 2020**

## 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	55,622.31	0.00	0.00	0.00	55,622.31
AB 2766 and Other Program Revenues	52,026.86	51,731.34	51,731.35	400.00	155,889.55
Fines	0.00	0.00	0.00	0.00	0.00
Investment Earnings	0.00	0.00	0.00	0.00	0.00
Federal and State	0.00	0.00	0.00	0.00	0.00
Miscellaneous Income	0.00	0.00	0.00	0.00	0.00
<b>Total Revenues</b>	<b>107,649.17</b>	<b>51,731.34</b>	<b>51,731.35</b>	<b>400.00</b>	<b>211,511.86</b>
<b>Expenditures</b>					
Program Staff	111,500.00	0.00	0.00	0.00	111,500.00
Services and Supplies	495,521.34	11,500.00	46,408.00	400.00	553,829.34
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>607,021.34</b>	<b>11,500.00</b>	<b>46,408.00</b>	<b>400.00</b>	<b>665,329.34</b>
<b>Excess Revenue Over (Under) Expenditures</b>	<b>(499,372.17)</b>	<b>40,231.34</b>	<b>5,323.35</b>	<b>0.00</b>	<b>(453,817.48)</b>

**Antelope Valley AQMD**  
**Statement of Activity - MTD, MTM and YTD**  
**For 4/30/2020**

00 District Wide

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
<b>Revenues</b>				
Permitting	55,062.33	849,229.53	1,072,500.00	(0.79)
Programs	155,889.55	1,542,829.71	2,570,566.00	(0.60)
Revenue - Other	0.00	230.54	0.00	0.00
Application Fees	1,000.00	46,502.50	30,000.00	(1.55)
State Revenue	0.00	214,670.80	206,305.00	(1.04)
Fines & Penalties	0.00	34,980.06	9,000.00	(3.89)
Interest Earned	0.00	50,744.20	22,435.00	(2.26)
Adjustments to Revenue	(440.02)	(394,149.33)	0.00	0.00
<b>Total Revenues</b>	<b>211,511.86</b>	<b>2,345,038.01</b>	<b>3,910,806.00</b>	<b>(0.60)</b>
<b>Expenses</b>				
Office Expenses	5,203.94	72,992.57	102,575.00	0.71
Communications	1,427.52	14,498.42	20,500.00	0.71
Vehicles	0.00	1,992.20	10,000.00	0.20
Program Costs	527,058.00	1,751,513.31	2,060,266.00	0.85
Travel	0.00	6,160.72	10,150.00	0.61
Professional Services				
Research Studies	0.00	0.00	6,000.00	0.00
Consulting Fees	0.00	0.00	3,000.00	0.00
Stipends	700.00	5,500.00	8,400.00	0.65
Maintenance & Repairs	225.00	2,959.00	6,500.00	0.46
Non-Depreciable Inventory	0.00	(166.99)	10,000.00	(0.02)
Dues & Subscriptions	850.00	8,893.95	20,500.00	0.43
Legal	2,634.78	12,873.00	19,000.00	0.68
Miscellaneous Expense	0.00	769.59	915.00	0.84
Suspense	0.00	676.87	0.00	0.00
Capital Expenditures	0.00	21,164.83	95,000.00	0.22
<b>Total Expenses</b>	<b>538,099.24</b>	<b>1,899,827.47</b>	<b>2,372,806.00</b>	<b>0.80</b>
<b>Program Staff</b>				
<b>Excess Revenue Over (Under) Expenditures</b>	<b>(326,587.38)</b>	<b>445,210.54</b>	<b>1,538,000.00</b>	<b>(0.29)</b>

**Antelope Valley AQMD**  
**Statement of Activity - MTD, MTM and YTD**  
**For 4/30/2020**

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	0.00	500.00	0.00	0.00
Vehicles	96.07	4,841.09	0.00	0.00
Travel	0.00	2,412.92	0.00	0.00
Professional Services				
Payroll Contract	9.28	109.67	0.00	0.00
Financial Audit & Actuarial Svcs	15,624.75	165,857.04	200,000.00	0.83
Research Studies	0.00	500.00	0.00	0.00
Consulting Fees	0.00	1,640.88	0.00	0.00
Dues & Subscriptions	0.00	123.54	0.00	0.00
<b>Total Expenses</b>	<b>15,730.10</b>	<b>175,985.14</b>	<b>200,000.00</b>	<b>0.88</b>
<b><u>Program Staff</u></b>				
Program Staff	111,500.00	1,115,000.00	1,338,000.00	0.83
<b>Total Program Staff</b>	<b>111,500.00</b>	<b>1,115,000.00</b>	<b>1,338,000.00</b>	<b>0.83</b>
<b>Excess Revenue Over (Under) Expenditures</b>	<b>(127,230.10)</b>	<b>(1,290,985.14)</b>	<b>(1,538,000.00)</b>	<b>(0.84)</b>

**Antelope Valley AQMD**  
**Statement of Activity - MTD, MTM and YTD**  
**For 4/30/2020**

Report Recap

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
<b>Revenues</b>				
Permitting	55,062.33	849,229.53	1,072,500.00	(0.79)
Programs	155,889.55	1,542,829.71	2,570,566.00	(0.60)
Revenue - Other	0.00	230.54	0.00	0.00
Application Fees	1,000.00	46,502.50	30,000.00	(1.55)
State Revenue	0.00	214,670.80	206,305.00	(1.04)
Fines & Penalties	0.00	34,980.06	9,000.00	(3.89)
Interest Earned	0.00	50,744.20	22,435.00	(2.26)
Adjustments to Revenue	(440.02)	(394,149.33)	0.00	0.00
<b>Total Revenues</b>	<b>211,511.86</b>	<b>2,345,038.01</b>	<b>3,910,806.00</b>	<b>(0.60)</b>
<b>Expenses</b>				
Office Expenses	5,203.94	73,492.57	102,575.00	0.72
Communications	1,427.52	14,498.42	20,500.00	0.71
Vehicles	96.07	6,833.29	10,000.00	0.68
Program Costs	527,058.00	1,751,513.31	2,060,266.00	0.85
Travel	0.00	8,573.64	10,150.00	0.84
Professional Services				
Payroll Contract	9.28	109.67	0.00	0.00
Financial Audit & Actuarial Svcs	15,624.75	165,857.04	200,000.00	0.83
Research Studies	0.00	500.00	6,000.00	0.08
Consulting Fees	0.00	1,640.88	3,000.00	0.55
Stipends	700.00	5,500.00	8,400.00	0.65
Maintenance & Repairs	225.00	2,959.00	6,500.00	0.46
Non-Depreciable Inventory	0.00	(166.99)	10,000.00	(0.02)
Dues & Subscriptions	850.00	9,017.49	20,500.00	0.44
Legal	2,634.78	12,873.00	19,000.00	0.68
Miscellaneous Expense	0.00	769.59	915.00	0.84
Suspense	0.00	676.87	0.00	0.00
Capital Expenditures	0.00	21,164.83	95,000.00	0.22
<b>Total Expenses</b>	<b>553,829.34</b>	<b>2,075,812.61</b>	<b>2,572,806.00</b>	<b>0.81</b>
<b>Program Staff</b>				
Program Staff	111,500.00	1,115,000.00	1,338,000.00	0.83
<b>Total Program Staff</b>	<b>111,500.00</b>	<b>1,115,000.00</b>	<b>1,338,000.00</b>	<b>0.83</b>
<b>Excess Revenue Over (Under) Expenditures</b>	<b>(453,817.48)</b>	<b>(845,774.60)</b>	<b>0.00</b>	<b>0.00</b>

**Antelope Valley AQMD**  
**Bank Register from 4/01/2020 to 4/30/2020**  
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>
0004117	4/09/2020	[01148] ANTELOPE VALLEY PRESS-March Mania Advertisement Acct # 0965	150.00	0.00	310,424.27
0004118	4/09/2020	[01148] ANTELOPE VALLEY PRESS-Legal Notice Account #1358	281.52	0.00	310,142.75
0004119	4/09/2020	[10006] BANK OF THE WEST-Credit Card Charges	139.00	0.00	310,003.75
0004120	4/09/2020	[10260] QCS BUILDING SERVICES-Invoices 20570, 20640	318.41	0.00	309,685.34
0004121	4/09/2020	[10071] QUADIENT LEASING-Postage Meter Rental	77.75	0.00	309,607.59
0004122	4/09/2020	[10043] SOCALGAS-Gas Service	125.68	0.00	309,481.91
0004123	4/09/2020	[10039] SPARKLETTS-Water Delivery Service	51.40	0.00	309,430.51
0004124	4/09/2020	[10045] VERIZON BUSINESS-VOIP Service	425.11	0.00	309,005.40
0004125	4/09/2020	[10046] VERIZON CALIFORNIA-Long distance	32.69	0.00	308,972.71
R20-24	4/09/2020	Op Fund Rep #21	0.00	1,601.56	310,574.27
0000001	4/13/2020	Credit Card Transaction - Universal Electronic Alarms	0.00	500.00	311,074.27
0004126	4/16/2020	[10076] ANTELOPE VALLEY AQMD-Bank Transfer - Credit Card A/R Receipts - March 2020	9,055.36	0.00	302,018.91
0004127	4/16/2020	[10023] LOS ANGELES COUNTY CLERK-NOE Rule 1107 Amendment	75.00	0.00	301,943.91
0004128	4/16/2020	[10592] SPECTRUM BUSINESS-Internet Service	770.00	0.00	301,173.91
0000001	4/20/2020	Credit Card Transaction - CA Water Service	0.00	481.82	301,655.73
0004129	4/23/2020	[10518] AUSTIN BISHOP-Attendance Governing Board Meeting Tuesday, April 21, 2020.	100.00	0.00	301,555.73
0004130	4/23/2020	[10405] CANON FINANCIAL SERVICES-Copier Lease	306.91	0.00	301,248.82
0004131	4/23/2020	[10055] NEWTON CHELETTE-Attendance Governing Board Meeting Tuesday, April 21, 2020.	100.00	0.00	301,148.82
0004132	4/23/2020	[10057] MARVIN CRIST-Attendance Governing Board Meeting Tuesday, April 21, 2020.	100.00	0.00	301,048.82
0004133	4/23/2020	[10502] DIGITAL DEPLOYMENT INC-Web hosting	200.00	0.00	300,848.82
0004134	4/23/2020	[10599] HOWARD HARRIS-Attendance Governing Board Meeting Tuesday, April 21, 2020.	100.00	0.00	300,748.82
0004135	4/23/2020	[10058] RONALD HAWKINS-Attendance Governing Board Meeting Tuesday, April 21, 2020.	100.00	0.00	300,648.82
0004136	4/23/2020	[10503] STEVEN D HOFBAUER-Attendance Governing Board Meeting Tuesday, April 21, 2020.	100.00	0.00	300,548.82
0004137	4/23/2020	[10054] KENNETH MANN-Attendance Governing Board Meeting Tuesday, April 21, 2020.	100.00	0.00	300,448.82
0004138	4/23/2020	[10026] MOJAVE DESERT AQMD-JAN FY20	128,374.40	0.00	172,074.42
R20-25	4/23/2020	Op Fund Rep #22	0.00	130,426.31	302,500.73
0004139	4/30/2020	[10012] CAPCOA-2020 Membership Dues	850.00	0.00	301,650.73
0004140	4/30/2020	[10455] STRADLING YOCCA CARLSON & RAUTH-Feb 20 Legal Services	1,250.00	0.00	300,400.73
0004141	4/30/2020	[10050] WOELFL FAMILY TRUST-Office Lease May 2020	4,613.71	0.00	295,787.02
0000001	4/30/2020	Credit Card Transaction - LA-RICS	0.00	481.82	296,268.84
R20-28	4/30/2020	Op Fund Rep #23	0.00	475,763.71	772,032.55
<b>Total for Report:</b>			<b>147,796.94</b>	<b>609,255.22</b>	

