



AGENDA:
PCAPCD Board of Directors Meeting
Thursday, April 9, 2015 at 2:30 PM
Placer County Board of Supervisors' Chambers
175 Fulweiler Avenue, Auburn, California

Call to Order

Flag Salute

Roll Call / Determination of a Quorum

Page 3 Approval of Minutes: February 19, 2015, Regular Meeting

Public Comment: Any person desiring to address the Board on any item not on the agenda may do so at this time. No action will be taken on any issue not currently on the agenda.

Consent: Items 1 and 2

These items are expected to be routine and non-controversial. The Board will act upon these items at one time without discussion. Any Board member, Staff member, or interested citizen may request that an item be removed from the consent calendar for discussion.

Page 8 1. Accept Funds Used for Wildfire Mitigation Protocol. *Adopt Budget Revision #15-03, thereby authorizing the Air Pollution Control Officer to accept funds received in the Wildfire Mitigation Fund (WFM) for professional services to Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires.*

Page 11 2. Approval of a Contract with Spatial Informatics Group. *Adopt Resolution #15-03, thereby approving a contract with Spatial Informatics Group for professional services to Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires, in the not to exceed amount of \$320,000; and authorization for the Air Pollution Control Officer (APCO) to negotiate, sign, and amend as necessary, a contract with Spatial Informatics Group.*

Action: Item 3

Page 31 3. Approval of the 2015 Clean Air Grant Recommended Projects. *Adopt Resolution #15-02, thereby authorizing the expenditure of DMV Motor Vehicle Registration Funds and Air Quality Mitigation Funds for Clean Air Grant (CAG) projects, as shown in Resolution Exhibit I, and authorizing the Air Pollution Control Officer to negotiate, sign, and amend as needed, grant agreements and contracts.*

Closed Session/Action: Item 4

- Page 55 4. **Air Pollution Control Officer's Annual Performance Evaluation.** *Pursuant to Government Code §54957(b)(1), the Placer County Air Pollution Control District Board of Directors will hold a closed session to discuss the annual performance evaluation of the Air Pollution Control Officer. A report on any action taken will be presented prior to adjournment.*

Air Pollution Control Officer Report

- a. Art walk – verbal report
- b. Fiscal update – financial report will be provided at meeting.

Adjournment

Next Regularly Scheduled Board Meeting: June 12, 2015, at 2:30 PM

Opportunity is provided for the members of the public to address the Board on items of interest to the public, which are within the jurisdiction of the Board. A member of the public wanting to comment upon an agenda item that is not a Public Hearing item should identify the item they wish to speak about to the Clerk of the Board.

Placer County Air Pollution Control District is committed to ensuring that persons with disabilities are provided the resources to participate fully in its public meetings. If you require disability-related modifications or accommodations, please contact the Clerk of the Board. All requests must be in writing and must be received by the Clerk five business days prior to the scheduled meeting for which you are requesting accommodation. Requests received after such time will be accommodated only if time permits.

All materials related to this meeting which are provided to Board members, including those which are distributed less than 72 hours before the meeting, are made available to the public at the subject meeting and/or upon request; and are available for public inspection during business hours at the Air Pollution Control District office at 110 Maple Street, Auburn, CA 95603.

District Office Telephone – (530) 745-2330



Minutes of the Thursday, February 19, 2015 Meeting of the Board of Directors

The Board of Directors of the Placer County Air Pollution Control District met for a regular meeting at 2:30 PM, Thursday, February 19, 2015, at the Placer County Board of Supervisors' Chambers, 175 Fulweiler Avenue, Auburn, California. *NOTE: This meeting was re-scheduled for the third Thursday of the month, as the second Thursday of the month fell on a Placer County staff holiday.

Representing the District were: Tom Christofk, Air Pollution Control Officer; Todd Nishikawa, Deputy Air Pollution Control Officer; A.J. Nunez, Administrative Services Officer; Russell Moore, I.T. Technician; and Shannon Harroun, Clerk of the Board.

The meeting was called to order by Chairperson Robert Weygandt. Roll call was taken by the Clerk of the Board, with the following members in attendance: Daniel Berlant, Jennifer Montgomery, Tony Hesch, Robert Weygandt, Robert Black, Jim Holmes, Diana Ruslin, and Carol Garcia. A quorum was established. Stan Nader arrived after roll call, at 2:35 p.m.

2015 Board of Directors Introduction / Mike Holmes Acknowledgment

Chair Robert Weygandt welcomed new Board members, Daniel Berlant and Tony Hesch to the Board in 2015, and invited Mr. Mike Holmes to the podium to be recognized for his service to the Board from 2004 to 2014. Mr. Mike Holmes spoke briefly about his time with the Board and about his continuing commitment to advocate for the District and the City of Auburn.

Approval of Minutes: October 09, 2014, Regularly Scheduled Meeting.

Motion to approve minutes: Jim Holmes. Unanimously approved, with abstentions by Daniel Berlant and Tony Hesch, as they were not present at the last meeting.

Public Comment: There were no comments from the public.

Consent: Items 1 and 2

- 1. Use of Air Quality Mitigation Funds for the 2015 Clean Air Grant Program.** *Adopt Budget Revision #15-01, thereby authorizing the Air Pollution Control Officer to use the available funds in the Mitigation Fund for the 2015 Clean Air Grant program.*
- 2. Accept Funds Used for Black Carbon Research.** *Adopt Budget Revision #15-02, thereby authorizing the Air Pollution Control Officer to use the available funds received in the Black Carbon Research Fund for professional services to initiate development of a Black Carbon offset credit protocol.*

Motion to approve Consent Items 1 and 2: Jennifer Montgomery. Unanimously approved.

Public Hearing/Action: Item 3

- 3) **Adoption of Amended Rule 515, Stationary Rail Yard Control Emission Reduction Credits.** *Conduct a Public Hearing regarding the proposed approval of amended Rule 515; and adopt Resolution #15-01, thereby approving amended Rule 515 and the findings in the Staff Report.*

Mr. Don Duffy, District consultant, spoke on behalf of the District regarding the proposed amendment to District Rule 515. He began by discussing the history of the development of Rule 515. It came about as a result of complaints from the public about odors from the Roseville Rail Yard and concerns about toxic air contaminants from the locomotives, and a subsequent study by California Air Resources Board (ARB) of the emissions from the yard and an estimate of the health risk. At the time, the rail yard was expanding because of the Southern Pacific – Union Pacific merger and the Roseville Rail Yard having been designated as the Western State Hub. In late 2004, the District entered into a Memorandum of Understanding (MOU) with Union Pacific Rail Road (UPRR) for a mitigation plan, which included an emissions Monitoring Plan, a grant program to achieve Diesel Particulate Matter (DPM) reduction from other sources; and a Mitigation Plan to reduce DPM emissions from the yard by 25% from year 2000 levels. One element of the MOU was development and testing of equipment for treating locomotive exhaust, which was named Advanced Locomotive Emission Control System (ALECS). Testing indicated this equipment provided the following reductions of locomotive emissions:

- NO_x – 98%
- PM – 92%
- SO_x – 97%
- VOC – 63%

Mr. Duffy then explained that Rule 515 was promulgated to provide a mechanism for issuing Emission Reduction Credits (ERC) for a rail yard that installed the stationary locomotive emission controls. Stationary controls are quite expensive, but the value of the resulting ERCs could pay for much of the installation and operating costs of this control equipment.

Mr. Duffy described the importance of Rule 515. The Roseville rail yard is the largest uncontrolled NO_x source in Placer County. Further, the US Environmental Protection Agency (EPA) is considering lowering the National Ambient Air Quality Standards (NAAQS) for ozone, which could lead to increased demand for NO_x and VOC emission reduction credits. There are essentially no NO_x ERCs available in Placer County, which prohibits new or expanded business that require offsetting of combustion emissions. In addition, the rail yard is still the greatest stationary source air health risk in the County due to emissions of diesel particulate matter.

Mr. Duffy outlined the specific changes in this proposed amendment, which are as a result of recommendations from the EPA, and include, changing “owners and operators” to “owners”; adding a condition that the permittee of the control equipment must replace the ERCs if the control equipment is permanently shut down; enhancing the violations section concerning a temporary shortfall in emission reductions from the equipment; and removing reference to Rule 404, Upset Conditions, Breakdowns, or Scheduled Maintenance.

Mr. Duffy concluded by communicating that stakeholders were notified of the proposed amended Rule 515, through a newspaper legal notice, direct contact to UPPR, postings on the District website, and sending review copies of the rule and staff report to ARB and EPA for comment. No comments were received. Mr. Duffy then stated the action requested of the Board: to adopt Resolution 15-01, thereby approving amended Rule 515, Stationary Rail Yard Control Emission Reduction Credits.

Chair Weygandt asked about the cost incentive to the rail yard to use this equipment. Mr. Christofk explained that Placer County NOx credits are currently on the market at about \$20,000/ton. Based on the District's analysis of ERC value, the rail yard would be able to pay the equipment off in about 7 years. He clarified that the ERC's are only available for voluntary emission reductions, above and beyond mandatory requirements.

Director Black asked why the rail yard is reluctant to use this equipment, in spite of the potential cost savings. Mr. Christofk stated that the railroad industry has been slower to embrace new technologies for emission reductions. They see this as an area that they don't have expertise.

Director Montgomery asked if this rule imposes a requirement, or creates an opportunity. Mr. Christofk clarified that this is not a prohibitory rule, but an incentivizing rule.

Chair Weygandt invited members of the public to address the Board on this issue. There was no public comment.

Motion to approve Public Hearing/Action Item 3: Carol Garcia. Unanimously approved.

Information: Items 4 and 5

- 4) **2015 Regulatory Measures List for 2015.** *As required by statute, the District has published a list, prior to January 1, 2015, of regulatory measures that may be considered for adoption in calendar year 2015.*

Mr. Todd Nishikawa presented the rules that may be considered in calendar year 2015. Publication of this list by January 1st of each year is required by state law. The two rules listed as most likely to be considered are the amendment to Rule 250, Stationary Gas Turbines, and the amendment of Rule 515, Stationary Rail Yard Control Emission Reduction Credits. The latter amended rule was approved at this meeting. In addition, a group of measures is identified that may be considered, but are less likely to be adopted. The list was made available, by January 1, 2015 as required, by posting on the District web page, and noticed in a newspaper of general circulation on December 28, 2014.

There were no questions or comments from the members of the Board.

5) Progress Report on the Implementation of the District's Strategic Information Technology Master Plan. *District Staff wish to provide a progress report and obtain feedback from the District Board of Directors on the implementation of the Strategic Information Technology Master Plan.*

Mr. Todd Nishikawa presented an overview of the District's Strategic IT Master Plan. The Strategic IT Plan implementation is a multi-year effort, due to the number of initiatives and resource constraints. Thus far, the majority of funding for the Plan's implementation has been provided by the EPA's Pilot Grant under Section 105 of the Clean Air Act.

Mr. Nishikawa provided an update on the status of initiative areas identified in the Strategic IT Master Plan, comprising of the Electronic Document Handling System; the District's database; the District's website; and eService Delivery solutions, including wireless device integration/mobile inspections, a client access portal project, and Cloud Computing.

Mr. Nishikawa discussed the District's expansion of its implementation of wireless device integration that supports the work of District employees while they are in the field, including the District's associated pilot project, wherein the District used Mobile Forms and tablet technology in an audit of the Placer County Department of Public Works Fleet Services Division.

Mr. Nishikawa introduced Mr. Clark Moots, the District's IT consultant, to further demonstrate the wireless device integration and mobile inspections project. Mr. Moots described the application the District is using for mobile inspections, which is AT&T Mobile Forms (also called ProntoForms). It allows for custom unlimited mobile forms to be built and subsequently dispatched to mobile devices in the field with preloaded information from the District database. The type of mobile device the District is using is the Samsung Galaxy Tab 4, an 8" Android tablet. Field staff can collect additional information from the field and submit complete error free forms in real time back to the District office. The tablet also interfaces wirelessly with digital cameras, including endoscope-borescope cameras. The mobile forms application is cost effective and can be customized in a variety of ways to improve District business processes, including complaint investigations, Visual Emissions Evaluations, Notices of Violation, facility inquiries, inspections, and the DPW fleet audit. Mr. Moots did a live demonstration of the District's tablet and the mobile forms application, showing examples of how it is used to help eliminate redundant data entry, save labor hours, decrease paper use and transport, and increase data accuracy.

Director Hesch asked about the staff time to maintain the database, and if there are concerns with using the cloud for storage, rather than the District's storage network. Mr. Moots explained that the internet is used as an encrypted, secure, means of transferring the data from various Placer County locations back to the District for ultimate storage within its own network. The District has been maintaining the database for about 15 years, and allocates development resources to it as they are available. In addition, the District saves time and money by using some pre-designed solutions. The District recognizes that there will need to be an increased effort to maintain up-to-date and accurate data in the database ("Garbage In – Garbage Out").