**Antelope Valley AQMD**  
**Bank Register from 4/01/2020 to 4/30/2020**  
LA County General Fund P6A

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000369	4/09/2020	Daily Deposit	0.00	25,581.62	2,620,765.41
R20-24	4/09/2020	Op Fund Rep #21	1,601.56	0.00	2,619,163.85
0000001	4/16/2020	Daily Deposit	0.00	26,631.10	2,645,794.95
R20-25	4/23/2020	Op Fund Rep #22	130,426.31	0.00	2,515,368.64
0000001	4/27/2020	Daily Deposit	0.00	163,094.99	2,678,463.63
0000001	4/30/2020	Daily Deposit	0.00	20,656.06	2,699,119.69
R20-28	4/30/2020	Op Fund Rep #23	475,763.71	0.00	2,223,355.98
<b>Total for Report:</b>			<b>607,791.58</b>	<b>235,963.77</b>	

**Antelope Valley AQMD**  
**Bank Register from 4/01/2020 to 4/30/2020**  
District Cards

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000447	4/09/2020	[10580] CUBESMART-Monthly lease payment for storage unit for long term storage of District records and documents.	139.00	0.00	472.48
0000064	4/10/2020	April 2020	0.00	139.00	611.48
<b>Total for Report:</b>			<b>139.00</b>	<b>139.00</b>	



The following page(s) contain the backup material for Agenda Item: [Extend the current engagement for audit services with Fedak & Brown, LLP, Riverside, for three fiscal years beginning FY20, and not to exceed \\$40,000; and authorize the Executive Director, or designee, to execute the engagement agreement. Presenter: Laquita Cole, Finance Manager.](#)

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*

**PAGE 1**

**DATE:** June 16, 2020

**RECOMMENDATION:** 1) Extend the current engagement for audit services with Fedak & Brown, LLP, Riverside, for three fiscal years beginning FY20, and not to exceed \$40,000; and 2) authorize the Executive Director, or designee, to execute the engagement agreement.

**SUMMARY:** Fedak & Brown has served as the District's auditor for three fiscal years. This item extends the current engagement period for audit services with Fedak & Brown, LLP, Riverside, for an additional three fiscal years beginning FY20, and not to exceed \$40,000.

**BACKGROUND:** Generally Accepted Government Auditing Standards (GAGAS) state that a local agency can employ a public accounting firm to provide audit services for up to six consecutive fiscal years without audit partner rotation. Best practices recommend that governmental agencies enter into multiyear agreements of at least five years in duration when obtaining the services of independent auditors. Such agreements can take a variety of different forms (e.g., a series of single-year contracts), consistent with applicable legal requirements.

Staff recommends the Board extend the current engagement period for greater continuity and to minimize the potential for disruption in connection with the independent audit.

**REASON FOR RECOMMENDATION:** Governing Board approval will authorize staff to engage audit services for the fiscal years ending June 30, 2020-2022.

**REVIEW BY OTHERS:** This item was reviewed by Allison Burns, Special Counsel to the Governing Board as to legal form and by Bret Banks, Executive Director/APCO on or about June 8, 2020.

**FINANCIAL DATA:** The cost of auditing services is included in the District's annual budget. No increase in appropriation is anticipated.

**PRESENTER:** Laquita Cole, Finance Manager.

# ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT

## Cost Proposal to Provide Audit Services

For the Years Ending  
June 30, 2020—2022  
(Optional Years 2023—2024)

6081 Orange Avenue  
Cypress, California 90630

1945 Chicago Avenue, Suite C-1  
Riverside, California 92507

**Phone:** (657) 214-2307

**Email:** [chris@fedakbrownllp.com](mailto:chris@fedakbrownllp.com)

[andy@fedakbrownllp.com](mailto:andy@fedakbrownllp.com)

[chuck@fedakbrownllp.com](mailto:chuck@fedakbrownllp.com)

California BOA License Number: 7723



**Certified  
Public  
Accountants**



**Consultants  
& Advisors**





Charles Z. Fedak, CPA, MBA  
Christopher J. Brown, CPA, CGMA  
Andy Beck, CPA

# Fedak & Brown LLP

Certified Public Accountants

Cypress Office:  
6081 Orange Avenue  
Cypress, California 90630  
(657) 214-2307  
FAX (714) 527-9154

Riverside Office:  
1945 Chicago Avenue, Suite C-1  
Riverside, California 92507  
(951) 783-9149

March 28, 2020

Ms. Laquita Cole, Finance Manager  
Antelope Valley Air Quality Management District  
14306 Park Avenue  
Victorville, California 92392

**Re: Request for Proposal for Audit Services**

Dear Ms. Cole:

Based on our understanding of the Antelope Valley Air Quality Management District’s (District) requirements, our fee for audit services, assistance preparing the annual financial report, preparation of the District’s annual State Controller’s Report, not to exceed out-of-pocket expenses, and audit of Federal Awards (as necessary), at our discounted rates for the fiscal year ending June 30, 2020, is **\$12,500**. This fee is based on our understanding of the District’s audit requirements.

Assuming there is no substantial change in the Districts’ activities and operations, our fees for these services for the fiscal years ending June 30, 2021 and 2022, and optional years 2023 and 2024, would be **\$12,680, \$12,870, \$13,060, and \$13,250**, respectively.

Our estimate for out-of-pocket expenses may not be fully utilized in total to the amount estimated. Again, these fees are based on the estimated hours using our discounted hourly rates. The components of this audit services fee proposal and out-of-pocket costs for the fiscal years ending June 30, 2020 through 2024 are itemized in the attached Exhibits.

Our not-to-exceed fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal.

Additional services not included in this proposal will be based on our discounted billing rates based on the level of experience required. We would execute a separate contract for these services, if they are requested by the Districts.

I am authorized to make representations for Fedak & Brown LLP and am duly authorized to sign a contract with the Districts.

Christopher J. Brown, CPA, CGMA

March 28, 2020

Date

# Exhibit I – Proposed Hours and Our Fees

## Proposed Hours and Our Fees

We anticipate that, for the fiscal years ending June 30, 2020 through 2022, and optional years 2023 and 2024 the audit of the Districts will require approximately 95 audit hours. These hours, by major area, are summarized as follows:

Antelope Valley Air Quality Management District					
Audit Steps	Partner	Manager	Supervisor	Staff	Total
Planning	1	2	5	10	18
Control Testwork	2	4	5	15	26
Substantive Testwork	3	5	10	10	28
Reporting	4	4	5	10	23
Total Hours	10	15	25	45	95

As shown above, we expect approximately 52% of engagement hours to come from the Partners, Managers and Supervisors assigned to the engagements.

Working on the premise that we will be provided with all the documents listed per our audit requirements (will be provided prior to commencement of fieldwork), we expect to perform the audit of the Districts at fees as stated in the attached Schedule of Professional Fees on Page 3 for the fiscal years ending June 30, 2020 through 2022, and optional years 2023 and 2024, respectively.

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned, plus out-of-pocket costs (such as report reproductions, typing, postage, travel, copies, telephone, etc.). We will obtain the assistance of Districts' personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due and payable thirty days from the date of the invoice.

Based upon the present size and scope of the activities of the Districts, we expect to perform the services enumerated above at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the audits.

In accordance with your request for proposal and the Office of Management and Budget Circular A-128, we will maintain our work papers for at least seven years and make them available to the Districts, state agencies, the General Accounting Office, and other parties upon the direction of the Districts. We have provided a breakdown of our current hourly rates, which would apply to this engagement on the attached Schedule of Professional Fees by Hours on Pages 4 through 6 of this cost proposal.

## Proposed Hours and Our Fees, continued

We want the Board to understand that we will provide **any** assistance and answer **any** questions that the Districts' staff or members of the Boards may have when they arise for the entire duration of our contract. We find it important to stay abreast of the Districts' activities and compliance issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for the compliance auditing services of the Districts. Because of our experience in special districts, we will provide you with accounting updates (GASB) to assist in your operations as well as meet the audit needs of the organization. We will also continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.