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Air Pollution Control Officer Report

Mr. Christofk summarized the 2015 Clean Air Grant outreach and schedule of events, noting that the District will have over \$1,000,000 available for Clean Air Grants this year. He announced the application period deadline of February 27, 2015 at 5:00 p.m. Staff will review the applications for minimum requirements, then a peer review panel will evaluate the projects, including cost effectivity, and the District will present its recommendations to the Board at the April 9, 2015 board meeting. The contracts will be executed by May 15, and funds encumbered by the end of the current fiscal year.

Mr. Christofk informed the Board that the annual Sacramento Metropolitan Chamber of Commerce's annual Cap-to-Cap trip is upcoming, from April 18-22, and asked if any Board members would be interested in obtaining partial funding of conference attendance using District budgeted funds. The District requests that anyone taking part in this funding attend as part of the Air Quality team. Director Montgomery expressed an interest in participating with partial funding from the District, and will contact Shannon Harroun to coordinate registration.

Ms. AJ Nunez provided a fiscal update, stating that the District's budget is on track, at 36.49% under budget on expenditures, and 27% above budget on revenues.

Adjournment

Chairperson Robert Weygandt adjourned the meeting at 3:50 p.m.


Shannon Harroun, Clerk of the Board



Board Agenda Item 1

Consent

Agenda Date: April 9, 2015

Prepared By: A.J. Nunez, Administrative Services Officer

Topic: Accept Funds for Wildfire Mitigation Protocol

Action Requested: Adopt Budget Revision #15-03 (Attachment #1), thereby authorizing the Air Pollution Control Officer to accept funds received in the Wildfire Mitigation Fund (WFM) for professional services to Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires.

Discussion: The District has solicited financial pledges from, and is partnering with, federal, state, and local agencies, as well as private companies and non-profit organizations, to provide \$320,000 in funding for this three year project. The work will occur over several fiscal cycles due to the scientific research demands and the complexity of the topics. The District has established an individual fund for WFM in order to manage and track funds received and expended for this project. The District FY 14-15 budget contains funding for Wildfire Mitigation (WFM) in the amount of \$10,000. Sacramento Municipal Utility District (SMUD) has pledged and provided \$50,000 for WFM. Sierra Pacific Industries (SPI) has pledged \$120,000 over the next three years and has provided \$40,000 in the current FY 14-15. Cal Fire has pledged \$50,000 and will contribute \$12,500 in this fiscal year, with the remaining pledge funds to be received incrementally as the work is accomplished. The District is currently working with the U.S. Forest Service (USFS) on a Challenge Cost Share Agreement that will provide an additional \$50,000 toward this project. These available funds, if approved for addition to the FY 2014-15 Budget for WFM (\$10,000), will bring the total funding for this project to \$112,500 in FY 14-15. As the District receives funds for WFM from additional partners invested in this research effort to augment the \$112,500 in our budget this fiscal year, staff will again prepare a budget revision for your consideration. The District anticipates requesting approval of your board for additional funds in the upcoming FY 15-16 budget for this project.

Fiscal Impact: There will be no fiscal impact to the District's existing budget if these funds are accepted for the WFM project, as the funds that increase the budget will be expensed for professional services to initiate the project.

Recommendation: Staff recommends that the Board adopt Budget Revision #15-03, thereby accepting the Wildfire Mitigation Funds to initiate development of the Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires.

Attachment(s) #1. Budget Revision #15-03; Use of Wildfire Mitigation Funds for professional services to Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires.

ATTACHMENT #1

SUBJECT:

Budget Revision #15-03
Use of Wildfire Mitigation Funds for professional services to
Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires

PLACER COUNTY
BUDGET REVISION

PAS DOCUMENT NO.

Dept No.	Doc Type	Total \$ Amount	Total Lines
73	BR	\$ 205,000.00	1

<input type="text"/>	Cash Transfer Required	<input type="text"/>	Auditor-Controller
<input type="text"/>	Reserve Cancellation Required	<input type="text"/>	County Executive
<input type="text"/>	Establish Reserve Required	<input type="text"/>	District Board

ESTIMATED REVENUE ADJUSTMENT								APPROPRIATION ADJUSTMENT									
Dept No.	T Code	Rev	OCA	PCA	OBJ L-3	Proj. No.	G/L Sub GL	AMOUNT	Dept No.	T Code	Rev	OCA	PCA	Obj L-3	Proj. No.	G/L Sub GL	AMOUNT
73	006		000070	45100	8764	Miscellaneous Rever		\$102,500.00	73	014		000070	45100	2555	WFM070		\$102,500.00
TOTAL								102,500.00	TOTAL								102,500.00

REASON FOR REVISION: To increase the budgeted revenue and expenditure of the Wildfire Mitigation Fund for Fiscal Year 2014-15 to match actual revenue received in FY2014-15.

Distribution:
 All copies to Auditor
District APCO
APCD District Board Chairman
Auditor-Controller

Date: 4/9/2015
 Page: 1
 Budget Revision #15-03



Board Agenda Item 2
Consent

Agenda Date: April 9, 2015

Prepared By: A.J. Nunez, Administrative Services Officer

Topic: Approval of a contract with Spatial Informatics Group for professional services to Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires, in the not to exceed amount of \$320,000; and authorization for the Air Pollution Control Officer (APCO) to negotiate, sign, and amend as necessary, a contract with Spatial Informatics Group.

Action Requested: Adopt Resolution #15-03 (Attachment #1), thereby approving a contract with Spatial Informatics Group for professional services to Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires, in the not to exceed amount of \$320,000; and authorization for the Air Pollution Control Officer (APCO) to negotiate, sign, and amend as necessary, a contract with Spatial Informatics Group.

Discussion: The District has been involved in, and continues to be engaged in, a broad range of initiatives related to Placer County’s forested landscape in an effort to reduce wildfires and manage smoke from open burning, in order to improve air quality. The efforts commenced with the development and implementation of a forest biomass focused Supplemental Environmental Project (SEP) in FY 2007-08. Since that time, staff has been engaged in a number of technical studies regarding forest biomass, as well as forest based greenhouse gas developments. These initiatives relate to biomass to energy policies and projects; promotion of distributed generation facilities throughout the Sierra Nevada, using excess forest biomass generated as a byproduct of fuels reduction activities as feedstock; market based mechanisms to promote public and private forested landscape treatments to reduce the risk of catastrophic wildfires; and efforts to protect and conserve forests in a manner that enhances water and watershed integrity and retains and increases forest carbon stocks, while reducing greenhouse gas emissions.

Staff has determined that Spatial Informatics Group is uniquely qualified to provide support services to the District for the development of a protocol that can account for a variety of ecosystem services that result from reduction in wildfire size and severity. Spatial Informatics Group was the prime contractor in the initial efforts to develop the protocol frame work. Spatial Informatics Group was recently awarded a contract for a similar protocol on Southwestern Forests by the National Forest Foundation. Spatial Informatics Group staff experience and expertise align with the research objectives to: 1) develop a standardized method to account for carbon emission savings, water quantity/quality improvements and avoided habitat losses from reduced or avoided catastrophic wildfires on private and public land in California; 2) provide a framework that demonstrates the return on investment from measures which reduce catastrophic wildfire impacts and accounts for ecological co-benefits realized from these measures (e.g. carbon, water quantity and quality, wildlife habitat); and 3) identify options to co-finance wildfire hazard reduction costs.

Spatial Informatics Group Contract Approval

April 9, 2015

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The District has solicited financial pledges from, and is partnering with, federal, state, and local agencies, as well as private companies and non-profit organizations, to provide \$320,000 in funding for this three year project. The work will occur over several fiscal cycles due to the scientific research demands and the complexity of the topics. The District has established an individual fund for Wildfire Mitigation (WFM) in order to manage and track funds received and expended for this project. The appropriation of funds that cover the contract with Spatial Informatics Group will be expended out of the WFM funding, not to exceed \$320,000, over the three year period of the project. Each fiscal year, funds received from partnering agencies will be identified and linked to project tasks prior to work commencing in any given budget year.

Fiscal Impact: This contract will have no fiscal impact on the District's FY 2014-15 budget.

The appropriation of funds that cover the contract with Spatial Informatics group will be expended out of the WFM fund. In the event that sufficient funds are not appropriated and budgeted for the payment of the tasks described in a given fiscal year, project tasks will be modified, amended or cancelled by the APCO in accordance with the available funding.

Recommendation: Staff recommends that the Board adopt Resolution #15-03, thereby approving a contract with Spatial Informatics Group for professional services to Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires, in the not to exceed amount of \$320,000; and authorization for the Air Pollution Control Officer (APCO) to negotiate, sign, and amend as necessary, a contract with Spatial Informatics Group.

Attachments

#1. Resolution #15-03

#2. Proposed Contract with Spatial Informatics Group

ATTACHMENT #1

SUBJECT:

Resolution #15-03



Board Resolution:
Resolution # 15-03

Before the Placer County Air Pollution Control District Board of Directors

In the Matter Of: Approval of a contract with Spatial Informatics Group for professional services to Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires, in the not to exceed amount of \$320,000; and authorization for the Air Pollution Control Officer (APCO) to negotiate, sign, and amend as necessary, a contract with Spatial Informatics Group.

The following **RESOLUTION** was duly passed by the Placer County Air Pollution Control District Board of Directors at a regular meeting held on **April 9, 2015**, by the following vote:

Ayes: Berlant _____ Hesch _____ Nader _____ Weygandt _____ Black _____
Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____
Alternates: _____

Noes: Berlant _____ Hesch _____ Nader _____ Weygandt _____ Black _____
Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____
Alternates: _____

Abstain: Berlant _____ Hesch _____ Nader _____ Weygandt _____ Black _____
Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____
Alternates: _____

Signed and approved by me after its passage:

_____ Chairperson

_____ Attest: Clerk of said Board

WHEREAS, pursuant to Health and Safety Code Section 40701, the Placer County Air Pollution Control District has the authority to enter into agreements as necessary and proper to fulfill its regulatory obligations; and

WHEREAS, Health and Safety Code 40701 provides that the District has the power to cooperate and contract with any federal, state, or local governmental agencies, private industries or civic groups necessary or proper to the accomplishment of its duties; and

WHEREAS, the District has been involved in, and continues to be engaged in, a broad range of initiatives related to Placer County's forested landscape in an effort to reduce wildfires and manage smoke from open burning, in order to improve air quality; and

WHEREAS, Staff has determined that Spatial Informatics Group is uniquely qualified to provide support services to the District for the development of a protocol that can account for a variety of ecosystem services that result from reduction in wildfire size and severity; and

WHEREAS, the District has solicited financial pledges from, and is partnering with, federal, state, and local agencies, as well as private companies and non-profit organizations, to provide \$320,000 in funding for this three year project; and

WHEREAS, in the event that sufficient funds are not appropriated and budgeted for the payment of the tasks described in a given fiscal year, project tasks will be modified, amended or cancelled by the APCO in accordance with the available funding.

NOW THEREFORE BE IT RESOLVED, that the Placer County Air Pollution Control District Board of Directors hereby adopts Resolution #15-03, thereby approving a contract with Spatial Informatics Group for professional services to Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires, in the not to exceed amount of \$320,000

BE IT FURTHER RESOLVED, that the Placer County Air Pollution Control District Board of Directors hereby authorizes the Air Pollution Control Officer (APCO) to negotiate, sign, and amend as necessary, a consulting contract with Spatial Informatics Group.

ATTACHMENT #2

SUBJECT:

Proposed Contract with Spatial Informatics Group



CONTRACTED SERVICES AGREEMENT

Administering Agency: Placer County Air Pollution Control District

Contract No. CN000795

Contract Description: **Quantify Ecosystem Service Benefits of Reduced Occurrence of Catastrophic Wildfires**

THIS AGREEMENT is made at Auburn, California, by and between the Placer County Air Pollution Control District, ("District"), and Spatial Informatics Group ("Contractor"), who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this Agreement, Contractor shall provide the services described in **Exhibit A**. Contractor shall provide said services at the time, place, and in the manner specified in **Exhibit A**. This Agreement does not bind the District to exclusively use the Contractor for services required, and the District may obtain such services from other providers, concurrent with or instead of services to be provided by Contractor.
2. **Payment.** District shall pay Contractor for services rendered pursuant to this Agreement at the time and in the amount set forth in **Exhibit B**. The payment specified in **Exhibit B** shall be the only payment made to Contractor for services rendered pursuant to this Agreement. Contractor shall submit all billings for said services to District in the manner specified therein, or, if no manner is specified, then according to the usual and customary procedures which Contractor uses for billing clients similar to District. **The amount of the contract shall not exceed the amount shown as the expenditure limit for this Agreement in Exhibit B, unless amended.**
3. **Facilities, Equipment and Other Materials, and Obligations of District.** Unless otherwise specified, Contractor shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement.
4. **Exhibits.** All exhibits referred to herein will be attached hereto and by this reference incorporated herein.
5. **Time for Performance.** Time is of the essence. Failure of Contractor to perform any services within the time limits set forth in **Exhibit A** shall constitute material breach of this contract.