## Exhibit II – Schedule of Professional Fees

### Antelope Valley Air Quality Management District

<u>Total Audit Fees By Fiscal Year</u>	<u>District Total Audit Service Fees*</u>	<u>District Out-of Pocket Costs**</u>	<u>Total Audit</u>	<u>State Controller's Report</u>	<u>Total Fee with Optional Item</u>
Fiscal Year 2020	\$ 11,400	500	11,900	600	12,500
Fiscal Year 2021	11,580	500	12,080	600	12,680
Fiscal Year 2022	<u>11,770</u>	<u>500</u>	<u>12,270</u>	<u>600</u>	<u>12,870</u>
<b>Total Three Year Contract</b>	<b>\$ <u>34,750</u></b>	<b><u>1,500</u></b>	<b><u>36,250</u></b>	<b><u>1,800</u></b>	<b><u>38,050</u></b>
<b>Optional Years</b>					
Optional - Fiscal Year 2023	\$ <u>11,960</u>	<u>500</u>	<u>12,460</u>	<u>600</u>	<u>13,060</u>
Optional - Fiscal Year 2024	\$ <u>12,150</u>	<u>500</u>	<u>12,650</u>	<u>600</u>	<u>13,250</u>

\* Professional Audit Service Fees and State Financial Transactions Report

\*\* Estimate of Out-of-Pocket Costs consist of: Travel, Mileage, Postage and Printing Costs

## Exhibit III – Schedule of Fees By Hours, continued

<b>Antelope Valley Air Quality Management District Fiscal Year 2020</b>
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**Breakdown of Fees by Hours**

	<b>Hours</b>	<b>Hourly Rates</b>	<b>Total</b>
<b>Fiscal Year 2020 Audit of:</b>			
District's (AVAQMD) Basic Financial Statements:			
Partner	10	\$ 155	\$ 1,550
Manager	15	140	2,100
Supervisor	25	130	3,250
Staff	45	100	4,500
<b>Total Financial Statement Audit for 2020</b>	95		11,400
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			500
<b>Total Audit for 2020</b>			<b>\$ 11,900</b>
 <b>Other Items Asked to be Priced by the District:</b>			
	<b>Hours</b>	<b>Rates</b>	<b>Total</b>
Preparation of the Authority's Annual State Controller's Report	5	\$ 120	\$ 600
<b>Total Maximum with Optional Item for 2020</b>			<b>\$ 12,500</b>

<b>Antelope Valley Air Quality Management District Fiscal Year 2021</b>
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**Breakdown of Fees by Hours**

	<b>Hours</b>	<b>Hourly Rates</b>	<b>Total</b>
<b>Fiscal Year 2021 Audit of:</b>			
District's (AVAQMD) Basic Financial Statements:			
Partner	10	\$ 156	\$ 1,560
Manager	15	142	2,130
Supervisor	25	132	3,300
Staff	45	102	4,590
<b>Total Financial Statement Audit for 2021</b>	95		11,580
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			500
<b>Total Audit for 2021</b>			<b>\$ 12,080</b>
 <b>Other Items Asked to be Priced by the District:</b>			
	<b>Hours</b>	<b>Rates</b>	<b>Total</b>
Preparation of the Authority's Annual State Controller's Report	5	\$ 120	\$ 600
<b>Total Maximum with Optional Item for 2021</b>			<b>\$ 12,680</b>

## Exhibit III – Schedule of Fees By Hours, continued

### Antelope Valley Air Quality Management District Fiscal Year 2022

#### Breakdown of Fees by Hours

	<b>Hours</b>	<b>Hourly Rates</b>	<b>Total</b>
<b>Fiscal Year 2022 Audit of:</b>			
District's (AVAQMD) Basic Financial Statements:			
Partner	10	\$ 158	\$ 1,580
Manager	15	144	2,160
Supervisor	25	134	3,350
Staff	45	104	4,680
<b>Total Financial Statement Audit for 2022</b>	95		11,770
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			500
<b>Total Audit for 2022</b>			<b>\$ 12,270</b>
 <b>Other Items Asked to be Priced by the District:</b>			
	<b>Hours</b>	<b>Rates</b>	<b>Total</b>
Preparation of the Authority's Annual State Controller's Report	5	\$ 120	\$ 600
<b>Total Maximum with Optional Item for 2022</b>			<b>\$ 12,870</b>

### Antelope Valley Air Quality Management District Optional - Fiscal Year 2023

#### Breakdown of Fees by Hours

	<b>Hours</b>	<b>Hourly Rates</b>	<b>Total</b>
<b>Fiscal Year 2023 Audit of:</b>			
District's (AVAQMD) Basic Financial Statements:			
Partner	10	\$ 160	\$ 1,600
Manager	15	146	2,190
Supervisor	25	136	3,400
Staff	45	106	4,770
<b>Total Financial Statement Audit for 2023</b>	95		11,960
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			500
<b>Total Audit for 2023</b>			<b>\$ 12,460</b>
 <b>Other Items Asked to be Priced by the District:</b>			
	<b>Hours</b>	<b>Rates</b>	<b>Total</b>
Preparation of the Authority's Annual State Controller's Report	5	\$ 120	\$ 600
<b>Total Maximum with Optional Item for 2023</b>			<b>\$ 13,060</b>



# Exhibit III – Schedule of Fees By Hours, continued

**Antelope Valley Air Quality Management District  
Optional - Fiscal Year 2024**

**Breakdown of Fees by Hours**

	<b>Hours</b>	<b>Hourly Rates</b>	<b>Total</b>
<b>Fiscal Year 2024 Audit of:</b>			
District's (AVAQMD) Basic Financial Statements:			
Partner	10	\$ 162	\$ 1,620
Manager	15	148	2,220
Supervisor	25	138	3,450
Staff	45	108	4,860
<b>Total Financial Statement Audit for 2024</b>	95		12,150
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			500
<b>Total Audit for 2024</b>			<b>\$ 12,650</b>
 <b>Other Items Asked to be Priced by the District:</b>			
	<b>Hours</b>	<b>Rates</b>	<b>Total</b>
Preparation of the Authority's Annual State Controller's Report	5	\$ 120	\$ 600
<b>Total Maximum with Optional Item for 2024</b>			<b>\$ 13,250</b>

The following page(s) contain the backup material for Agenda Item: [Reappoint Newton Chelette as the Public Member on the Governing Board of the Antelope Valley Air Quality Management District \(AVAQMD\) for a two-year term. 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 #7*

**DATE:** June 16, 2020

**RECOMMENDATION:** Reappoint Newton Chelette as the Public Member on the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) for a two-year term.

**SUMMARY:** This item reappoints Newton Chelette to remain as the Public Member on the Governing Board for an additional two-year term.

**BACKGROUND:** The AVAQMD Governing Board is required to appoint a public member (Health & Safety Code §41310(d)).

**REASON FOR RECOMMENDATION:**

Newton Chelette has served in this capacity for the current two-year term. Mr. Chelette has expressed an interest in continuing to be the public member on the AVAQMD Governing Board for another two-year term.

**REVIEW BY OTHERS:** This item was reviewed by Allison Burns, District Counsel as to legal form and by Bret Banks, Executive Director/APCO on or about June 1, 2020.

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

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

## HEALTH AND SAFETY CODE

### SECTION 41310-41312

41310. The Antelope Valley district shall be governed by a district board consisting of seven members, as follows:

(a) Two members of the City Council of the City of Lancaster appointed by the city council.

(b) Two members of the City Council of the City of Palmdale appointed by the city council.

(c) Two persons appointed by the member of the Board of Supervisors of the County of Los Angeles who represents a majority of the population of the Antelope Valley district, one of whom may be that supervisor.

(d) A public member who shall be appointed by the members appointed pursuant to subdivisions (a) to (c), inclusive.

41311. Voting by the Antelope Valley district board on the adoption of all items on its agenda shall be by rollcall. Unless any board member objects, a substitute rollcall may be used on any agenda item. For purposes of this requirement, any consent calendar is a single item.

41312. Notice of the time and place of a public hearing of the Antelope Valley district board to adopt, amend, or repeal any rule or regulation relating to an air quality objective shall be given not less than 30 days prior to the hearing and shall be published in each county in the Antelope Valley district in accordance with Section 6066 of the Government Code. The period of notice shall commence on the first day of publication.

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The following page(s) contain the backup material for Agenda Item: [1\) Authorize \\$15,000 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 #8*

**DATE:** June 16, 2020

**RECOMMENDATION:** 1) Authorize \$15,000 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 \$15,000 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 Board (the Board) established an incentive program to off-set the incremental cost associated with the purchase of natural gas-fueled vehicles and refueling units. In April 2011, the Board expanded the Alternative Fuel Vehicle (AFV) program to include all alternative fuel vehicles including electric and electric/hybrid vehicles. In March 2013, the Board approved new eligibility criteria limiting the District incentives to new AFV purchase or lease agreements made with local Dealerships, and one incentive per household. In September 2013, the Board approved to offer up to 50 percent of the current incentive to local residents who purchase or lease with Dealerships outside the District due to availability. In June 2014, the Board approved to continue the AFV program decreasing the incentive to \$1,000 and discontinuing the home refueling and charging incentives. In August 2019, the Board approved a pilot program to assist AV low-income residents in purchasing EVs new or pre-owned with an incentive up to \$2,500. Since inception, the AFV incentive program has provided incentives towards 783 vehicles and 139 home refueling/charging units totaling approx. \$1.7 million to local residents.

**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 June 2, 2020.

**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: Jean Bracy  
Laquita Cole  
Michelle Powell  
Julie McKeehan

The following page(s) contain the backup material for Agenda Item: [Conduct Public Hearing to consider the proposed AVAQMD Budget for FY 2020-21: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Adopt a resolution approving and adopting the budget for FY2020-21. 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 #9*

**DATE:** June 16, 2020

**RECOMMENDATION:** Conduct Continued Public Hearing to consider the proposed AVAQMD Budget for FY 2020-21: a. Re-Open the continued public hearing; b. Receive supplemental staff report and/or staff update; c. Receive public testimony; d. Close public hearing; e. Adopt a resolution approving and adopting the budget for FY 2020-2021.

**SUMMARY:** The AVAQMD Budget for Fiscal Year 2020-2021 is presented to the Governing Board for adoption and implementation beginning July 1, 2020.

**BACKGROUND:** The budget process includes a presentation to the Governing Board with staff recommendations for programs and projects for the new fiscal year. In addition, opportunity for public comment is incorporated into the process and is required by law.

A proposed budget summary and supporting documentation was prepared and made available in accordance with the 30-day Public Notice Requirement of Health and Safety Code §40131(a)(1). All persons within the Antelope Valley Air Quality Management District jurisdiction who were subject to fees during the prior fiscal year were properly notified of the availability of the information (pursuant to H&S §40131(a)(2)). A Public Hearing for the purpose of reviewing the budget and taking public comment, as required by H&S § 40131(a)(3), was held May 19, 2020 and continued to this meeting.

The budget includes anticipated revenue to be derived from a proposed 5.0% fee increase. The fee increase is well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in Article XIII C §1(e)(3) of the California Constitution.

**REASON FOR RECOMMENDATION:** Health and Safety Code §40131 requires that Districts adopt an annual budget. Adoption of the budget will enable the AVAQMD Governing Board to make adequate financial plans and will ensure that the District can administer their respective functions in accordance with such plans.

**REVIEW BY OTHERS:** This agenda item was approved as to legal form by Allison Burns, Special Counsel on or before June 1, 2020.