6. **Independent Contractor.** At all times during the term of this Agreement, Contractor shall be an independent Contractor and shall not be an employee of the District. District shall have the right to control Contractor only insofar as the results of Contractor's services rendered pursuant to this Agreement. District shall not have the right to control the means by which Contractor accomplishes services rendered pursuant to this Agreement.
7. **Licenses, Permits, Etc.** Contractor represents and warrants to District that it has all licenses, permits, qualifications, and approvals of whatsoever nature, which are legally required for Contractor to practice its profession. Contractor represents and warrants to District that Contractor shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for Contractor to practice its profession at the time the services are performed.
8. **Time.** Contractor shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for the satisfactory performance of Contractor's obligations pursuant to this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.
9. **Hold Harmless and Indemnification Agreement.** At all times during the performance of this agreement, Contractor agrees to protect, defend, and indemnify District in accordance with the provisions contained in **Exhibit C**.
10. **Insurance.** Contractor shall file with District concurrently herewith a Certificate of Insurance, in companies acceptable to District, for the coverage shown in **Exhibit C**. All costs of complying with these insurance requirements shall be included in Contractor's fee(s). These costs shall not be considered a "reimbursable" expense under any circumstances.
11. **Contractor Not Agent.** Except as District may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of District, in any capacity whatsoever, as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement, to bind District to any obligation whatsoever.
12. **Assignment Prohibited.** Contractor may assign its rights and obligations under this Agreement only upon the prior written approval of District. Said approval to be in the sole discretion of District.
13. **Personnel**
 - A. Contractor shall assign only competent personnel to perform services pursuant to this Agreement. In the event that District, in its sole discretion, at any time during the term of this Agreement, desires the removal of any person or persons assigned by Contractor to perform services pursuant to this Agreement, including those members of the Project Team as explained below, Contractor shall remove any

such person immediately upon receiving notice from District of the desire of District for removal of such person or persons.

- B. Notwithstanding the foregoing, if specific persons are designated as the "Project Team" in **Exhibit A**, Contractor agrees to perform the work under this agreement with those individuals identified. Reassignment or substitution of individuals or subcontractors named in the Project Team by Contractor without the prior written consent of District shall be grounds for cancellation of the Agreement by District, and payment shall be made pursuant to Section 15 (Termination) of this Agreement, only for that work performed by Project Team members.

- 14. **Standard of Performance**. Contractor shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged, in the geographical area in which Contractor practices its profession. All products of whatsoever nature which Contractor delivers to District pursuant to this Agreement shall be prepared in a substantial first class and workmanlike manner and conform to the standards or quality normally observed by a person practicing in Contractor's profession.

15. **Termination**.

- A. District shall have the right to terminate this Agreement at any time by giving notice in writing of such termination to Contractor. In the event District shall give notice of termination, Contractor shall immediately cease rendering service upon receipt of such written notice, pursuant to this Agreement. In the event District shall terminate this Agreement:

- 1) Contractor shall deliver copies of all writings prepared by it pursuant to this Agreement. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, photostating, photographing, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.
- 2) District shall have full ownership and control of all such writings delivered by Contractor pursuant to this Agreement.
- 3) District shall pay Contractor the reasonable value of services rendered by Contractor to the date of termination pursuant to this Agreement, not to exceed the amount documented by Contractor and approved by District as work accomplished to date; provided, however, that in no event shall any payment hereunder exceed the amount of the agreement specified in **Exhibit B**, and further provided, however, District shall not in any manner be liable for lost profits which might have been made by Contractor had Contractor completed the services required by this Agreement. In this regard, Contractor shall furnish to District such financial information as in the judgment of the District is necessary to determine the reasonable value of the services rendered by Contractor. The foregoing is cumulative and

does not affect any right or remedy which District may have in law or equity.

- B. Contractor may terminate its services under this Agreement upon thirty (30) working days' advance written notice to the District.
16. **Non-Discrimination.** Contractor shall not discriminate in its employment practices because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, or sexual orientation, in contravention of the California Fair Employment and Housing Act, Government Code section 12900 et seq.
 17. **Records.** Contractor shall maintain, at all times, complete detailed records with regard to work performed under this agreement in a form acceptable to District, and District shall have the right to inspect such records at any reasonable time. Notwithstanding any other terms of this agreement, no payments shall be made to Contractor until District is satisfied that work of such value has been rendered pursuant to this agreement. However, District shall not unreasonably withhold payment and, if a dispute exists, the withheld payment shall be proportional only to the item in dispute.
 18. **Ownership of Information.** All professional and technical information developed under this Agreement, and all work sheets, reports, and related data shall become the property of District, and Contractor agrees to deliver reproducible copies of such documents to District on completion of the services hereunder. The District agrees to indemnify and hold Contractor harmless from any claim arising out of reuse of the information for other than this project.
 18. **Waiver.** One or more waivers by one party of any major or minor breach or default of any provision, term, condition, or covenant of this Agreement shall not operate as a waiver of any subsequent breach or default by the other party.
 19. **Conflict of Interest.** Contractor certifies that no official or employee of the District, nor any business entity in which an official of the District has an interest, has been employed or retained to solicit or aid in the procuring of this agreement. In addition, Contractor agrees that no such person will be employed in the performance of this Agreement without immediately notifying the District.
 20. **Entirety of Agreement.** This Agreement contains the entire agreement of District and Contractor with respect to the subject matter hereof, and no other agreement, statement, or promise made by any party, or to any employee, officer or agent of any party, which is not contained in this Agreement, shall be binding or valid.
 21. **Alteration.** No waiver, alteration, modification, or termination of this Agreement shall be valid unless made in writing and signed by all parties, except as expressly provided in Section 15, Termination.
 22. **Governing Law.** This Agreement is executed and intended to be performed in the State of California, and the laws of that State shall govern its interpretation and effect. Any

legal proceedings on this agreement shall be brought under the jurisdiction of the Superior Court of the District of Placer, State of California, and Contractor hereby expressly waives those provisions in California Code of Civil Procedure §394 that may have allowed it to transfer venue to another jurisdiction.

- 23. **Notification.** Any notice or demand desired or required to be given hereunder, including requests for payment, shall be in writing and deemed given when personally delivered or deposited in the mail, postage prepaid, and addressed to the parties as follows:

District:
 Tom Christofk
 110 Maple Street
 Auburn, CA 95603

Contractor:
 Spatial Informatics Group
 David Saah, Owner
 3248 Northampton Court
 Pleasanton, CA 94588

Any notice so delivered personally shall be deemed to be received on the date of delivery, and any notice mailed shall be deemed to be received five (5) days after the date on which it was mailed.

This Agreement is effective on the date signed by both parties.

PLACER COUNTY AIR POLLUTION CONTROL DISTRICT

By: _____ Date: _____
 Tom Christofk
 Placer County Air Pollution Control District Officer

CONTRACTOR

By: _____ Date: _____
 David Saah, Owner
 Spatial Informatics Group

Exhibits

- A. Scope of Work
- B. Payment for Services Rendered
- C. Hold Harmless Agreement and Insurance Requirements

**EXHIBIT A
SCOPE OF SERVICES**

**PLACER COUNTY AIR POLLUTION CONTROL DISTRICT
AND
SPATIAL INFORMATICS GROUP**

Support services for tasks identified below, to develop a protocol that can account for a variety of ecosystem services that result from reduction in wildfire size and severity. The research objectives are to:

- Develop a standardized method to account for carbon emission savings, water quantity/quality improvements and avoided habitat losses from reduced or avoided catastrophic wildfires on private and public land in California;
- Provide a framework that demonstrates the return on investment from measures which reduce catastrophic wildfire impacts and accounts for ecological co-benefits realized from these measures (e.g. carbon, water quantity and quality, wildlife habitat);
- Identify options to co-finance wildfire hazard reduction costs.

Project Objectives:

Task 1 – Form stakeholder advisory group

Task 2 – Identify case study area

Task 3 - Ensure versatility and robustness in the carbon accounting framework

Task 4 - Protocol submittal, review, and approval process support

Task 5 - Add wood products life cycle analysis (LCA) to carbon accounting framework

Task 6 - Avoided wildfires effects analysis: accounting for ecological co-benefits

Task 7 - Avoided cost and return-on-investment analysis and market outreach

Contractor's Roles and Responsibilities:

Outcomes:

- Carbon accounting protocol: Establish a robust carbon accounting protocol for forest management for the California Sierra Nevada forested landscape that reduces wildfire size and severity. This will include site-specific wood products LCA for public and private land in California.
- Provide technical support for protocol approval in the California Air Pollution Officers Association Greenhouse Gas Exchange and/or the American Carbon Registry and/or other GHG offset credit registries that are determined to be appropriate for protocol acceptance.

- Establish robust and region-specific causal relationships and protocols that allow measurement of selected co-benefits associated with avoided catastrophic wildfires;
- Provide returns on investments in terms of carbon and ecological co-benefits for avoiding catastrophic wildfires through fuel treatments;
- Identify demand-driven market mechanisms to co-finance avoided wildfire by setting relevant and defensible economic values for ecological co-benefits and outreach to market actors.

Deliverables:

Task 1. Form stakeholder advisory group

D 1.1 (June 30th 2015) Project summary outreach brochure to stakeholders.

D 1.2 (Sept. 30th 2015) Task 1 report, confirm stakeholder advisory group.

Task 2. Identify case study area

D 2.1 (Sept. 30th 2015) Task 2 report, case study area identified and supported by stakeholder advisory group.

Task 3. Ensuring versatility and robustness in the carbon accounting framework

D 3.1 (Jan 1st 2016) Interim Task 3 progress report.

D 3.1 (June 30th 2016) Final Task 3 report, carbon accounting framework fully developed and tested on case study area.

D 3.2 (July 30th 2017) Peer reviewed paper(s) on carbon emission savings and ecosystem service impacts of fuel treatments that will be published in an independent, blind third party peer reviewed, reputable scientific journal such as the Forest Products Journal, International Journal of Wildland Fire, Forest Ecology and Management, Biomass and Bioenergy, Carbon Management, Journal of the Air and Waste Management Association, and/or a USFS General Technical Report.

Task 4. Protocol submittal, review, and approval process support

D 4.1 (Dec. 31st 2016) Submit protocol to the California Air Pollution Officers Association Greenhouse Gas Exchange; and/or the American Carbon Registry, or other appropriate GHG offset registries to produce offset credits for the voluntary market and for compliance with mitigation requirements under review from California Environmental Quality Act;

D4.2 (Dec. 31st 2017) Final Task 4 report. Provide technical support to protocol review panel. Include providing assistance with conducting a public workshop and/or webinar, responding to comments received from stakeholders, and addressing comments from and guiding the protocol through the CAPCOA Protocol Engineering Review Subcommittee approval step, and through the CAPCOA Executive Board final approval step;

Task 5. Adding wood products life cycle analysis (LCA) to carbon accounting framework

D 5.1 (Sept. 30th 2016) Final Task 5 report. Customized wood products LCA for CA industry wood products; lookup tables on carbon emission savings through fuel treatments by region and forest type including wood products carbon accounting.

Task 6. Avoided wildfires: accounting for ecological co-benefits

D 6.1 (March 1st 2017) Task 6 progress report.

D 6.2 (Sept. 30th 2017) Task 6 final report, case study specific quantification (e.g., lookup tables) of fuel treatment impacts on selected ecosystem services (water quality and quantity, air quality, wildlife habitat, recreation).

Task 7. Avoided cost and return on investment analysis and market outreach

D.7.1 (Sept. 1st, 2017) Task 7 progress report.

D 7.1 (March 31st 2018) Case study specific valuation of fuel treatment impacts on selected ecosystem services.

D 7.2 (March 31 2018) Outreach material developed and outreach activities completed Final deliverable (June 1st, 2018) Project Final Report.

**EXHIBIT B
PAYMENT FOR SERVICES RENDERED**

The amount of this contract shall not exceed Three Hundred Twenty Thousand Dollars (\$320,000.00), unless amended. Contractor shall bill the District per the requirements set forth in Section 2, Payments, of this contract.

Research Rates:

Principal:	\$180 / hour
Senior Scientist:	\$180 / hour
Project Manager:	\$160 / hour
Research Scientist:	\$120 / hour
Assistant Research Scientist:	\$ 90 / hour

Reimbursement will be provided for reasonable expenses specifically associated with work performed, such as mileage at the current federal standard mileage rate, and travel fare. Such expenses shall not exceed \$3,000 during the term of the contract. PCAPCD will require expense justification and proof of expenditures, and/or receipts prior to payment of these costs.

All expenses of Contractor, including any expert or professional assistance retained by Contractor to complete the work performed under this contract, shall be borne by the Contractor.

Invoices

Invoices shall be submitted to District on a quarterly basis with sufficient detail to identify Task progress/milestones for approval, as required by District.

Each invoice must include, at a minimum:

1. This contract agreement number (CN000795).
2. The invoice date.
3. Performance dates of the work completed (start & end).
4. Total invoice amount for the billing period.
5. Number of hours worked and the associated position title and rate.
6. Detail of any additional charges.

Work performed by Contractor will be subject to final acceptance by the District project manager(s).

Payment Schedule

Payments shall be made to Contractor within thirty (30) days after the billing is received and approved by District, unless otherwise specified.

Task 1 – Form stakeholder advisory group, \$20,000

Task 2 – Identify case study area, \$50,000

Task 3 - Ensure versatility and robustness in the carbon accounting framework, \$50,000

Task 4 - Protocol submittal, review, and approval process support, \$30,000

Task 5 - Add wood products life cycle analysis (LCA) to carbon accounting framework, \$40,000

Task 6 - Avoided wildfires effects analysis: accounting for ecological co-benefits, \$80,000

Task 7 - Avoided cost and return-on-investment analysis and market outreach, \$50,000

The District will authorize work to commence in writing for any agreed upon project scope and cost on a not-to-exceed basis.

Budget table

Task	DIRECT					INDIRECT				TOTAL	
	SPI	PCAPCD	CAL FIRE	USFS	SMUD	Direct Total	CEC	USFS	PCAPCD		Indirect Total
Task 1	\$10k		\$10k			\$20k					\$20k
Task 2	\$2.5k	\$15k	\$2.5k	\$20k	\$10k	\$50k			\$10k	\$10k	\$60k
Task 3	\$30k	\$10k		\$10k	\$20k	\$50k	\$30k		\$5k	\$35k	\$85k
Task 4			\$20k	\$10k		\$30k	\$20k		\$5k	\$25k	\$65k
Task 5	\$10k			\$10k	\$20k	\$40k			\$10k	\$10k	\$60k
Task 6	\$17.5k	\$25k	\$17.5k			\$80k	\$100k	\$15k	\$10k	\$125k	\$215k
Task 7	\$50k					\$50k		\$15k	\$10k	\$25k	\$75k
Total	\$120k	\$50k	\$50k	\$50k	\$50k	\$320k	\$150k	\$30k	\$50k	\$260k	\$580

Agreement Expenditure Guidelines

The following is a breakdown of expenditures under this agreement by task and fiscal quarter. These are planning guidelines only. Each fiscal year available funding will be identified for the proposed tasks. Task completion may shift in accordance with the funding approved for each fiscal year.

Invoicing schedule

	2nd QTR '15	3rd QTR '15	4th QTR '15	1st QTR '16	2nd QTR '16	3rd QTR '16	4th QTR '16	1st QTR '17	2nd QTR '17	3rd QTR '17	4th QTR '17	1st QTR '18	Total
Task 1	\$10k	\$10k											\$20k
Task 2	\$15k	\$15k	\$10k	\$10k									\$50k
Task 3			\$17.5 k	\$17.5 k	\$17.5 k	\$17.5 k							\$70k
Task 4					\$5k	\$5k	\$5k	\$5k	\$5k	\$2.5k	\$2.5k		\$30k
Task 5					\$20k	\$20k							\$40k
Task 6							\$15k	\$15k	\$15k	\$15k			\$60k
Task 7									\$12.5 k	\$12.5 k	\$12.5 k	\$12.5k	\$50k
Total	\$25k	\$25k	\$27.5 k	\$27.5 k	\$42.5 k	\$42.5 k	\$20k	\$20k	\$32.5 k	\$30k	\$15k	\$12.5k	\$320k
Grantor													
SPI	\$12.5 k	\$15k	\$7.5k	\$7.5k	\$5k	\$7.5k	\$7.5k	\$10k	\$10k	\$20k	\$10k	\$7.5k	\$120k
PCAPC D						\$10k		\$10k	\$10k	\$10k	\$5k	\$5k	\$50k
CAL FIRE	\$12.5 k				\$12.5 k		\$12.5 k		\$12.5 k				\$50k
USFS			\$10k	\$10k	\$15k	\$15k							\$50k
SMUD		\$10k	\$10k	\$10k	\$10k	\$10k							\$50k
Total	\$25k	\$25k	\$27.5 k	\$27.5 k	\$42.5 k	\$42.5 k	\$20k	\$20k	\$32.5 k	\$30k	\$15k	\$12.5k	\$320k

Agreement Expenditure Limitation

The amount of the Agreement for July 1, 2015 through June 30, 2018 shall not exceed **Three Hundred Twenty Thousand Dollars (\$320,000)**, unless amended.

Budget recipients

SIG: \$260k (technical tasks on wildfire emission modeling, ecosystem service integration platform, admin)

TSS: \$20k (outreach, stakeholder involvement, CA – specific industry data on harvest and sawmill process emissions)

UC Berkeley: \$20k (internal review)

University of San Francisco: \$20k (hydrological modeling erosion/sedimentation)

EXHIBIT C

HOLD HARMLESS AGREEMENT AND INSURANCE REQUIREMENTS

The Contractor hereby agrees to protect, defend, indemnify, and hold District free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character, including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by District arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of District) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the contract or agreement. Contractor agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the Contractor. Contractor also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against Contractor or District or to enlarge in any way the Contractor's liability but is intended solely to provide for indemnification of District from liability for damages or injuries to third persons or property arising from Contractor's performance pursuant to this contract or agreement.

As used above, the term District means District or its officers, agents, employees, and volunteers.

1. Insurance Requirements

Contractor shall file with the District, concurrently herewith, Certificates of Insurance, in companies acceptable to District, with a Best's rating of no less than A: VII.

Each policy shall be endorsed with the following specific language: **Cancellation Notice: "This policy shall not be canceled or materially changed without first giving thirty (30) days prior written notice to the District Air Pollution Control District."**

Workers Compensation and Employers Liability Insurance

If Contractor represents that they have no employees, and does not hire Sub-Contractors with employees, then they are not required to have Workers Compensation coverage.

Worker's Compensation Insurance shall be provided as required by any applicable law or regulation. Employer's liability insurance shall be provided in amounts not less than one million dollars (\$1,000,000) each accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit for bodily injury by disease, and one million dollars (\$1,000,000) each employee for bodily injury by disease.

If there is an exposure of injury to Contractor's employees under the U.S. Longshoremen's and Harbor Worker's Compensation Act, the Jones Act, or under laws, regulations, or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.

Contractor shall require all Sub-Contractors to maintain adequate Workers' Compensation insurance. Certificates of Workers' Compensation shall be filed with District upon demand.

General Liability Insurance

a) Comprehensive General Liability or Commercial General Liability insurance covering all operations by or on behalf of Contractor, providing insurance for bodily injury liability and property damage liability for the limits of liability indicated below and including coverage for:

1. Contractual liability insuring the obligations assumed by Contractor in this Agreement.

b) One of the following forms is required:

1. Comprehensive General Liability;
2. Commercial General Liability (Occurrence); or
3. Commercial General Liability (Claims Made).

c) If Contractor carries a Comprehensive General Liability policy, the limits of liability shall not be less than a Combined Single Limit for bodily injury damage, and Personal Injury Liability of:

- One million dollars (\$1,000,000) each occurrence
- One million dollars (\$1,000,000) aggregate

d) If Contractor carries a Commercial General Liability (Occurrence) policy:

1. The limits of liability shall not be less than:
 - One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
 - One million dollars (\$1,000,000) for Products-Completed Operation
 - One million dollars (\$1,000,000) General Aggregate
2. If the policy does not have an endorsement providing that the General Aggregate Limit applies separately, or if defense costs are included in the aggregate limits, then the required aggregate limits million dollars (\$2,000,000).

e) Special Claims Made Policy Form Provisions:

Contractor shall not provide a Commercial General Liability (Claims Made) policy without the express prior written consent of District, which consent, if given, shall be subject to the following conditions:

- (1) The limits of liability shall not be less than:
 - (a) One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
 - (b) One million dollars (\$1,000,000) aggregate for Products Completed Operations
 - (c) One million dollars (\$1,000,000) General Aggregate
 - (d) The insurance coverage provided by Contractor shall contain language providing coverage up to six (6) months following the completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims-made policy.

ENDORSEMENTS:

Each Comprehensive or Commercial General Liability policy shall be endorsed with the following specific language:

- a) "The District, its officers, agents, employees, and volunteers are to be covered as insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement."
- b) "The insurance provided by the Contractor, including any excess liability or umbrella form coverage, is primary coverage to the District with respect to any insurance or self-insurance programs maintained by the District and no insurance held or owned by the District shall be called upon to contribute to a loss."
- c) "This policy shall not be canceled or materially changed without first giving thirty (30) days' prior written notice to the District."

2. Automobile Liability Insurance

- a. Automobile Liability insurance covering bodily injury and property damage in an amount no less than one million dollars (\$1,000,000) combined single limit for each occurrence.
- b. Covered vehicles should include owned, non-owned, and hired automobiles/trucks.



Board Agenda Item 3

Action

Agenda Date: April 9, 2015

Prepared By: Heather Kuklo, Grant Program Manager

Topic: Approval of the 2015 Clean Air Grant Recommended Projects

Action Requested: Adopt Resolution #15-02 (Attachment #1), thereby authorizing the expenditure of DMV Motor Vehicle Registration Funds and Air Quality Mitigation Funds for Clean Air Grant (CAG) projects, as shown in Resolution Exhibit I, and authorizing the Air Pollution Control Officer to negotiate, sign, and amend as needed, grant agreements and contracts.

Discussion: A total of 14 projects were evaluated for CAG funding. Of these 14 projects, 10 are recommended for Board approval, for a total of \$868,784 in grant funds for the FY 2014-15 CAG program. An estimated total of 45.25 tons of NO_x, PM, and ROG will be reduced as a result of the recommended projects, should the grants be approved and projects completed.

The application solicitation period was open from January 1, 2015, through February 27, 2015. After the close of the solicitation period, District Staff conducted a systematic and comprehensive evaluation to identify the most competitive and cost effective projects for recommendation to your Board. A detailed description of the CAG process, the methods of evaluation, and project benefits can be found in the Staff Report (Attachment #2). A compact disc with copies of all applications received and all associated documentation can be found in Attachment #3.

Projects Recommended for Funding

There are 10 projects being recommended for funding. Grant funds from this year's CAG program will provide an overall average cost share of just 40% of total project costs. This is a prime example of the competitiveness of this year's program and the leveraging of grant funds that has been achieved. Exhibit A of the Staff Report is a summary of all applications received.

Emissions Summary of Recommended Projects

Based on the approval of the recommended projects submitted to your Board in this memorandum, there will be an estimated total of 15.90 tons of NO_x, PM, and ROG reduced annually over the life of the projects. When all of the annual emission reductions from the 2015 recommended projects are multiplied by their project lives (the number of years reductions can be claimed for each project), the total projected reduction in emissions that can be claimed is approximately 45.25 tons of NO_x, ROG, and PM.

Fiscal Impact: Your Board has approved \$1,066,766 for the FY 2014-15 CAG program, with \$755,000 budgeted from AB 923 funds and \$311,766 from Air Quality Mitigation Funds. AB 923 surcharge funds are restricted use funds that can only be used for projects that are eligible for Carl Moyer funding, Lower Emission School Bus Program (LESBP) projects,

agriculture sources, and voluntary light duty vehicle retirement programs. Currently, the District is recommending funding for Carl Moyer type projects under AB 923. Application of the Mitigation Funds is consistent with the Board approved Policy Regarding Land Use Air Quality Mitigation Funds, April 12, 2001, as amended on December 11, 2008.

Total budgeted grant funds for the 2014-15 CAG program is \$1,066,766. Total funding for the recommended projects is \$868,784. This leaves a total balance of \$197,982, with \$11,093 of it remaining in AB 923 funds and \$86,899 of it in Western Mitigation funds. Since all of the projects eligible for AB 923 and west side funds are being recommended for funding, there are no remaining projects to apply the fund balances towards. Therefore, District Staff recommends that the remaining balance of \$197,982 in AB 923 and Western Mitigation funds be applied and budgeted for next year's 2015-16 CAG program.

Recommendation: Staff recommends adoption of Resolution #15-02 (Attachment #1), thereby authorizing the expenditure of DMV Motor Vehicle Registration Funds and Air Quality Mitigation Funds for recommended projects, as shown in Exhibit I of the Resolution, and authorizing the Air Pollution Control Officer to negotiate, sign, and amend as needed, grant agreements and contracts.

Attachments:

- #1: Resolution #15-02, approving Placer County Air Pollution Control District Clean Air Grant Projects for 2015, and Exhibit I
- #2: 2015 CAG Staff Report and Exhibits A, B, and C
- #3: Compact Disc with copies of all applications received and all associated documentation

Attachment #1

SUBJECT:

Resolution #15-02



Board Resolution:
Resolution # 15-02

Before the Placer County Air Pollution Control District Board of Directors

In the Matter Of: Adoption of Resolution #15-02 (Attachment #1), thereby authorizing the expenditure of DMV Motor Vehicle Registration Funds and Air Quality Mitigation Funds for Clean Air Grant (CAG) projects, as shown in Resolution Exhibit I, and authorizing the Air Pollution Control Officer to negotiate, sign, and amend as needed, grant agreements and contracts.