**FINANCIAL DATA:** There is no additional financial impact resulting from this presentation and public hearing.

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



**RESOLUTION NO.**

**A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT APPROVING AND ADOPTING THE PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2019-20.**

On June 16, 2020, on motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_, and carried, the following resolution is adopted:

**WHEREAS**, the Air Pollution Control Officer has submitted to the Governing Board an annual budget for the Antelope Valley Air Quality Management District (AVAQMD) for the fiscal year 2020-21; and

**WHEREAS**, a proposed budget summary and supporting documentation were prepared and made available in accordance with the 30 day Public Notice requirement (Health and Safety Code §40131(a)(1)); and

**WHEREAS**, all persons within the District area who were subject to fees during the prior fiscal year were properly notified of the availability of the information (Health and Safety Code §40131(a)(2)); and

**WHEREAS**, a separate Public Hearing for the exclusive purpose of reviewing the budget and taking public comment, as required by Health and Safety Code §40131(a)(3), was held on May 19, 2020 and continued to June 16, 2020; and

**WHEREAS**, the annual budget contains estimates of the services, activities and programs comprising the budget, and contains expenditure requirements and their resources available to the AVAQMD; and

**WHEREAS**, the expenses budgeted for all funds for fiscal year 2020-21 are \$3,970,885.00 (Three Million Nine Hundred Seventy Thousand, Eight Hundred Eighty-Five); and

**WHEREAS**, the revenue budgeted from all funds for fiscal year 2020-21 is \$3,970,885.00 (Three Million Nine Hundred Seventy Thousand, Eight Hundred Eighty-Five); and

**WHEREAS**, the annual budget will enable the AVAQMD Governing Board to make adequate financial plans and will ensure that the AVAQMD officers can administer their respective functions in accordance with such plans,

**RESOLUTION NO.**

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**NOW, THEREFORE, BE IT RESOLVED**, by the AVAQMD Governing Board, the following:

The Air Pollution Control Officer, or designee, is authorized and hereby directed to execute the initial and final applications for potential State subvention funds and CAP funds for Fiscal Year 2020-21.

The annual budget for the AVAQMD for the fiscal year 2020-21 is hereby approved and adopted, and the amounts of proposed expenditures, as specified, are appropriate for the account classifications as herein specified.

A. The 2020-21 Budget for expenses is hereby adopted, establishing the following:

<u>ACCOUNT CLASSIFICATION</u>	<u>2020-21 ADOPTED BUDGET</u>
Personnel Expenses	\$1,425,175
Operating Expenses	424,625
Program Expenses	2,036,085
Capital Expenses	<u>85,000</u>
<b>TOTAL EXPENSE BUDGET</b>	<b>\$3,910,806</b>

B. The 2020-21 Budget for revenue is hereby adopted, establishing a revenue base for the expenditures noted above:

<u>ACCOUNT CLASSIFICATION</u>	<u>2020-21 ADOPTED BUDGET</u>
Permit Fees	\$1,019,500
Application Fees	30,000
Fines & Penalties	62,000
Interest Income	22,435
Revenue from (Grant) Programs	2,570,566
State Revenue	<u>206,305</u>
<b>TOTAL REVENUE BUDGET</b>	<b>\$3,910,806</b>
<b>Committed Fund Balance for Cash Reserves</b>	<b>\$554,940</b>

**RESOLUTION NO.**

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Pursuant to Section 53901 of the California Government Code, the Clerk of the Board shall file a copy of this resolution with the Auditor of the County of Los Angeles, as required.

**BE IT FURTHER RESOLVED**, that this Resolution shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED by the Governing Board of the Antelope Valley Air Quality Management District by the following vote:

AYES: MEMBER:  
NOES: MEMBER:  
ABSENT: MEMBER:  
ABSTAIN: MEMBER:

STATE OF CALIFORNIA )  
)  
) ss:  
COUNTY OF LOS ANGELES )

I, Deanna Hernandez, Senior Executive Analyst of the Governing Board of the Antelope Valley Air Quality Management District, hereby certify the foregoing to be a full, true and correct copy of the record of the action as the same appears in the Official Minutes of said Governing Board at its meeting of June 16, 2020.

\_\_\_\_\_,  
Deanna Hernandez  
Senior Executive Analyst  
Governing Board, Antelope Valley Air Quality Management District



ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT

**FY20-21**

**ADOPTED BUDGET**

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**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT**

43301 DIVISION ST., SUITE 206 • LANCASTER, CA 93535

661.723.8070 • [www.avaqmd.ca.gov](http://www.avaqmd.ca.gov)



# Executive Summary

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This document presents the budget for the Antelope Valley Air Quality Management District for Fiscal Year (FY) 2021. The Air District will continue to fulfill its mission and objectives through activities which focus on core and mandated programs, fiscally conservative internal controls, long range financial planning and the development of short and long-term sustainable approaches toward achieving cleaner air to protect the public's health and the environment.

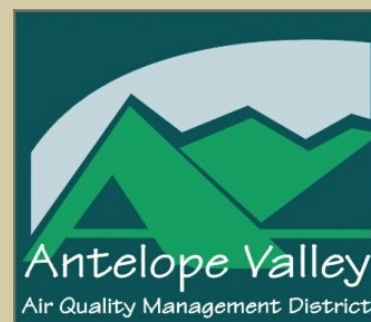
The General Fund Revenue Budget, in the amount of \$1,934,800 includes a 5% increase on annual renewal fees and applications (Rule 301) effective January 1, 2021.

The budget for FY 2021 reflects the priorities established by Federal and State governments, and the AVAQMD Governing Board including maintenance and enhancement of Air District core functions as well as programs within the following key policy objectives:

## Key Objectives

- Community Protection Air Quality Grant Program (AB 617/134)
- Carl Moyer Program (CMP)
- Mobile Emission Reduction AB2766/AB923
- Lawn Mower Replacement Program

**BRET S. BANKS**  
**EXECUTIVE DIRECTOR**





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# About the AVAQMD

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## **INTRODUCTION**

The Antelope Valley Air Quality Management District continues to successfully reach the industry and sources that may be affected by air quality regulations. A practice of routine inspections ensures compliance to local, state and federal air quality regulations. Proactive contact with local businesses has generated interest in environmental issues and increased compliance rates.

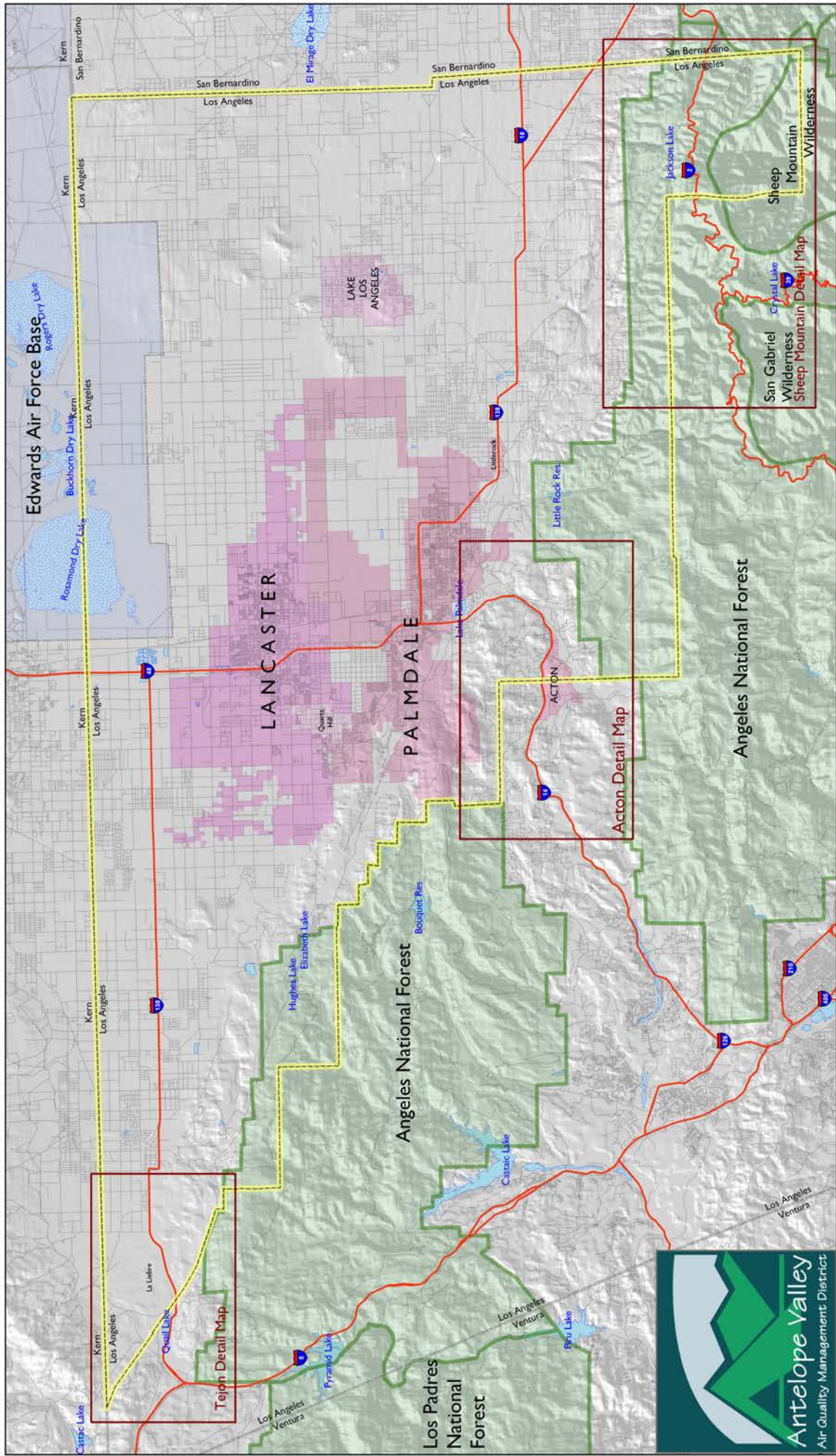
The District approaches air quality regulations in a manner that is responsive and accessible. Growth and new programs demand that the District continue to strive to streamline government, become more efficient, and conserve resources without limiting or decreasing the service provided to the regulated community. Several ongoing programs and projects, with their associated costs, address these efficiency issues.

## **COMMUNITY OUTREACH**

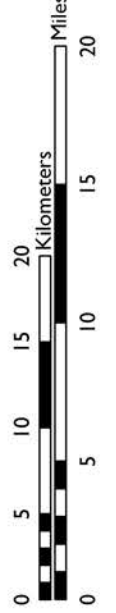
The District strives to be known throughout the community as a partner in the development of the local economy while protecting human health and the environment. This representation is achieved by providing information through participation in community events such as the Antelope Valley Board of Trade Business Outlook Conference, school education programs, and business opportunity forums.

### **AVAQMD Website**

Providing information to the general public may be the most important investment the District can make to impact the future air quality of the region. Using the internet allows the District to provide a contemporary medium to reach the public with the latest version of the District rulebook, application for permits and other forms, and air quality information, including forecasting and real-time air quality data. The site also has links to regional ozone maps found at <http://www.avaqmd.ca.gov/>



- Edwards Air Force Base
- National Forest
- Air Quality Management District Boundary
- County Lines
- Bodies of Water
- Dry Lakes
- Highways
- Roads



# Antelope Valley Air Quality Management District Boundary

# AVAQMD GOVERNING BOARD

THE ANTELOPE VALLEY AQMD  
GOVERNING BOARD CONSISTS  
OF 7 MEMBERS.