The following **RESOLUTION** was duly passed by the Placer County Air Pollution Control District Board of Directors at a regular meeting held on **April 9, 2015** by the following vote:

Ayes: Berlant _____ Hesch _____ Nader _____ Weygandt _____ Black _____
Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____
Alternates: _____

Noes: Berlant _____ Hesch _____ Nader _____ Weygandt _____ Black _____
Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____
Alternates: _____

Abstain: Berlant _____ Hesch _____ Nader _____ Weygandt _____ Black _____
Holmes, J. _____ Ruslin _____ Montgomery _____ Garcia _____
Alternates: _____

Signed and approved by me after its passage:

_____ Chairperson

_____ Attest: Clerk of said Board

WHEREAS, pursuant to Health and Safety Code Section 44220 et seq., the Placer County Air Pollution Control District (District) receives DMV Motor Vehicle Registration Fees (AB2766 and AB923); and

WHEREAS, the District is required to utilize the DMV Motor Vehicle Registration Fee funds for mobile source emission reduction and California Clean Air Act implementation; and

WHEREAS, the District has received Air Quality Mitigation Funds to offset the impact of new development in Placer County by reducing emissions, primarily ozone precursor emissions, from sources that are not required by law to reduce emissions; and

WHEREAS, the District continues to strive to reduce emissions from all sources in order to meet both State and Federal ambient air quality standards; and

WHEREAS, the District is required as part of the 2008 Sacramento Area Regional Ozone Attainment Plan to implement programs to reduce mobile source emissions; and

WHEREAS, the District is required as part of the 1991 California Clean Air Act Attainment Plan to implement programs to reduce mobile source emissions; and

WHEREAS, the District may obtain reductions in emissions, not otherwise mandated by existing rules or regulations, by providing incentive funds for projects that reduce air pollutant emissions;

NOW THEREFORE BE IT RESOLVED, that the Placer County Air Pollution Control District Board does hereby authorize the expenditure of DMV Motor Vehicle Registration Funds, and Air Quality Mitigation Funds for Clean Air Grants, and authorizes the Air Pollution Control Officer to negotiate, sign, and amend as needed, grant agreements and contracts for the approved projects listed in Exhibit I (attached).

Exhibit I: Placer County Air Pollution Control District Clean Air Grant Projects 2015

Exhibit I: PCAPCD Clean Air Grant Projects 2015

Application #	Applicant	Project Title	Amount Requested	Recommended Funding	Project Ranking Score
15-01	Eastern Regional Landfill	Off-Road Hybrid Equipment Modernization	\$150,000	\$100,000	75
15-02	Auburn State Recreation Area	Track Chipper to Reduce Open Burning	\$44,300	\$44,300	95
15-03	Northstar FD	Hazard Fuel Reduction Project	\$24,480	\$24,480	85
15-04	Northstar FD	Community Green Waste Recycling Program	\$27,500	\$27,500	80
15-05	J D Pasquetti Inc.	Off-Road Equipment Modernization	\$247,327	\$70,000	58
15-07	SPI	Off-Road Equipment Modernization	\$173,053	\$105,000	89
15-08	SPI	Off-Road Equipment Modernization	\$350,006	\$227,504	92
15-09	SPI	Off-Road Equipment Modernization	\$178,292	\$105,000	89
15-10	PCTPA	Freeway Service Patrol Program	\$35,000	\$35,000	72
15-12	John Hofman	Off-Road Equipment Modernization	\$187,272	\$130,000	84

Attachment #2

SUBJECT:

2015 CAG Staff Report

PLACER COUNTY AIR POLLUTION CONTROL DISTRICT

STAFF REPORT

**2015 Clean Air Grant Program
Project Recommendations**

April 9, 2015

Background:

The District has solicited grant applications for the 2015 Clean Air Grant (CAG) program funds, which was authorized by your Board in the District's FY 2014-15 Budget and will be funded from the following sources:

DMV Funds:

Assembly Bill 923 (Firebaugh) authorized air pollution control districts and air quality management districts to impose a Department of Motor Vehicle (DMV) surcharge fee to provide funds for air districts to meet the responsibilities mandated under the California Clean Air Act. AB 923 surcharge funds are restricted use funds that can only be used for the Lower Emission School Bus Program, projects eligible under the Carl Moyer Program, agriculture sources, and voluntary light duty vehicle retirement programs.

The Board determines the amount of DMV funds that are to be budgeted annually for implementing the District's Clean Air Grant program. Your Board has allocated **\$755,000** from the DMV fund in the FY 2014-15 Final Budget to provide incentives for external projects to reduce criteria pollutant emissions, primarily from mobile sources, through the 2015 CAG program.

Air Quality Mitigation Funds:

The District is making available **\$311,766** which has been paid into the District's Air Quality Mitigation Fund by new land use development projects in Placer County. The Air Quality Mitigation Funds are used primarily to reduce ozone precursor and particulate matter emissions from sources that are not required by law to reduce their emissions. District Staff apply air quality mitigation funds in close proximity to the land development projects from which the fees were collected; therefore, fund usage is broken into East-side of the Donner Summit and West-side of the Donner Summit categories and applied to projects in those areas. Out of the \$311,766, there is \$85,577 specified for East-side projects and \$226,189 specified for West-side projects.

Total Funds Available for 2015 CAG:

The total CAG funds available in FY 2014-15 are **\$1,066,766**.

Discussion:

The 2015 CAG application solicitation period was open from January 1, 2015, through February 27, 2015. The updated CAG Information and Guidelines, along with the application package, was made available on the District's web site during this time. An additional category for application submittal, *Innovative Forest Management Practices which reduce Open Burning*, was added to this year's CAG program. These types of projects have always been eligible to apply for grants, however the District wished to highlight them in a greater effort to further support projects which reduce particulate matter from open burning and catastrophic wildfire.

Within the January to February eight week period, the District, (1) mailed out CAG information to approximately 200 private and public entities within the County; (2) emailed several hundred

notifications, which included the Placer County Contractor's Association as a recipient; (3) issued a press release and ran several ads in local papers; and (4) held two workshops in Auburn, one of which was video teleconferenced to Tahoe City in order to solicit projects and inform people in that area. The newspaper ads ran in six of the local papers managed by Gold Country Media, and in the Tahoe World and Sierra Sun. The two Auburn workshops were held on January 27th at the District office, with a morning and an evening session.

Included with the Board Memo is a Compact Disc (Attachment #3) which contains the following information for each application received during the solicitation period:

- A copy of each application received
- Supplemental information provided by applicant during project evaluation
- Cost-effectiveness calculations, when applicable
- Project Ranking Forms
- Pre-inspection information for those projects being recommended to your Board, when required
- Additional information generated/gathered by Staff during the evaluation period

Each project application has a tracking number assigned to it for the ease of identification.

Project Evaluation

There were a total of fourteen applications received during the 2015 CAG application solicitation period. Five of the applications were submitted by public/government agencies, and nine were submitted by non-public agencies (private businesses and/or nonprofit organizations). Several applicants submitted more than one application. The total amount of funds requested from all applicants was \$2,125,396. The applications received were submitted within four of the seven CAG application categories (Heavy Duty On and Off Road Equipment category, Alternative Transit Projects, Innovative Forest Management Practices which reduce Open Burning, and the "Other" Emission Reducing/Conserving Project category).

Figure 1 displays the total number of applications received per category in the 2015 CAG program. The Heavy Duty On and Off Road category received the greatest number of applications (8). This is an ideal trend for this program because the guidelines state that the goal of DMV funding is to reduce NO_x, PM, and ROG from motor vehicle sources.

Figure 1

Number of Applications Received per Category

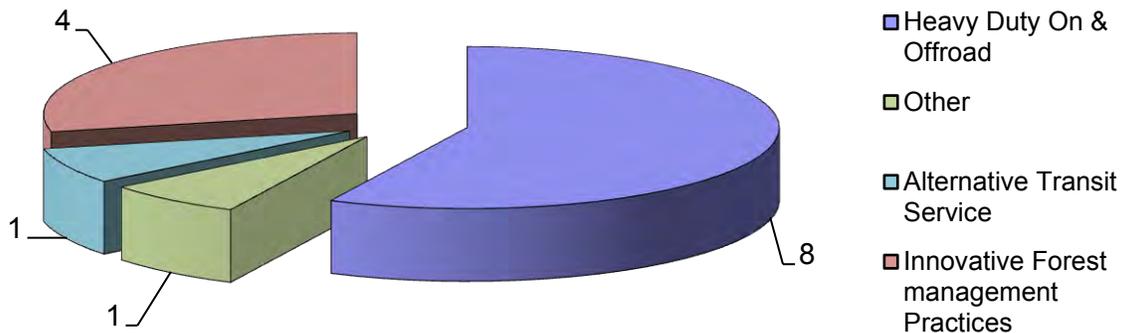
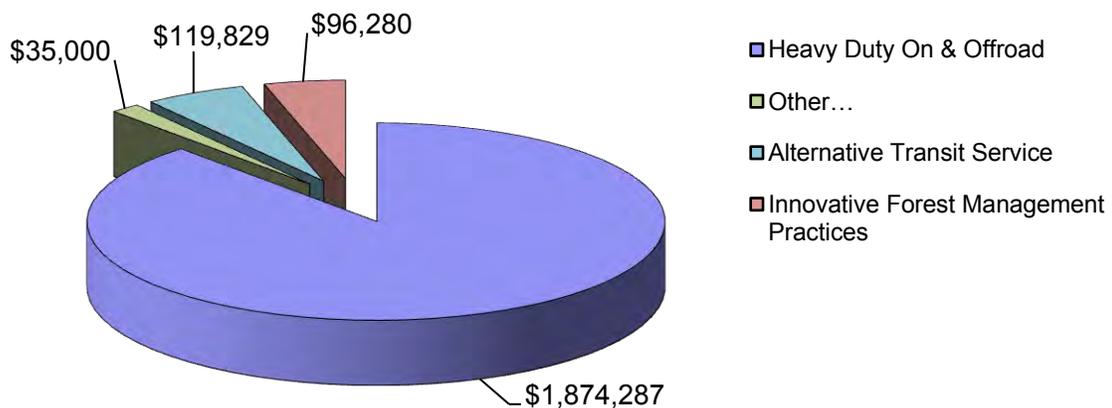


Figure 2 displays the total amount of money requested per category. The total amount of funds requested was \$2,125,396.

Figure 2

Amount of Funding requested per Category



After the close of the solicitation period, District Staff conducted a systematic and comprehensive evaluation in order to identify the most competitive and cost effective projects

for recommendation for funding at the April Board meeting. The results of this evaluation were compiled into a single summary table of all projects received, found in Exhibit A, which includes the costs, cost-effectiveness (when applicable), emission reductions, and project ranking for each project. The major steps of the project evaluation process are described in the following discussion.

Step 1: Project eligibility

Each project application was reviewed to determine if it met the program's eligibility requirements which are specific to each funding source. The three major requirements of the CAG program are (1) that projects must either cost effectively reduce or address criteria air pollutants or issues; (2) that a project cannot be funded if it is already subject to an emissions requirement at the time of application or within the next three years; and 3) since this program is budgeted with local funds, a project must operate at least 75% of the time within Placer County. Only the activity performed within the County was considered in the evaluation process. A complete list of eligibility requirements are defined in the program's guidelines and were made available online. Exhibit A lists all project applications submitted.

*Step 2: All projects received were identified as either *quantifiable* or *qualifiable**

To effectively evaluate the different project types, two versions of a Project Ranking Form were used. The first version was used to evaluate projects that were *quantifiable* (projects that are primarily based on surplus emission reductions). Examples of these types of projects are mobile on and off-road vehicle replacements. The second version was used for projects that do not have associated emission reductions, or projects where emission reductions could not be confidently quantified, and yet still meet the requirements of the funding guidelines. These types of projects are referred to as *qualifiable* projects and include public education and congestion mitigation projects. The total points that can be earned on the Project Ranking Form are 100. Bonus points (up to 5) may be credited to projects which provide additional air quality benefits not otherwise considered on the form.

For *quantifiable* projects, each project was first evaluated to determine its measurable emission reductions (for ROG, NOx, and PM) and its Phase I cost-effectiveness. The Phase I cost-effectiveness is calculated based on the amount of requested grant funding compared to the amount of emissions that can be reduced over a period of time. This first round of evaluation helps to identify which *quantifiable* projects will have the potential to be competitive, and cost-effectiveness at an acceptable funding amount. For projects which are quantifiable, the Phase I cost effectivity is listed on the right side of the table in Exhibit A. This year, due to impacts on surplus emission reductions because of State regulations, District staff have adjusted the criteria for cost effectivity in order to help generate an incentive amount enough to ensure the projects' viability. With regulatory compliance deadlines in effect for non-exempt off-road equipment, incentive amounts for some projects were significantly reduced. As a result, one of the projects (15-05) was financially non-sustainable even though there were emission reductions. In an effort to not lose the project, staff are recommending an increased incentive amount to a level which will be enough to ensure that the applicant will be able to complete the project. This has resulted in a higher than normal cost effectivity and a reduced overall project

score, however the focus of the funding sources is being maintained and emission reductions will be achieved. The issues concerning grant projects and the impacts of State regulations on them are discussed further below in the section, *Future Projects and their Eligibility*.

Qualitative projects are not primarily based on emission reductions (such as a public education project) and therefore are not evaluated using the cost effectivity formula. Other qualitative factors are taken into consideration such as the level of project funding, the overall community benefits, how well a project maintains the scope of program funding, and the qualifications of the applicant to implement such a program or task.