**Marvin Crist, Chair**

City of Lancaster

**Austin Bishop, Vice Chair**

City of Palmdale

**Ronald A. Hawkins**

Los Angeles County

**Steven Hofbauer**

City of Palmdale

**Howard Harris**

Los Angeles County

**Ken Mann**

City of Lancaster

**Newton Chelette**

Public Member



# What We Do

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The AVAQMD works in partnership with the local communities to achieve and preserve a healthful environment through effective air quality programs by promoting community and individual responsibility for air quality while supporting strong-economic growth throughout the region.

- Adopt rules that limit pollution, issue permits to ensure compliance, and inspect pollution sources.
- Administer agricultural burning and dust plans to preserve the air quality in Antelope Valley, protect public health and safety, and to ensure agricultural activity continues in a safe regulated fashion.
- Inventory and assess the health risks of toxic air emissions.
- Monitor the county's air quality through the use of an air quality monitoring station.
- Administer the Motor Vehicle Emission Reduction Program funding projects which reduce air pollution from motor vehicles, and for related planning, monitoring, and enforcement.
- Prepare Clean Air Plans to identify how much pollution is in our air, where it comes from, and how to control it most effectively.
- Analyze the air quality impact of new businesses and land development projects.
- Respond to public complaints and inquiries.
- Work with other government agencies to ensure their decisions & coordinate with good air quality programs.
- Help individuals and businesses understand and comply with federal, state, and local air pollution control laws.
- Inform the public about air quality conditions and health implications.
- Issue permits to build, alter, and operate equipment to companies under our jurisdiction that either cause, contribute to, or control air pollution.

**Antelope Valley AQMD**  
**Budget Consolidated (All Funds)**

	<b>Budget FY 2020</b>	<b>EOY Estimate FY 2020</b>	<b>Budget FY 2021</b>
<b>Revenues</b>			
Permit Fees	1,072,500	935,768	1,024,500
Application Fees	30,000	54,355	41,500
Fines & Penalties	9,000	36,810	10,000
Interest Income	22,435	66,875	58,000
Revenue from Programs	2,570,566	2,588,009	2,667,385
State Revenue	206,305	214,670	169,500
<b>Total Revenues</b>	<b>3,910,806</b>	<b>3,896,487</b>	<b>3,970,885</b>
<b>Expenses</b>			
<b>Personnel Expenses</b>			
Program Staff	1,338,000	1,338,000	1,425,175
<b>Total Personnel Expenses</b>	<b>1,338,000</b>	<b>1,338,000</b>	<b>1,425,175</b>
<b>Operating Expenses</b>			
Communications	20,500	16,716	18,500
Dues & Subscriptions	20,500	42,180	46,100
Non-Depreciable Inventory	10,000	10,000	1,000
Legal	19,000	13,105	19,000
Professional Services	217,400	209,368	217,400
Maintenance & Repairs	6,500	6,200	6,500
Training & Travel	10,150	12,336	12,150
Vehicles	10,000	7,365	5,500
Office Expenses	102,575	89,432	97,475
Program Expenses	2,060,266	2,098,379	2,036,085
Miscellaneous Expenses	915	1,278	1,000
<b>Total Operating Expenses</b>	<b>2,477,806</b>	<b>2,506,359</b>	<b>2,460,710</b>
<b>Capital Expenses</b>			
Equipment	40,000	40,000	40,000
Vehicles	30,000	30,000	20,000
Software	25,000	0	25,000
<b>Total Capital Expenses</b>	<b>95,000</b>	<b>70,000</b>	<b>85,000</b>
<b>Total Expenses</b>	<b>3,910,806</b>	<b>3,914,359</b>	<b>3,970,885</b>
<b>Cash To (From) Reserves</b>	<b>0</b>	<b>(17,872)</b>	<b>0</b>

# AVAQMD PROGRAMS

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## PROGRAM DESCRIPTIONS

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### PARTNERS

#### US EPA

### **U.S. Environmental Protection Agency**

The sets nationwide air quality and emissions standards and oversees state efforts and enforcement.

#### CARB

### **California Air Resources Board**

Focuses on unique air quality challenges by setting the state's emissions standards for a range of pollution sources including vehicles, fuels and consumer products.

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## COMMUNITY RELATIONS AND EDUCATION PROGRAM

The Antelope Valley Air Quality Management District conducts public information and education programs in order to fulfill the requirement of the California Clean Air Act of 1988. The task is to inform the public about air pollution, its sources, health effects on humans, and damage to the environment. Education is provided on methods of control and to encourage individual means of reducing pollution.

The programs are targeted to many audiences: academia, the general adult population, elementary to college level students, as well as business and industry. This information uses brochures, public reports, public workshops and conferences, presentations, exhibits, and other multimedia promotions. In addition, press releases, press conferences and air quality forecasts are provided to the local media on an ongoing basis as a means of keeping the public informed.

## AIR QUALITY MONITORING PROGRAM

Air Quality Surveillance participates in an ambient air monitoring and meteorological network to track air quality trends with an air monitoring station in Lancaster. The station is part of the State and Local Air Monitoring System (SLAMS) network.

A computer operated data acquisition system collects daily and real time levels of pollutants. These data are reported to the California Air Resources Board (CARB), Federal Environmental Protection Agency (EPA), regulated industry and the general public. This information is also used to provide pollution episode forecast and notification to school systems and the general population in the event of harmful levels of pollution.

"Low-cost" air quality sensors are an attractive means for local environmental groups and individuals to independently evaluate air quality. The AVAQMD will implement the installation of air quality sensors in specific areas within its jurisdiction to evaluate the performance of these devices while providing additional qualitative air quality data for various areas in the region.

This program provides grants to projects that reduce emissions from mobile sources (and other limited categories). Funding for the grants include AB 2766 funds (four dollars assessed by the District's Governing Board and collected by the California Department of Motor Vehicles on motor vehicle registrations) as may be periodically allocated by the Governing Board and all funds under the Carl Moyer Program. Calls for projects, eligibility determinations, and Governing Board award are all part of the process that makes funds available to the region for qualified emission reducing projects.

## **MOBILE SOURCE EMISSION REDUCTION PROGRAM**

Funds collected under AB 923 allows air districts in state non-attainment areas to adopt an additional two dollar surcharge on motor vehicle registration fees to be used strictly for incentive-based emission reduction funding programs. The use of the additional fees is limited to projects eligible for grants under the Carl Moyer Program, the purchase of school buses under the Lower-Emission School Bus Program, light-duty scrap or repair programs and unregulated agricultural sources.

Carol Moyer Grant Program Funds are distributed by the California Air Resources Board for projects obligated by the District under this state regulated program. Projects are awarded on a formula basis according to specific criteria and cost effectiveness.

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## **STATIONARY SOURCES**

One of the District's primary responsibilities is to process applications for permits in accordance with all applicable local, State, and Federal regulations. These permits are required for projects that propose industrial and/or commercial processes that have a potential to emit or control an air contaminant. The wide range of requirements applied depends on the type and size of the proposed project. District staff provides technical reviews of official documents, such as test reports, risk assessments, EIS/EIR's, as well as technical assistance to permit applicants, other agencies, and manufacturers. The District implements and manages:

**Title III & V Programs.** The Title III program is the federal toxic program specifically for Title V facilities. Title V (EPA Regulation) is a Federal Operating Permits Program required by the 1990 Clean Air Act. This program requires the District to develop and implement a Federal Permitting Program approved by the Environmental Protection Agency (EPA) for sources of a certain capacity.

**Emissions Inventory.** This program to maintains an active inventory of the sources of criteria air pollutants within the District and measures progress towards attainment and maintaining compliance with National and State Ambient Air Quality Standards. State and Federal Law require this program.

**Toxic Emissions Inventory.** (Air Toxic "Hot Spot" Information and Assessment Act of 1987) This program assesses the amounts, types and health impacts of air toxics produced from stationary sources.



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The District's responsibility is to protect the health and welfare of the public by assisting the regulated community in complying with Federal, State and Local regulatory requirements. This responsibility is carried out through various programs and activities:

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## COMPLIANCE



- Comprehensive annual (for most) inspections are performed to verify compliance to air quality regulations
- Investigation of citizen complaints pertaining to air related matters
- Legal case development when necessary to address non-complying situations
- Federal Asbestos Demolition and Renovation Program
- State-mandated Variance Program
- Continuous Emissions Monitoring Programs
- Reporting to the Environmental Protection Agency's AIRS and Significant Violator programs
- Source testing or stack sampling is the process that evaluates the emissions for industrial facilities to determine compliance with permit conditions.

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## PLANNING & RULE MAKING

The District promulgates rules and plans in accordance with State and Federal attainment and maintenance planning requirements in order to achieve and maintain regional compliance with the various ambient air quality standards.

Planning staff serve as the District liaison with regional, State and Federal governments, ensuring District compliance with applicable requirements and significant developments. Planning staff also perform California Environmental Quality Act (CEQA) review and comment functions in the District's role as the expert agency for air quality. Staff in Planning and Rulemaking implement and maintain the following programs:

- California Ambient Air Quality Standards Attainment Planning, as codified in the California Clean Air Act and subsequent state legislation. This program currently focuses on the California ozone standard.
- National Ambient Air Quality Standards (NAAQS), as codified in the Federal Clean Air Act, the Clean Air Act Amendments and subsequent Federal legislation. This program currently focuses on the National onehour and eight-hour ozone standards, the National 24-hour, annual PM10 standards, and National 24-hour, annual PM2.5 standards.
- Federal General and Transportation Conformity, entailing regional project review and comment
- California Environmental Quality Act (CEQA), requiring local and regional project review
- National Environmental Protection Act (NEPA), requiring local and regional project review

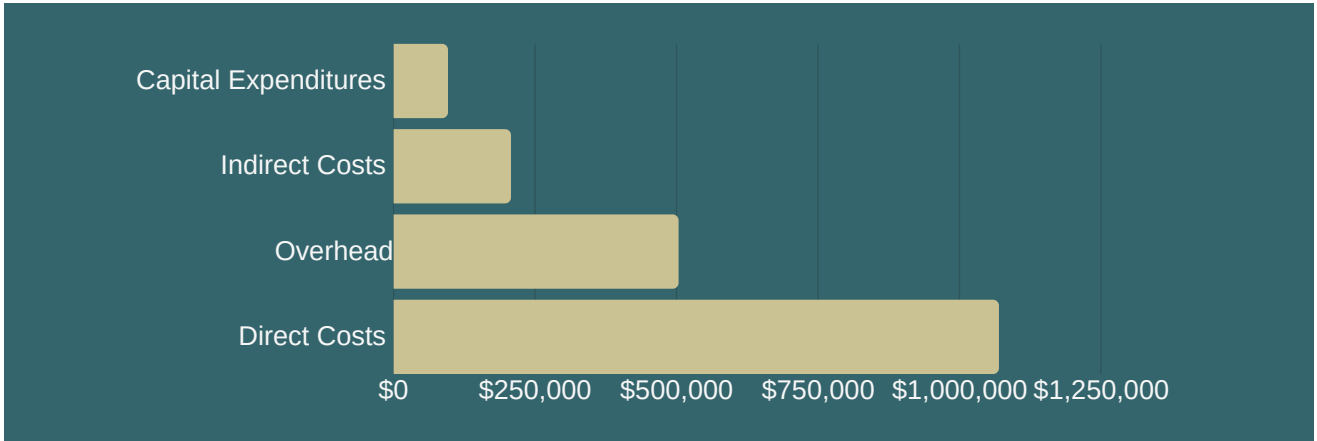
**Antelope Valley AQMD**  
**General Fund Consolidated Budget**

	<b>Budget FY 2020</b>	<b>EOY Estimates FY 2021</b>	<b>Budget FY 2021</b>
<b>Revenues</b>			
Permit Fees	1,072,500	935,768	1,024,500
Application Fees	30,000	54,355	41,500
Fines & Penalties	9,000	36,810	10,000
Interest Income	6,435	36,000	30,000
Revenue from Programs	611,300	614,397	659,300
State Revenue	206,305	214,670	169,500
<b>Total Revenues</b>	<b>1,935,540</b>	<b>1,892,000</b>	<b>1,934,800</b>
<b>Expenses</b>			
<b>Personnel Expenses</b>			
Program Staff	1,338,000	1,338,000	1,425,175
<b>Total Personnel Expenses</b>	<b>1,338,000</b>	<b>1,338,000</b>	<b>1,425,175</b>
<b>Operating Expenses</b>			
Communications	20,500	16,716	18,500
Dues & Subscriptions	20,500	42,180	46,100
Non-Depreciable Inventory	10,000	10,000	1,000
Legal	19,000	13,105	19,000
Professional Services	217,400	209,368	217,400
Maintenance & Repairs	6,500	6,200	6,500
Training & Travel	10,150	12,336	12,150
Vehicles	10,000	7,365	5,500
Office Expenses	102,575	89,432	97,475
Program Expenses	85,000	99,465	0
Miscellaneous Expenses	915	1,278	1,000
<b>Total Operating Expenses</b>	<b>502,540</b>	<b>507,445</b>	<b>424,625</b>
<b>Capital Expenses</b>			
Equipment	40,000	40,000	40,000
Vehicles	30,000	30,000	20,000
Software	25,000	0	25,000
<b>Total Capital Expenses</b>	<b>95,000</b>	<b>70,000</b>	<b>85,000</b>
<b>Total Expenses</b>	<b>1,935,540</b>	<b>1,915,445</b>	<b>1,934,800</b>
<b>Cash To (From) Reserves</b>	<b>0</b>	<b>(23,445)</b>	<b>0</b>

**Antelope Valley AQMD**  
**General Fund Budget**  
**Revenue Detail**

	<u>Budget FY 2020</u>	<u>EOY Estimate FY 2020</u>	<u>Budget FY 2021</u>
<b>Revenues</b>			
<b>Permit Fees</b>			
Permit Fees Rev	925,000	787,000	877,000
Asbestos Demo/Reno Rev	90,000	90,616	90,000
Title V Rev	4,500	4,500	4,500
Rule Revenue	53,000	53,652	53,000
	<u>1,072,500</u>	<u>935,768</u>	<u>1,024,500</u>
<b>Application Fees</b>			
ERC Application Fees	0	158	0
Permit Application Fees	28,000	52,697	40,000
AG Application Fees	2,000	1,500	1,500
	<u>30,000</u>	<u>54,355</u>	<u>41,500</u>
<b>Fines &amp; Penalties</b>			
Notice of Violations Fee	9,000	36,810	10,000
	<u>9,000</u>	<u>36,810</u>	<u>10,000</u>
<b>Interest Income</b>			
Interest Revenue	6,435	36,000	30,000
	<u>6,435</u>	<u>36,000</u>	<u>30,000</u>
<b>Other Revenue</b>			
<b>Revenue from Programs</b>			
Administrative Funding	0	0	38,000
AB2766 Program	610,000	612,587	620,000
Hot Spots	1,300	1,810	1,300
	<u>611,300</u>	<u>614,397</u>	<u>659,300</u>
<b>State Revenue</b>			
PERP Regulation	30,000	36,949	35,000
State Contracts	79,305	81,320	38,500
State Subvention	97,000	96,401	96,000
	<u>206,305</u>	<u>214,670</u>	<u>169,500</u>
<b>Total General Fund Revenues</b>	<u><b>1,935,540</b></u>	<u><b>1,892,000</b></u>	<u><b>1,934,800</b></u>

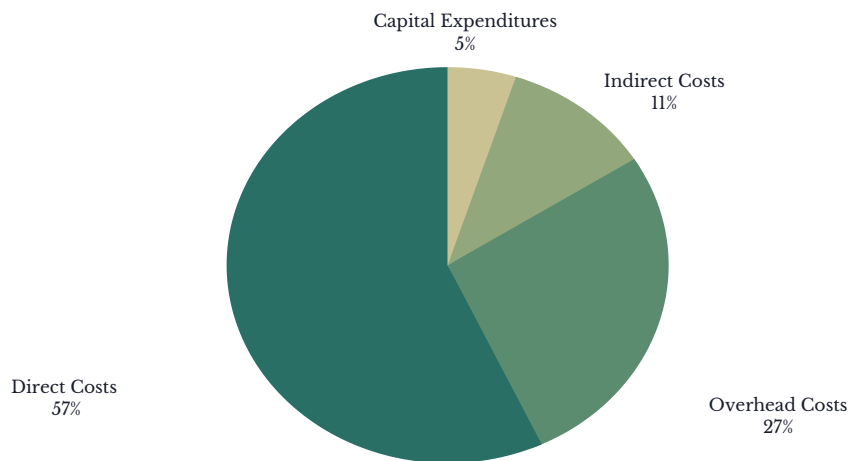
# GENERAL FUND BUDGET



## Operating Costs

The AVAQMD is a service based agency. Direct costs for permitting, compliance, stationary sources, and air monitoring staff make up 57% of the general fund budget. Administrative, executive, and public relations support staff make up 27% of the general fund budget.

Indirect costs include all operating expenditures and make up 11% while capital expenditures make up roughly 5% of the general fund budget.



# REVENUE ANALYSIS

## 56%

Permitting revenue for FY21 is \$1,934,800. Permit Revenue, applications, fines & penalties, and interest revenue make up 56% of operating revenue.

## 33%

Since 1991, local governments have received AB 2766 funds to implement programs to meet requirements of federal and state Clean Air Acts, and for implementation of motor vehicle measures in the AQMD Air Quality Management Plan (AQMP). AB2766 revenue makes up 33% of operating revenue.

## 11%

State revenue included in the FY21 operations budget includes revenue from the Portable Equipment Registration Program, AB617, and state subvention and makes up 11 % of operating revenue.

# SUPPORT STAFF

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## EXECUTIVE OFFICE

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The Executive Office is responsible to the Governing Board for the general administration and coordination of all District operations and programs, including those programs mandated by the Federal Environmental Protection Agency and the California Air Resources Board. This office monitors state and federal legislation affecting the District and advises the Governing Board on actions required to protect the interests of the District.

The Governing Board, with seven members, meets monthly and members receive \$100.00 stipend per meeting plus travel expenses. The Hearing Board, with six members, meets as needed and members may receive \$100.00 stipend per meeting plus travel expenses. The Rule Development Committee meets periodically with members of District staff and permitted facilities.

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## LEGAL COUNSEL

Special Counsel to the Governing Board serves as general legal counsel to the Governing Board, the Air Pollution Control Officer and the District, providing general public agency legal services regarding the Brown Act, the Political Reform Act, California Environmental Quality Act, as well the Administrative Code, contracts, personnel matters, civil actions, and related litigation. District Counsel also provides legal advice and opinions on mandates specific to air districts such as the Federal Clean Air Act, California air pollution control laws and air quality rules and regulations. District Counsel exercises authority to bring civil actions in the name of the people of the State of California for violations of various air quality laws and regulations. The District Counsel also represents the District in actions brought before the Hearing Board.

Special Counsel to the Governing Board also analyzes legislative bills proposed in the California Legislature that may impact the District, proposes strategies, and provides information to the Governing Board regarding such legislation.

## ADMINISTRATIVE SERVICES

The Administrative Services office provides financial, administrative and personnel management services to the operating divisions of the District. The office prepares the annual budget and controls expenditures by providing information regarding expenditures and the availability of budgeted funds. The office also purchases equipment and supplies. Invoices for a variety of fees are issued, collected, deposited and accounted for through the Compliance and Permit System (CAPS). This office also manages the District's computer information systems, risk management, fleet and facility management, and fixed assets.



**Antelope Valley AQMD**  
**General Fund Consolidated Expense Budget Detail**

	<u>Budget FY 2020</u>	<u>EOY Estimate FY 2020</u>	<u>Budget FY 2021</u>
<b>Expenses</b>			
<b>Personnel Expenses</b>			
Program Staff	1,338,000	1,338,000	1,425,175
<b>Total Personnel Expenses</b>	<b>1,338,000</b>	<b>1,338,000</b>	<b>1,425,175</b>
<b>Operating Expenses</b>			
<b>Communications</b>			
Telephones	6,000	4,487	6,000
Long Distance Charges	500	351	500
Internet	12,000	9,878	10,000
Tech Support	2,000	2,000	2,000
	<u>20,500</u>	<u>16,716</u>	<u>18,500</u>
<b>Dues &amp; Subscriptions</b>			
Memberships & Sponsorships	20,000	41,271	45,000
Publications & Subscriptions	500	459	500
Professional Dues	0	450	600
	<u>20,500</u>	<u>42,180</u>	<u>46,100</u>
<b>Non-Depreciable Inventory</b>			
Machinery & Equipment Exp	9,000	9,000	0
Safety Equipment Exp	1,000	1,000	1,000
	<u>10,000</u>	<u>10,000</u>	<u>1,000</u>
<b>Legal</b>			
Legal Notices	4,000	2,955	4,000
Legal Services	15,000	10,150	15,000
	<u>19,000</u>	<u>13,105</u>	<u>19,000</u>
<b>Professional Services</b>			
Payroll Contract	0	82	0
Financial Services	200,000	191,145	200,000
Research Studies	6,000	6,500	6,000
Consulting Fees	3,000	4,641	3,000
Stipends	8,400	7,000	8,400
	<u>217,400</u>	<u>209,368</u>	<u>217,400</u>
<b>Maintenance &amp; Repairs</b>			
General Bldg. Maintenance	2,000	2,000	2,000
Custodial Services	3,000	2,700	3,000
Equipment Repair	1,500	1,500	1,500
	<u>6,500</u>	<u>6,200</u>	<u>6,500</u>
<b>Training &amp; Travel</b>			
Training	3,000	3,513	4,000
Travel	7,000	8,730	8,000
Mileage	150	93	150
	<u>10,150</u>	<u>12,336</u>	<u>12,150</u>