Once each project is evaluated, the results are entered into the Project Ranking Form, and a project score is generated. This score helps to evaluate a project's overall competitiveness.

Step 3: District's internal Technical Review Panel

Once preliminary evaluations were conducted for each project, Staff scheduled a Technical Review Panel (Panel) comprised of Planning, Compliance, Engineering, and Administrative staff, in order to discuss each project. The Technical Review Panel was the critical step in determining what projects would be considered for funding. The Panel evaluated each project, taking into consideration eligibility requirements, emission reductions, project feasibility, consistency with program guidelines, and overall project competitiveness.

During the review, the Panel identified that some projects were not competitive at the requested amount of funding, but were competitive at a lesser amount. The goal is to fund as many competitive projects as possible, without losing opportunities for emission reductions. This is why some projects, even though they may have been competitive at the level of requested funding, were reduced to lesser amounts or were not recommended for funding at all.

Once the Panel assigned recommended funding amounts to each project, the cost effectiveness for *quantifiable* projects was re-calculated based on the recommended funding amounts from the Panel's review and was labeled Phase II cost effectivity. The Project Ranking Form was then adjusted to reflect the changes in improved cost effectivity, increased match funding from the applicant, and/or any other scoring adjustments. Normally, the lower the cost effectivity (cost/ton) of a project or the more co-funding an applicant contributes to a project, the higher the score a project receives. In some instances, the level of funding that is cost effective for a project is not enough for the applicant to pursue, and as a result, the applicant may opt out of the competitive evaluation process.

Step 4: APCO final review

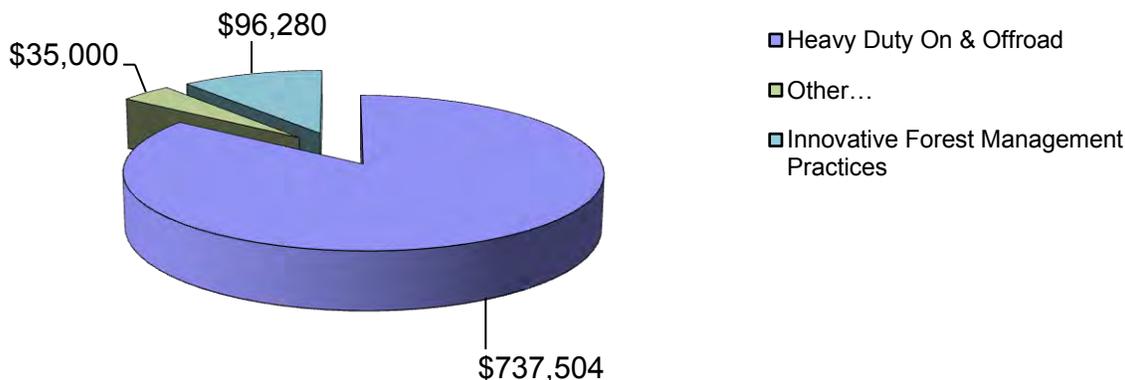
Once the Panel completed its evaluation of all the projects, a draft list of recommended projects was generated. The Panel provided their results to the APCO for final review and approval before submitting recommendations to your Board.

Projects Recommended for Funding

Out of the fourteen applications received, there are ten that are being recommended for funding. Recommended projects include diesel to diesel and diesel to diesel hybrid vehicle replacements, forest management projects which reduce open burning, and a congestion mitigation program.

Grant funds from this year's CAG program will provide an overall average cost share of 40% of estimated total project costs. That means that for every dollar the District spends, approximately two and a half dollars will be spent (on average) by the applicant. More specifically, for the \$868,784 being recommended for grant projects, an estimated \$1,346,642 will be spent as a match (direct costs or in-kind) by the applicants being recommended for funding. This is a prime example of the competitiveness of this year's program and the effort to maximize the dollars spent in this program. A list of all of the recommended projects is shown in Exhibit B. Figure 3 displays the amount of funding recommended per category.

Figure 3

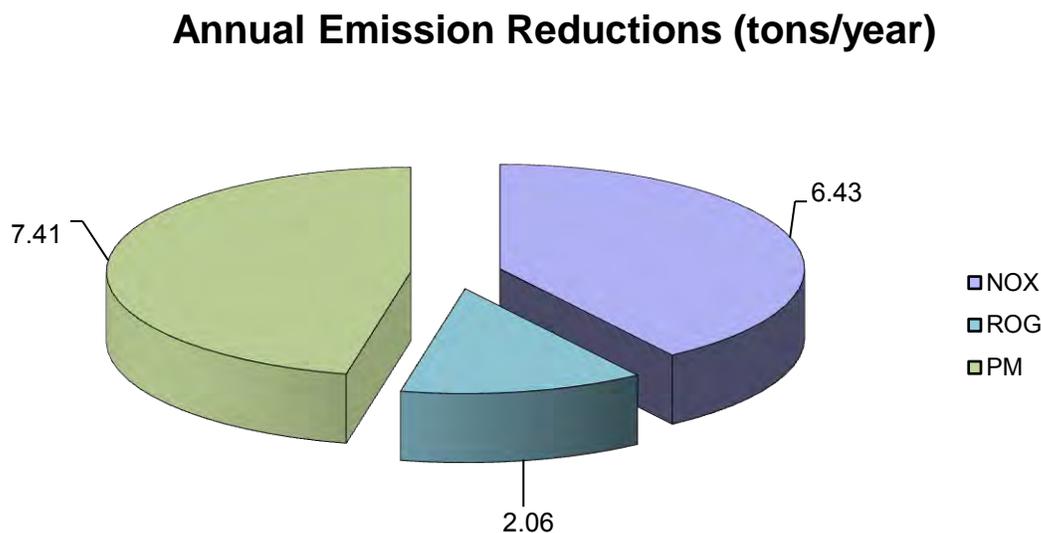
Recommended Funding per Category**Projects Not Recommended for Funding**

There are four projects that Staff are not recommending for funding. One of the projects was submitted incomplete and could not be reviewed, and three projects were not cost effective at a level where a desired incentive amount could be derived in order to meet the applicant's project requirements. A list of these projects, and details as to why they are not being recommended for funding, can be seen in Exhibit C.

Emissions Summary of Recommended Projects:

Based on the recommendations submitted to your Board in this report, there will be an estimated total of 16 tons of NO_x, PM, and ROG reduced annually from the recommended projects, over their project lives. Figure 4 displays the types and amounts of annual emission reductions from the 2015 CAG program.

Figure 4



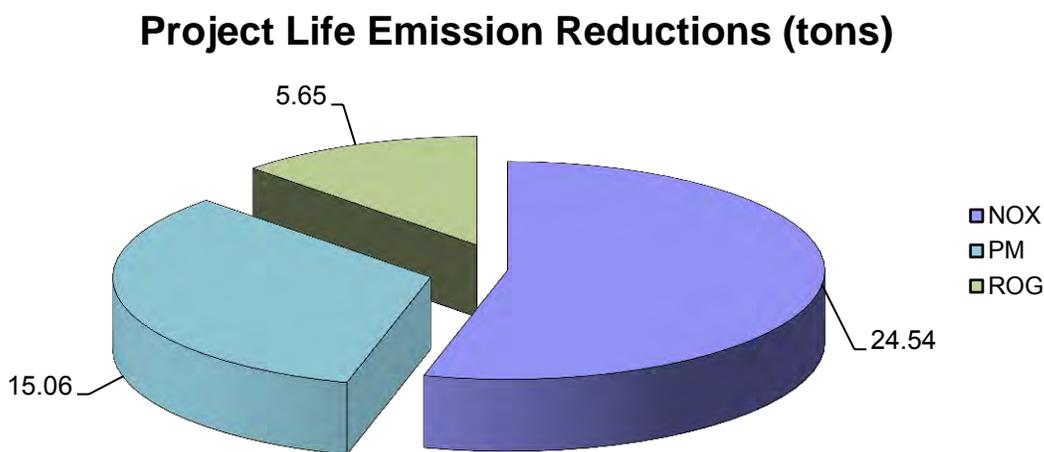
The District uses the State's Carl Moyer Program Guidelines to help determine the project life for projects based on emission reductions. The project life is the length of time (in years) that is used to project the overall surplus emission reductions of a project and its cost effectivity. For projects which are awarded contracts, the contract term is also consistent with the length of the project life, in order to ensure that the emission reductions measured will be obtained. Below is an example of this concept:

Agency B submits an application to replace a 1975 loader. The loader currently operates 1,000 hours per year. Agency B wishes to upgrade their loader to a 2014 loader and will continue to operate it at a minimum of 1,000 hours per year in the future. District Staff assign the project a project life of seven years. This means that the applicant will be required at a minimum to operate the new loader for 1,000 hours per year for the next seven years, if awarded a grant. The annual emission reductions between operating the 1975 loader and the 2014 loader are 0.5 tons. Over the next seven years, the total project life emission reductions for this project are 0.5 tons x 7 years = 3.5 tons.

The project life for each project is listed in Exhibit A and varies based on project type, funding source guidelines, regulatory emission requirements, and other factors.

When all of the annual project emissions from the 2015 proposed projects are multiplied by their project lives, the total reduction in emissions is approximately 45 tons. This will be the total estimated emission reduction benefits claimed from the recommended projects of the 2015 CAG program, as shown in Figure 5 below. However, future benefits beyond this time will continue to ensue as funded equipment and vehicles continue to operate.

Figure 5



The overall average cost-effectiveness of the recommended projects for 2015 is \$18,962 per ton of pollution, which is cost-effective when compared with the current cost effectiveness requirement used by the State Carl Moyer Incentive Program (\$18,030 per ton of pollution). Assuming this year's recommended projects are approved for funding, a maximum reduction of 1,116 tons of NOx, ROG, and PM will have been reduced since 2001, through the District's CAG program.

Future Projects and their Eligibility

Eligible and cost effective projects for the District's grant program continues to get smaller as surplus emission reductions become impacted by compliance requirements outlined in State regulations. The types of projects which are eligible for AB 923 funds, such as the replacement and upgrade of heavy-duty on and off-road diesel equipment, are also now regulated sources with different compliance deadlines. As soon as a source is under its emissions compliance requirement, surplus emissions – which are what a project's incentive amounts are based on – are either reduced or eliminated. Because of this situation, several prospective on-road mobile projects were made ineligible for submission this year. Many of the off-road mobile projects that were submitted and evaluated were impacted by shortened project lives, due to encroaching compliance deadlines enacted by State regulations. Projects which were impacted by shortened project lives were 15-01, 15-05, 15-06, and 15-14.

Currently, the California Air Pollution Control Officers' Association (CAPCOA) is working with the State Assembly to propose an amendment for AB 923 in order to increase the eligibility

and funding options for potential projects. Recommend changes to increase the level of cost effectiveness, consider the co-benefits of greenhouse gas reductions, and more are being considered.

Fiscal Impact

Total budgeted grant funds for the 2014-15 CAG program is \$1,066,766. Total funding for the recommended projects is \$868,784. This leaves a total balance of \$197,982, with \$111,093 of the total being AB 923 funds, and \$86,889 of the total being Western Mitigation funds. Since all eligible and competitive projects are being recommended for funding, Staff recommends that the remaining balance of \$197,982 in AB 923 and Western Mitigation funds be budgeted towards the 2015-16 CAG program.