**Antelope Valley AQMD**  
**General Fund Consolidated Expense Budget Detail**

	<u>Budget FY 2020</u>	<u>EOY Estimate FY 2020</u>	<u>Budget FY 2021</u>
<b>Vehicles</b>			
Vehicle Lease	0	820	0
Vehicle Gas & Oil	3,000	3,119	1,500
Vehicle Maintenance	4,000	120	1,000
Vehicle Repairs	1,000	2,282	2,000
Vehicle Insurance	2,000	1,024	1,000
	<u>10,000</u>	<u>7,365</u>	<u>5,500</u>
<b>Office Expenses</b>			
Software	7,000	5,470	7,000
Utilities	7,000	6,291	7,000
Supplies	2,800	3,091	2,800
Facility Leases	66,000	57,032	60,000
Equipment Lease	5,000	4,312	5,000
Postage	100	840	1,000
Courier	175	115	175
Printing/Shredding Services	1,000	1,001	1,000
Security	500	350	500
Liability Insurance	5,000	2,794	5,000
Meeting Expenses	500	636	500
Community Relations	7,500	7,500	7,500
	<u>102,575</u>	<u>89,432</u>	<u>97,475</u>
<b>Program Expenses</b>			
Program Expenditures	85,000	98,215	0
Contributions to Other Agencies	0	1,250	0
	<u>85,000</u>	<u>99,465</u>	<u>0</u>
<b>Miscellaneous Expenses</b>			
Bank Fees	800	1,278	1,000
Interest Expense	115	0	0
	<u>915</u>	<u>1,278</u>	<u>1,000</u>
<b>Total Operating Expenses</b>	<b><u>502,540</u></b>	<b><u>507,445</u></b>	<b><u>424,625</u></b>
<b>Capital Expenses</b>			
Equipment	40,000	40,000	40,000
Vehicles	30,000	30,000	20,000
Software	25,000	0	25,000
<b>Total Capital Expenses</b>	<b><u>95,000</u></b>	<b><u>70,000</u></b>	<b><u>85,000</u></b>
<b>Total Expenses</b>	<b><u>1,935,540</u></b>	<b><u>1,915,445</u></b>	<b><u>1,934,800</u></b>

**Antelope Valley AQMD**  
**General Fund**  
**District Wide Expense Budget Detail**

	<u>Budget FY 2020</u>	<u>EOY Estimate FY 2020</u>	<u>Budget FY 2021</u>
<b>Expenses</b>			
<b>Personnel Expenses</b>			
<b>Operating Expenses</b>			
<b>Communications</b>			
Telephones	6,000	4,487	6,000
Long Distance Charges	500	351	500
Internet	12,000	9,878	10,000
Tech Support	2,000	2,000	2,000
	<u>20,500</u>	<u>16,716</u>	<u>18,500</u>
<b>Dues &amp; Subscriptions</b>			
Memberships & Sponsorships	20,000	41,271	45,000
Publications & Subscriptions	500	459	500
Professional Dues	0	450	600
	<u>20,500</u>	<u>42,180</u>	<u>46,100</u>
<b>Non-Depreciable Inventory</b>			
Machinery & Equipment Exp	9,000	9,000	0
Safety Equipment Exp	1,000	1,000	1,000
	<u>10,000</u>	<u>10,000</u>	<u>1,000</u>
<b>Legal</b>			
Legal Notices	4,000	2,955	4,000
Legal Services	15,000	10,150	15,000
	<u>19,000</u>	<u>13,105</u>	<u>19,000</u>
<b>Professional Services</b>			
Research Studies	6,000	6,000	6,000
Consulting Fees	3,000	3,000	3,000
Stipends	8,400	7,000	8,400
	<u>17,400</u>	<u>16,000</u>	<u>17,400</u>
<b>Maintenance &amp; Repairs</b>			
General Bldg. Maintenance	2,000	2,000	2,000
Custodial Services	3,000	2,700	3,000
Equipment Repair	1,500	1,500	1,500
	<u>6,500</u>	<u>6,200</u>	<u>6,500</u>
<b>Training &amp; Travel</b>			
Training	3,000	3,410	4,000
Travel	7,000	7,000	8,000
Mileage	150	93	150
	<u>10,150</u>	<u>10,503</u>	<u>12,150</u>

**Antelope Valley AQMD**  
**General Fund**  
**District Wide Expense Budget Detail**

	<u>Budget FY 2020</u>	<u>EOY Estimate FY 2020</u>	<u>Budget FY 2021</u>
<b>Vehicles</b>			
Vehicle Gas & Oil	3,000	80	1,500
Vehicle Maintenance	4,000	120	1,000
Vehicle Repairs	1,000	1,842	2,000
Vehicle Insurance	2,000	1,024	1,000
	<u>10,000</u>	<u>3,066</u>	<u>5,500</u>
<b>Office Expenses</b>			
Software	7,000	5,470	7,000
Utilities	7,000	6,291	7,000
Supplies	2,800	2,591	2,800
Facility Leases	66,000	57,032	60,000
Equipment Lease	5,000	4,312	5,000
Postage	100	840	1,000
Courier	175	115	175
Printing/Shredding Services	1,000	1,001	1,000
Security	500	350	500
Liability Insurance	5,000	2,794	5,000
Meeting Expenses	500	636	500
Community Relations	7,500	7,500	7,500
	<u>102,575</u>	<u>88,932</u>	<u>97,475</u>
<b>Program Expenses</b>			
Program Expenditures	85,000	98,215	0
Contributions to Other Agencies	0	1,250	0
	<u>85,000</u>	<u>99,465</u>	<u>0</u>
<b>Miscellaneous Expenses</b>			
Bank Fees	800	1,278	1,000
Interest Expense	115	0	0
	<u>915</u>	<u>1,278</u>	<u>1,000</u>
<b>Total Operating Expenses</b>	<b><u>302,540</u></b>	<b><u>307,445</u></b>	<b><u>224,625</u></b>
<b>Capital Expenses</b>			
Equipment	40,000	40,000	40,000
Vehicles	30,000	30,000	20,000
Software	25,000	0	25,000
<b>Total Capital Expenses</b>	<b><u>95,000</u></b>	<b><u>70,000</u></b>	<b><u>85,000</u></b>
<b>Total Expenses</b>	<b><u>397,540</u></b>	<b><u>377,445</u></b>	<b><u>309,625</u></b>

**Antelope Valley AQMD**  
**General Fund**  
**Contracted Services Expense Budget Detail**

	<u>Budget FY 2020</u>	<u>EOY Estimate FY 2020</u>	<u>Budget FY 2021</u>
<b>Expenses</b>			
<b>Personnel Expenses</b>			
Program Staff	1,338,000	1,338,000	1,425,175
<b>Total Personnel Expenses</b>	<b>1,338,000</b>	<b>1,338,000</b>	<b>1,425,175</b>
<b>Operating Expenses</b>			
<b>Communications</b>			
<b>Dues &amp; Subscriptions</b>			
<b>Non-Depreciable Inventory</b>			
<b>Legal</b>			
<b>Professional Services</b>			
Payroll Contract	0	82	0
Financial Services	200,000	191,145	200,000
Research Studies	0	500	0
Consulting Fees	0	1,641	0
	<u>200,000</u>	<u>193,368</u>	<u>200,000</u>
<b>Maintenance &amp; Repairs</b>			
<b>Training &amp; Travel</b>			
Training	0	103	0
Travel	0	1,730	0
	<u>0</u>	<u>1,833</u>	<u>0</u>

**Antelope Valley AQMD**  
**General Fund**  
**Contracted Services Expense Budget Detail**

	<u>Budget FY 2020</u>	<u>EOY Estimate FY 2020</u>	<u>Budget FY 2021</u>
<b>Vehicles</b>			
Vehicle Lease	0	820	0
Vehicle Gas & Oil	0	3,039	0
Vehicle Repairs	0	440	0
	<u>0</u>	<u>4,299</u>	<u>0</u>
<b>Office Expenses</b>			
Supplies	0	500	0
	<u>0</u>	<u>500</u>	<u>0</u>
<b>Program Expenses</b>			
<b>Miscellaneous Expenses</b>			
<b>Total Operating Expenses</b>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
<b>Capital Expenses</b>			
<b>Total Expenses</b>	<u>1,538,000</u>	<u>1,538,000</u>	<u>1,625,175</u>

# CONTRACT WITH THE MOJAVE DESERT AQMD

**PROGRAM STAFF: 15,600 HOURS • 7.5 FTE • \$1,425K**

**PERIOD JANUARY 1, 2016 - JUNE 30, 2021**

## **TERMS AND CONDITIONS**

The AVAQMD contracts with the MDAQMD for administrative and operations services as necessary to enable AVAQMD to meet the regulatory and legislated responsibilities of an air quality management district for compensation consistent with all applicable laws and regulations. This agreement is pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 of the California Government Code (commencing with §6500).

On a monthly basis or as necessary, the MDAQMD shall deliver to the AVAQMD an invoice for materials and services provided. The invoice shall include a description of the materials and services provided.

<b>AVAQMD STAFF</b>	<b>12,480 HOURS</b>
<b>PLANNING &amp; RULE MAKING</b>	<b>175 HOURS</b>
<b>AIR MONITORING</b>	<b>400 HOURS</b>
<b>STATIONARY SOURCES</b>	<b>300 HOURS</b>
<b>EXECUTIVE</b>	<b>300 HOURS</b>
<b>COMMUNITY RELATIONS</b>	<b>125 HOURS</b>
<b>ADMINISTRATION</b>	<b>1820 HOURS</b>

# FUND BALANCE

The Antelope Valley AQMD Fund Balances are designated according to Governing Board Policy 07-01, summarized in the following: Committed, Restricted, and Unassigned. The Unassigned Fund Balance is the representation of the net resources not allocated to the categories described above.

## COMMITTED FUND BALANCE

The amount is equivalent to 30% of the Operating Expenses. The fund may be increased to provide protection against uncertain economic times.

## RESTRICTED FUND BALANCE

### Mobile Emissions Reduction Grant (AB 2766) Fund

These funds are collected on motor vehicle registrations (\$4 each) in the Antelope Valley region. Funds are "allocated on a competitive basis to local government entities and other organizations capable of effectively using funds to reduce mobile emissions." A Work Plan adopted by the Governing Board provides the grant program guidelines.