- Exhibits:**
- A: Summary Table of All Project Applications Received
 - B: Table of Project Applications Recommended for Funding 2015
CAG/PCAPCD
 - C: Table of Project Applications Not Recommended for Funding 2015
CAG/PCAPCD

Exhibit A

SUBJECT:

Summary Table of All Project Applications Received

Exhibit A: Summary Table of all Project Applications Received 2015 CAG/PCAPCD

Category	Application Number	Applicant	Project Title	Maximum Total Project Cost	Amount Requesting	Recommended Funding	Project Life	Measured in Tons			Nox Reduction per Year	PM Reduction per Year	ROG Reduction per Year	Nox + PM + ROG Reduction Per Year	Nox + PM + ROG Project Life Reduction	Phase I Cost Effectivity Based on Requested Amount (\$/Ton)	Phase II Cost Effectivity Based on Awarded Amount (\$/Ton)	Project Ranking based on final Project Evaluation (100 total pts.)
								AB 923	West Mit.	East Mit.								
								\$755,000	\$226,189	\$85,577								
On/Off Road HD Vehicles	15-01	Eastern Regional Landfill	Off-Road Hybrid Equipment Modernization	\$309,157	\$150,000	\$100,000	4	\$66,403		\$33,597	0.35	0.02	0.05	0.42	1.68	\$51,316	\$34,210	75
	15-05	J D Pasquetti Inc.	Off-Road Equipment Modernization	\$247,327	\$247,327	\$70,000	4	\$10,000	\$60,000		0.18	0.01	0.03	0.22	0.88	\$151,045	\$42,765	58
	15-06	J D Pasquetti Inc.	Off-Road Equipment Modernization	\$458,908	\$458,908	\$0	4				0.22	0.00	0.01	0.23	0.92	\$385,198	*	58
	15-07	SPI	Off-Road Equipment Modernization	\$173,053	\$173,053	\$105,000	5	\$105,000			0.74	0.03	0.08	0.85	4.25	\$27,238	\$16,527	89
	15-08	SPI	Off-Road Equipment Modernization	\$350,006	\$350,006	\$227,504	5	\$227,504			1.38	0.06	0.23	1.67	8.35	\$26,320	\$17,108	92
	15-09	SPI	Off-Road Equipment Modernization	\$178,292	\$178,292	\$105,000	5	\$105,000			0.74	0.03	0.08	0.85	4.25	\$34,738	\$16,527	89
	15-12	John Hofman	Off-Road Equipment Modernization	\$208,080	\$187,272	\$130,000	5	\$130,000			0.85	0.03	0.09	0.97	4.85	\$25,602	\$17,727	84
	15-14	K.P. Martin Inc.	Off-Road Equipment Modernization	\$129,429	\$129,429	\$0	4				0.07	0.00	0.00	0.07	0.28	\$170,248	*	60
Innovative Forest Management Practices	15-02	Auburn State Recreation Area	Track Chipper to Reduce Open Burning	\$88,600	\$44,300	\$44,300	3		\$44,300		0.95	3.48	0.72	5.15	15.45	\$3,017	\$3,017	95
	15-03	Northstar FD	Hazard Fuel Reduction Project	\$35,770	\$24,480	\$24,480	1			\$24,480	0.70	2.56	0.53	3.79	3.79	\$6,653	\$6,653	85
	15-04	Northstar FD	Community Green Waste Recycling Program	\$100,500	\$27,500	\$27,500	1			\$27,500	0.32	1.19	0.24	1.75	1.75	\$16,125	\$16,125	80
	15-13	Green Mountain Enterprises	Hazard Fuel Reduction Project	?	?	\$0	1				Project cannot be reviewed due to incomplete application submittal					---	---	---
Alternative Transit	15-11	Truckee North Tahoe/TMA	Marine Transit Subsidy Program	\$153,629	\$119,829	\$0	1				0.00	0.00	0.00	0.00	0.00	\$1,234,239	*	40
Other (VMT, traffic reducing, and biomass projects)	15-10	PCTPA	Freeway Service Patrol Program	\$524,641	\$35,000	\$35,000	1		\$35,000		N/A					**	**	72
Total				\$2,957,392	\$2,125,396	\$868,784		\$643,907	\$139,300	\$85,577	Reduced Emission Totals from Recommended Projects					Avg. C.E.	Avg. Ranking	
								AB923	West Mit.	East Mit.	6.43	7.41	2.06	15.90	45.25	\$18,962	82	
				Remaining Balance:	\$197,982	Remaining Fund Balance:		\$111,093	\$86,889	\$0	Reduced Emission Totals from non-Recommended Projects					Avg. C.E.	Avg. Ranking	
											0.29	0.00	0.01	0.30	1.20	\$596,562	53	

* Projects which are not being recommended for funding will not have a Phase II cost effectivity component. The project's emission reductions were too low to generate a reasonable incentive amount which also meets the program's cost effectivity requirements.

** Projects which are qualitative (vs. quantitative) in nature and which do not have measurable emission reductions are not calculated for cost effectivity.

\$2,215,426

Total CAG Budget: \$1,066,766

Remaining Balance: \$197,982 **Remaining Fund Balance:** \$111,093

Exhibit B

SUBJECT:

Table of Project Applications Recommended for Funding 2015 CAG/PCAPCD

Exhibit B: Table of Project Applications Recommended for Funding 2015 CAG/PCAPCD

Application #	Applicant	Project Title	Amount Requested	Recommended Funding	Project Ranking Score
15-01	Eastern Regional Landfill	Off-Road Hybrid Equipment Modernization	\$150,000	\$100,000	75
15-02	Auburn State Recreation Area	Track Chipper to Reduce Open Burning	\$44,300	\$44,300	95
15-03	Northstar FD	Hazard Fuel Reduction Project	\$24,480	\$24,480	85
15-04	Northstar FD	Community Green Waste Recycling Program	\$27,500	\$27,500	80
15-05	J D Pasquetti Inc.	Off-Road Equipment Modernization	\$247,327	\$70,000	58
15-07	SPI	Off-Road Equipment Modernization	\$173,053	\$105,000	89
15-08	SPI	Off-Road Equipment Modernization	\$350,006	\$227,504	92
15-09	SPI	Off-Road Equipment Modernization	\$178,292	\$105,000	89
15-10	PCTPA	Freeway Service Patrol Program	\$35,000	\$35,000	72
15-12	John Hofman	Off-Road Equipment Modernization	\$187,272	\$130,000	84

Exhibit C

SUBJECT:

Table of Project Applications Not Recommended for Funding 2015 CAG/PCAPCD

Exhibit C: Table of Project Applications not Recommended for Funding 2015 CAG/PCAPCD

Application Number	Applicant	Project Title	Reasons for not Recommending Funding (check all that apply)					Project Ranking Score	Additional Comments
			Not Cost Effective at A Level to Support the Project	Project does not strongly maintain the scope or intent program funding	Not enough Funding to implement Project	Does not meet program eligibility criteria or funding source requirements			
15-06	J D Pasquetti Inc.	Off-Road Equipment Modernization	x				58	See Note 1	
15-11	Truckee North Tahoe/TMA	Marine Transit Subsidy Program	x		x				
15-13	Green Mountain Enterprises	Hazard Fuel Reduction Project				x	N/A	Applicant submitted incomplete application	
15-14	K.P. Martin Inc.	Off-Road Equipment Modernization	x				60	See Note 1	

Note 1: The maximum incentive, based on cost effectivity, for this project was not enough to meet the applicant's needs in order to go forward with the project. The applicant therefore chose not to accept the proposed incentive amount offered by Staff and will consider a new proposal for submittal next year.

Attachment #3

SUBJECT:

Compact Disc with Copies of all Applications Received and all Associated Documentation



<p>Board Agenda Item 4</p> <p><i>Closed Session/Action</i></p>

Agenda Date: April 9, 2015

Prepared By: Thomas Christofk, Air Pollution Control Officer

Topic: Air Pollution Control Officer’s Annual Performance Evaluation (Closed Session)

Action Requested: Conduct the annual performance evaluation of the Air Pollution Control Officer for the period, April 11, 2014 through the present.

Discussion: The Employment Agreement between Placer County, the Placer County Air Pollution Control District (collectively known as Employers), and Thomas Christofk (Air Pollution Control Officer/Director of Air Pollution Control/Employee) specifies that the District Board shall evaluate the Employee’s performance at least annually. Section 3 of the Memorandum of Understanding (MOU) between the District and the County specifies that with respect to District business: 1) the APCO receives his/her direction from and reports only to the District Board (§3B); 2) the District Board shall have the authority to set the salary of the APCO and the District Board’s determination in this regard shall not be subject to the provisions of any County compensation plan (§3C); 3) All performance and other personnel-type related evaluations of the APCO will be performed by the District Board (§3C).

In past evaluations, a form has been utilized to capture comments from individual Board members, and has proven to be an effective tool in conducting the review. A copy of that form is included as Attachment 1.

Attachment 2 contains a listing of work related tasks and projects by section for the District for FY 2014-2015. These objectives were established or updated in concert with the annual budget process and assist in the management and assignment(s) of the resource allocations for the fiscal year. Many of the items listed are projects or initiatives beyond the mandated regulatory functions required of our District, and their accomplishments will enhance internal business processes and efficiencies or provide cost savings; generate direct public service benefits; or provide for air quality improvements. Progress towards accomplishment on the majority of the items has been excellent, with a large number of them completed. I have provided a status on each item as of the end of March 2015 for your assessment. In my opinion, all areas of the District’s operations are performing well, with the numerous regulatory functions and service delivery requirements being accomplished within appropriate resource allocations. This is primarily due to the high quality of the District employees, both permanent and extra-help, as well as our various contractors who assist in a variety of technical support activities.

Fiscal Impact: The APCO/District Director's salary and benefits are included in the budget for the fiscal year.

Recommendation: It is recommended that your Board conduct the annual performance evaluation of the APCO/Director of the Placer County Air Pollution Control District.

Attachments: #1: Annual Evaluation Form

#2: PCAPCD 2014-2015 Section Specific Goals

ATTACHMENT #1

SUBJECT

Annual Evaluation Form

Annual Performance Evaluation for Thomas Christofk, APCO 2014-2015

COMMUNICATIONS

- Clearly states staff positions during Board meetings
- Keeps Board Members informed of his activities
- Responds to communications in a timely manner
- Provides concise, clean and sound advise

	<i>unacceptable</i>		<i>needs improvement</i>		<i>standard</i>		<i>exceeds standard</i>		<i>outstanding</i>
	1	2	3	4	5				
<input type="checkbox"/>									
<input type="checkbox"/>									
<input type="checkbox"/>									
<input type="checkbox"/>									

DECISION MAKING

- Effectively defends Board positions
- Considers the needs of all Board Members
- Accepts responsibility for decisions
- Protects the Air Pollution Control District interests

	1	2	3	4	5
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					

BUDGET

- Keeps the Air Pollution Control District within budget
- Implements budget saving measures

	1	2	3	4	5
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					

PERSONNEL

- Effectively delegates tasks and responsibilities
- Monitors staff for their effectiveness
- Maintains good relationships with Board Members

	1	2	3	4	5
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					

RESOURCE ALLOCATION AND PLANNING

- Develops and implements plans to achieve District goals and objectives
- Establishes cooperative Agreements with governmental and private agencies
- Leverages District resources to meet regulatory and operational commitments

	1	2	3	4	5
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					

ASSETS AND STRENGTHS: _____

AREAS FOR IMPROVEMENT: _____

**Robert Weygandt, Chairman
 PCAPCD Board of Directors**

**Thomas Christofk
 Air Pollution Control Officer**

_____ **Date**

_____ **Date**

ATTACHMENT #2

SUBJECT

PCAPCD 2014-2015 Specific Section Goals

Placer County Air Pollution Control District

Fiscal Year 2014-2015 Section Specific Goals

Status Update

March 20, 2015

Planning & Monitoring Section:	Mission Goal/Objective
Section tasks and projects to be advanced in the 2014-2015 fiscal year are:	
<p>□ <u>Air Quality Plans for the Federal Standards</u>: Work with CARB and other local air districts in Sacramento Federal Nonattainment Area to finalize the Attainment Implementation/Maintenance Plan for the federal 24-hour PM_{2.5} standard (35 ug/m³) and to prepare the State Implementation Plan (SIP) for the federal 8-hour Ozone standard (0.075ppm). These two regional air quality plans will demonstrate the regional efforts to attain and maintain the attainment status in the target year for the federal PM_{2.5} and ozone standards, respectively.</p> <p><i>The control factors for the emission inventory have been updated. Currently, Staff is working with the other local districts to review all feasible measures and prepare the reasonably available control measure (RACM) evaluation. The update for the PM_{2.5} redesignation request and maintenance plan will begin when the PM_{2.5} data is certified by CARB in early Spring 2015.</i></p>	1(a), 1(e), 2(f), 2(g), 4(a), 4(b), 4(d), 5(b)
<p>□ <u>Exceptional Event Demonstration Report</u>: Prepare an exceptional event report for 2013 wildfire incidents. Exceptional events are unusual or naturally occurring events, such as wildfires, that can affect air quality but are not reasonably controlled by regulatory agencies. If approved by EPA, high monitor values, including exceedances of air quality standards, resulting from a naturally occurring event can be excluded from consideration. This is particularly desired when including the exceptional data would result in an air quality violation that regulatory efforts could not have prevented. The proposed report will identify two major wildfire incidents (the American Fire and the Rim Fire) that occurred in Northern California and which significantly influenced the PM_{2.5} concentration measurements within Placer County. A request will be made to removal the impacted concentration measurements from the federal and state air monitoring database. The report will be submitted to CARB and EPA for approval.</p> <p><i>The preliminary draft Exceptional Event (EE) Report for wildfire incidents in summer 2013 was completed. CARB staff have reviewed and provided comments, and District Staff are working on a revision based on these comments. The comments include the requirement to use HYSPLIT modeling analysis to enhance the correlation between the data and wildfire smoke impacts. District Staff anticipate finishing the revision in April 2015 and sending the report back to CARB for final review.</i></p>	4(a), 4(b), 8

- Air Monitoring Network Improvements: Improve the existing monitoring stations' operation and monitoring data reporting that is managed by the District. The improvements include purchasing an additional ozone transfer standard and training an extra-help staff member, who is a local resident, on conducting the routine maintenance for Tahoe area stations. Other improvements include enhancing the station site safety; developing internal protocols for field and laboratory operations; developing data handling procedures to enhance data quality assurance, and developing an ability to provide air monitoring data instantly to officials and the public. 4(a), 8