### Incentive Based Emission Reduction Funding (AB 923)

These funds are collected on motor vehicle registrations (\$2 each) in the Antelope Valley region beginning October 1, 2005. Funds are granted by the Governing Board for specific projects as allowed in the Health and Safety Code §44229.

### Carl Moyer Grant Program Funds

These funds may be distributed by the California Air Resources Board for projects obligated by the District under this state regulated program. Projects are awarded on a competitive basis.

# AVAQMD Program Objectives

**AB2766**

\$600k in grant initiatives

**AB923**

\$600k in grant initiatives

**CARL MOYER  
PROGRAM**

\$650K in grant initiatives.



**Antelope Valley AQMD**  
**Budget Consolidated (All Funds)**  
**Year to Year Comparison**

	Budget FY 2017	Budget FY 2018	Budget FY 2019	Budget FY 2020	Budget FY 2021
<b>Revenues</b>					
Permit Fees	614,480	701,000	792,150	1,019,500	971,500
Application Fees	47,500	51,450	42,000	30,000	41,500
Fines & Penalties	35,000	54,000	59,000	62,000	63,000
Interest Income	13,300	15,900	14,300	22,435	58,000
Revenue from Programs	2,396,065	2,537,404	2,603,044	2,570,566	2,667,385
State Revenue	126,000	129,000	141,500	206,305	169,500
<b>Total Revenues</b>	<b>3,232,345</b>	<b>3,488,754</b>	<b>3,651,994</b>	<b>3,910,806</b>	<b>3,970,885</b>
<b>Expenses</b>					
<b>Personnel Expenses</b>					
Salaries & Wages	1,205,592	1,193,926	1,200,218	1,338,000	1,425,175
<b>Total Personnel Expenses</b>	<b>1,205,592</b>	<b>1,193,926</b>	<b>1,200,218</b>	<b>1,338,000</b>	<b>1,425,175</b>
<b>Operating Expenses</b>					
Communications	23,500	43,500	23,500	20,500	18,500
Dues & Subscriptions	10,500	10,500	10,500	20,500	46,100
Non-Depreciable Inventory	6,300	8,000	11,000	10,000	1,000
Legal	17,000	19,000	19,000	19,000	19,000
Professional Services	185,335	221,750	207,650	217,400	217,400
Maintenance & Repairs	7,000	6,575	6,500	6,500	6,500
Training & Travel	9,500	11,000	11,000	10,150	12,150
Vehicles	10,000	10,500	12,000	10,000	5,500
Office Expenses	96,380	94,475	107,425	102,575	97,475
Program Expenses	1,637,438	1,784,228	1,753,826	2,060,266	2,036,085
Miscellaneous Expenses	800	800	800	915	1,000
<b>Total Operating Expenses</b>	<b>2,003,753</b>	<b>2,210,328</b>	<b>2,163,201</b>	<b>2,477,806</b>	<b>2,460,710</b>
<b>Capital Expenses</b>					
Furniture & Fixtures	0	25,000	25,000	0	0
Equipment	0	12,000	0	40,000	40,000
Vehicles	0	25,000	30,000	30,000	20,000
Computers	0	20,000	35,000	0	0
Software	23,000	2,500	0	25,000	25,000
<b>Total Capital Expenses</b>	<b>23,000</b>	<b>84,500</b>	<b>90,000</b>	<b>95,000</b>	<b>85,000</b>
<b>Total Expenses</b>	<b>3,232,345</b>	<b>3,488,754</b>	<b>3,453,419</b>	<b>3,910,806</b>	<b>3,970,885</b>

**Antelope Valley AQMD**  
**Budget Consolidated General Fund**  
**Year to Year Comparison**

	Budget FY 2017	Budget FY 2018	Budget FY 2019	Budget FY 2020	Budget FY 2021
<b>Revenues</b>					
Permit Fees	614,480	701,000	792,150	1,019,500	971,500
Application Fees	47,500	51,450	42,000	30,000	41,500
Fines & Penalties	35,000	54,000	59,000	62,000	63,000
Interest Income	3,300	3,500	4,000	6,435	30,000
Revenue from Programs	689,250	687,000	774,300	611,300	659,300
State Revenue	126,000	129,000	141,500	206,305	169,500
<b>Total Revenues</b>	<b>1,515,530</b>	<b>1,625,950</b>	<b>1,812,950</b>	<b>1,935,540</b>	<b>1,934,800</b>
<b>Expenses</b>					
<b>Personnel Expenses</b>					
Salaries & Wages	1,111,365	1,100,000	1,100,000	1,338,000	1,425,175
<b>Total Personnel Expenses</b>	<b>1,111,365</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,338,000</b>	<b>1,425,175</b>
<b>Operating Expenses</b>					
Communications	23,500	43,500	23,500	20,500	18,500
Dues & Subscriptions	10,500	10,500	10,500	20,500	46,100
Non-Depreciable Inventory	6,300	8,000	11,000	10,000	1,000
Legal	17,000	19,000	19,000	19,000	19,000
Professional Services	185,335	221,750	207,650	217,400	217,400
Maintenance & Repairs	7,000	6,575	6,500	6,500	6,500
Training & Travel	9,500	11,000	11,000	10,150	12,150
Vehicles	10,000	10,500	12,000	10,000	5,500
Office Expenses	96,380	94,475	107,425	102,575	97,475
Program Expenses	14,850	15,350	15,000	85,000	0
Miscellaneous Expenses	800	800	800	915	1,000
<b>Total Operating Expenses</b>	<b>381,165</b>	<b>441,450</b>	<b>424,375</b>	<b>502,540</b>	<b>424,625</b>
<b>Capital Expenses</b>					
Furniture & Fixtures	0	25,000	25,000	0	0
Equipment	0	12,000	0	40,000	40,000
Vehicles	0	25,000	30,000	30,000	20,000
Computers	0	20,000	35,000	0	0
Software	23,000	2,500	0	25,000	25,000
<b>Total Capital Expenses</b>	<b>23,000</b>	<b>84,500</b>	<b>90,000</b>	<b>95,000</b>	<b>85,000</b>
<b>Total Expenses</b>	<b>1,515,530</b>	<b>1,625,950</b>	<b>1,614,375</b>	<b>1,935,540</b>	<b>1,934,800</b>

# ACRONYMS

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<b>AB2766</b>	Enabling legislation for collection of fees for mobile source reduction projects
<b>AIRS</b>	Aerometric Information Retrieval System
<b>APCD</b>	Air Pollution Control District
<b>APCO</b>	Air Pollution Control Officer
<b>AQMD</b>	Air Quality Management District
<b>ARB</b>	Air Resources Board
<b>AVAQMD</b>	Antelope Valley Air Quality Management District
<b>BACT</b>	Best Available Control Technology
<b>CAA</b>	Clean Air Act
<b>CAPCOA</b>	California Air Pollution Control Officers Association
<b>CAPP</b>	Clean Air Patrol Program
<b>CAPS</b>	Compliance and Permit System (permit tracking database)
<b>CARB</b>	California Air Resources Board
<b>CNGVC</b>	California Natural Gas Vehicle Coalition
<b>CRE</b>	Community Relations and Education
<b>CREEC</b>	California Regional Environmental Education Community
<b>CSDA</b>	California Special Districts Association
<b>DAPCO</b>	Deputy Air Pollution Control Officer
<b>EPA</b>	Environmental Protection Agency
<b>ERC</b>	Emission Reduction Credit
<b>FY</b>	Fiscal Year
<b>ICTC</b>	Interstate Clean Transportation Corridor
<b>MACT</b>	Maximum Achievable Control for Toxics
<b>MEEC</b>	Mojave Environmental Education Consortium
<b>MDAQMD</b>	Mojave Desert Air Quality Management District
<b>MOU</b>	Memorandum of Understanding
<b>NAAQS</b>	National Ambient Air Quality Standards
<b>NESHAP</b>	National Emissions Standard for Hazardous Pollutants
<b>NSPS</b>	New Source Performance Standards
<b>OPEB</b>	Other Post Employment Benefits
<b>PARS</b>	Public Agency Retirement Services
<b>PERP</b>	Portable Equipment Registration Program
<b>PSD</b>	Prevention of Significant Deterioration
<b>PTBS</b>	Permit Tracking and Billing System
<b>SDRMA</b>	Special Districts Risk Management Authority
<b>SLAMS</b>	State and Local Air Monitoring Stations
<b>TAC</b>	Technical Advisory Committee
<b>VPN</b>	Virtual Private Network

# BUDGET CATEGORIES

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## REVENUE

### Permit Fees

Permit Fees Rev	Operating and Annual Renewal Permit Fees
Asbestos Demo/Reno Rev	Fees for Permits related to Asbestos Removal - Rule 302
Title V Permit Rev	Permit fees for Federal Permit Program

### Application Fees

ERC Application Fees	Emission Reduction Credit
New Source Review	Project Evaluation for Complex Source-Rule 301
Permit Application Fees	Filing of new permits and permit changes
Variance Filing Fees	Filing fee for each petition to District Hearing Board -Rule 303
AG Application Fees	

### Fine & Penalties

Excess Emissions Fees	Fee charged when a variance is granted by Hearing Board - Rule 303
Notice of Violations Fees	Fee Charged for unpermitted source, or violation of permit condition
Interest Revenue	Interest on funds held on deposit, all funds

### Revenue from Programs

Administrative Funding	Program pass thru funds for administration costs of the program
AB2766 Program	Revenue received through DMV vehicle registration
California Clean Air Act Fees	State mandated fee collected on behalf of Carb
Hot Spots	State mandated fee: "Air Toxic "Hot Spot"

### State Revenue

PERP State Funds	Portable Engine Registration Program.
State Subvention	Funds received from state budget to supplement Permitting and Air Monitoring

## EXPENSES

### Program Staff

Contracted costs to provide staff for District operations

### Operating Expenses

Communications	Telephones, teleconferencing, internet, cable, hosting, tech support
Dues & Subscriptions	District memberships and sponsorships, publications and subscriptions
Non-Depreciable Inventory	Furniture, equipment, machinery, and safety equipment < \$5,000
Legal	Legal services for Governing Board, Hearing Board; publication
Professional Services	Financial services, audit, research studies, consulting fees, stipends
Maintenance & Repairs	General building maintenance, custodial services, and repairs
Training & Travel	Employee training; professional development and related travel
Vehicles	Fuel and oil, maintenance and repair, insurance for District's fleet
Office Expenses	Software, utilities, supplies, leases, postage, courier, printing and shredding services, security, insurance, meeting expenses and community relations

### PROGRAM EXPENSES

Expenses attributable to the use of special funds

### CAPITAL EXPENSES

Furniture & fixtures, Equipment, vehicles, computers, and software over \$5k