The new ozone transfer standard has been purchased and is being used for ozone monitor calibration. The training program is ongoing for an extra-help staff member in the Tahoe area and a full-time staff member in the Auburn Office. The air quality data linkage has been created on the District website to provide instant access to air quality information.
- Woodstove Incentive Program in Tahoe Area: Implement a woodstove replacement incentive program for homeowners within the Placer County portion of the Lake Tahoe region. The District will administer \$23,750 in incentive funds provided to the District by TRPA to target the replacement of 31 non-EPA certified woodstoves in Placer County. Replacement with EPA certified or equivalent woodstoves will result in measureable improvement in air quality and significant health benefits to the residents within the Tahoe region. The program will be started in the fall of 2014. 2(c), 2(f), 5(a), 5(c), 6

The package for the woodstove replacement program for the Lake Tahoe area was posted on the District website in the fall of 2014. Through February 2015, a total of 16 applications were received, and 10 vouchers were issued. The District has met 32% of its goal of upgrading 31 older stoves within the portion of Placer County in the Lake Tahoe area.
- CEQA Land Use Emission Model Improvement: Work with the other participating air districts to update the CAPCOA's Land Use Emission Model (CalEEMod) based on the latest data and technology, in order to provide a technically well founded, and therefore defensible, means of air pollution emission estimation and provide new user friendly functions to conduct analyses of land use development projects. 4(c), 4(d), 5(a), 5(b), 8

District Staff joined the steering committee for the CalEEMod model improvement. The committee has discussed and compiled the list of possible improvements. The RFP for the CalEEMod upgrade was released, and the deadline for the bid submittal is April 13, 2015.
- Regional CEQA GHG Thresholds: Work with the other local air districts within the Sacramento area to develop CEQA Greenhouse Gas (GHG) thresholds of significance for land use development projects. The anticipated product would be a guideline to provide lead agencies with recommended ways to determine the level of the land use project's related GHG impacts, as well as the means to identify the appropriate mitigation measures to offset the project's impacts that were analyzed in the project's environmental documents. The draft guidance and justification document is anticipated to be released in late 2014. 4(b), 4(c), 4(d), 5(b)

The regional CEQA GHG thresholds have been developed. The SMAQMD Board adopted them last October and incorporated them into its CEQA guidance for land use projects within Sacramento County. Since the thresholds are similar to the current recommended thresholds applied by lead agencies in Placer County, District Staff do not plan to submit them to the District Board for adoption. Currently, District Staff are working with the staff of other air districts to draft the guideline for analyzing land use projects and determining the project's related GHG impacts for application of the proposed regional GHG thresholds.

- Database for Land Use Projects: Complete the update of the District's internal land use development tracking list and develop a tracking database for the District's CEQA review program. The land use development list will be used to prepare a justification analysis for the draft regional GHG thresholds applied for CEQA review in Placer County. The database could be integrated into the existing District database to support the District's CEQA review program by tracking the land development related documents, including comments and recommended mitigation measures, and aide in monitoring the project's status and the implementation of mitigation measures. 4(c), 8

District Staff are working to design the database which will be used to track the land use projects that come to the District for CEQA review. The data includes the project description, related document received and reviewed through the planning process, and the project condition follow-up. District Staff have consulted with the database contractor to develop a preliminary database plan and will finalize the plan by the end of March 2015.

- Compliance Support for the County Fleet Services: Assist the Placer County Department of Public Works (DPW), Fleet Services Division, in achieving compliance with applicable State mobile source related regulations. This will commence with an analysis of DPW fleet equipment, in accordance with corresponding CARB regulations, and coordination with DPW staff to establish methods of compliance with such regulations. On-road and off-road vehicle and equipment regulations are not within the regulatory jurisdiction of the District, and DPW will provide funds to offset the cost of staff services provided by the District. It is anticipated that this support will remain in effect for a minimum three (3) year period commencing from its initiation. 1(c), 1(d), 2(e), 2(g), 5(a), 5(c), 7

District Staff have used the existing information in an Excel spreadsheet to develop a database for the DPW fleet, conducted field inspections, and reviewed the related paperwork and documents to verify the vehicle and equipment information in the database. District Staff will continue working to finish the remaining inspections until all vehicles and equipment are inspected, and will identify the follow-up tasks, and associated budget requirements, with the DPW staff.

- Black Carbon Offset Credit Protocol Development: Lead the development of a Black Carbon offset credit protocol for biomass waste for energy projects, with support from the Compliance & Enforcement Section. The protocol development will be based on the District's existing biomass waste for energy protocol, in conjunction with the data from literature researches and field studies to quantify the potential CO₂ equivalent credits resulting from avoiding open burning activities. The protocol development effort will include conducting a measurement program to determine Black Carbon generated from open pile burns and energy operations. The District may also participate in a Black Carbon GHG offset protocol for wood appliances. Removal of biomass materials from open burning to an energy facility will substantially reduce particulate matter emissions, including Black Carbon with high global warming potential (GWP). The participating air districts within CAPCOA GHG Rx Program will provide financial assistance to the District for the protocol development. The proposed protocol will seek to generate CO₂ equivalent credits from biomass for energy projects, including from Black Carbon capture, under the CAPCOA GHG Rx Program for use in CEQA mitigation.

District Staff helped to coordinate a panel discussion on black carbon at the CAPCOA Fall 2014 conference. Currently, District Staff are compiling black carbon emission data from academic research and working on the draft work plan for quantifying black carbon emissions from open pile burning.

1(a), 1(c), 1(d), 2(a), 2(c), 2(e), 2(f), 2(g), 5(a), 5(c), 6
- Truckee North Tahoe JIC/ICS – CARPA, Placer County OES: Collaborate with various emergency response agencies, to be organized and prepared for an incident in which air quality is affected. District staff PIO Team members have participated in Incident Command System (ICS) and Joint Information Center (JIC) support preparedness training, including: Placer County OES-PIO training, California Air Response Planning Alliance (CARPA) training, and OES and Truckee North Tahoe JIC/ICS table top exercises. PIO Team members have also participated in the development of the Truckee North Tahoe Joint Information Coordination Plan and pre-fire season reviews with the County Health Department and agency PIOs. District PIO Team members continue to train and network with allied agencies to improve skills and relationships, as opportunities become available, to achieve effective emergency response. Staff will continue to participate as agency representatives on incidents, where needed, filling support roles and lending air quality and public information knowledge.

District Staff continue the collaboration with emergency response agencies in preparation for air quality emergency incidents, especially smoke from wildfires. The collaboration includes the meeting/conference participation and the AQI forecast formula improvement. Staff will network and participate in table-top exercises to hone skills, along with providing feedback in after-incident debriefs.

1(a), 1(c), 2(f), 3(a), 3(c), 4(a), 6
- Sacramento Valley Smoke Management Plan Improvements: Collaborate with the other air districts within Sacramento Valley Air Basin to update

1(a), 1(d), 2(a), 2(f), 3(c), 5(b)

and revise Sacramento Valley Smoke Management Plan, and to develop and coordinate staff training. Smoke from Agricultural burning, primarily rice stubble, results in potential for substantial air quality impacts within the valley in the fall and spring. The Smoke Management Plan was developed to describe the policies and procedures to determine how much open biomass burning can be allowed in the Sacramento Valley Air Basin each day to minimize smoke impacts on the public and avoid exceeding air quality standards. The allowable burn acreage for the Basin is determined by a central coordinator in consultation with the Air Resources Board, and the districts allocate acreage to be burned to local growers. The Plan is adopted by the Basinwide Air Pollution Control Council and is approved by the State Air Resources Board. The revision efforts will focus on the update of management policies and the methodology to control the potential smoke impacts to the public. In addition, a training curriculum will be developed to aide air district staff in the execution of the smoke management program, and staff training will be coordinated.

District Staff joined the SMP Subcommittee led by the Butte County AQMD, to review, recognize, and propose revisions to the Sacramento Valley Air Basin Smoke Management Program. The committee is going over suggested changes and expects that a final draft will to be presented to the Sacramento Valley Air Basin Control Council during the Summer of 2015.

Permitting & Engineering Section:

Mission Goal/Objective

Section tasks and projects to be advanced in the 2014-2015 fiscal year are:

- Evaluation of Air Toxics Program Costs and Rule 610, Air Toxics “Hot Spots” Fees: Evaluate the overall cost to the District of implementing regulations associated with air toxic contaminants, including Rule 610, that recover both the costs for the District program work and the collection of mandated pass-through charges for the California Air Resources Board. The fiscal evaluation will be supported by the Administrative Services Section. Changes by the Air Resources Board to the mandated charges have resulted in a reduction in the District’s portion of the fees assessed. In addition, recent changes in recommended risk assessment methods by the Office Environmental Health Hazard Assessment (OEHHA) make it likely that significant numbers of previously evaluated toxic sources will require re-evaluation. The new guidelines make it much more likely that toxic emission sources will be prioritized as creating a significant risk, and as a result, require some manner of risk reduction. The evaluation will result in a recommendation on how to resolve this situation and fund both “Hot Spots” and the overall toxics program of the District. It is likely that at a minimum Rule 610 will require amendment in order to facilitate any changes, and possibly other rules may need to be amended.

1(e), 2(b), 2(c),
2(e), 2(g), 8

Rule 610 was amended on October 8, 2014. The OEHHA guidance

Manual and an updated Hot Spots Analysis and Reporting Program (HARP) were concurrently released in February 2015. CAPCOA is developing Air Toxics Risk Management Guidelines (RMG) for District Permitting and Hot Spots Programs, which local air districts may elect to use for incorporating OEHHA's new risk assessment methodology into their stationary source permitting and the Air Toxics Hot Spots programs.

- Air Toxics: Review of stationary sources for compliance with AB 2588 "Air Toxics Hot Spots Information and Assessment Act of 1987" program requirements. Update the toxic emission inventory for reporting to CARB. *This was completed late in the summer of 2014.* 2(a), 2(b)
- California Environmental Quality Act (CEQA) Requirements for Permitting: The development and implementation of CEQA compliance procedures, such as ministerial permit evaluation procedures, and CEQA checklists, with the assistance from the Planning & Monitoring Section and legal counsel. *This has been delayed. District Staff are awaiting legal counsel support and direction.* 1(a), 8
- Aboveground Gasoline Storage Tank Phase I EVR: Air Resources Board regulations require existing aboveground gasoline storage tanks (ASTs) to be upgraded with Phase I Enhanced Vapor Recovery (EVR) equipment by July 1, 2014. ARB intends to change the regulations such that only ASTs which pump more than 60,000 gallons annually will need to upgrade equipment. There may be ~20 AST permit holders in Placer County that will need to submit applications for Authority to Construct permits and modify the equipment. *This task has been completed.* 1(c), 2(a), 2(d), 2(f), 3(a)
- Incorporation of Delegated NESHAPS and MACTs as ATCMS into Permits: Reviewing state and federal regulations for applicability to District emission sources that would need to be regulated, including federal NSPS, NESHAPS, and MACT standards; and State ATCMs. A number of District Permits to Operate and Title V Permits will need to be updated. *The RICE MACT for engines has been incorporated into permits. District Staff are still working on which units need to be tested.* 1(a), 2(d), 2(g)
- Renewal of Title V Permits: Title V permits are federal permits issued by the District to major sources and specifically identified sources such as the Western Regional Landfill. Placer County has five sources with Title V Permits. These permits are issued for a five year period. Staff has begun the process of reviewing and reissuing permits which are expiring and anticipate that two permits will need to be renewed during this fiscal year. *The Rio Bravo Permit has been drafted, and Staff received EPA comments on March 6, 2015. Work has begun on the Sierra Pacific Industries permit. It should be completed this spring. District Staff plan to complete the renewal of the Western Regional Sanitary Landfill's Title V Permit by the end of this fiscal year.* 1(a), 2(d), 2(g)

Compliance and Enforcement Section:	Mission Goal/Objective
Section tasks and projects to be advanced in the 2014-2015 fiscal year are:	
<ul style="list-style-type: none"> □ <u>Field Improvements</u>: Enhance inspection and complaint response investigation through: <ul style="list-style-type: none"> ▪ Support of the Administrative Section’s Technology Improvement Program, towards the implementation of field-portable electronic laptop/tablets that communicate with the District database for preparation, field documentation, and report completion. ▪ Safety analyses for stationary source inspections. ▪ Safety training for field hazards. ▪ Implementing a quality assurance/quality control program for sample physical evidence. ▪ Developing expertise in characterizing detached opacity plumes. ▪ Conducting vapor recovery source tests and interpreting in-station diagnostic system recordkeeping. ▪ Expanding stationary source inspection program to distributors and retailers of VOC-containing architectural coatings, adhesives, and automotive refinishing products. 	1(a), 1(b), 2(a), 2(b), 2(d), 2(f), 8
<p><i>As discussed in detail below in the Administration Services Section, four tablets with inspection and complaint investigation forms are in current use by District field staff. Field Staff have attended two separate CARB gasoline dispensing facility vapor recovery training classes. Field Staff are coordinating upcoming joint gas dispensing facility inspections and source test observations with other Districts and CARB staff. Field Staff have obtained assistance and guidance from other District and CARB staff in developing procedures to differentiate condensed water vapor from fine solid particulate in biomass boiler stack exhaust opacity. Field Staff have attended CARB safety training.</i></p>	
<ul style="list-style-type: none"> □ <u>Enforcement Settlement</u>: Settle violation enforcement cases that are not resolved in Mutual Negotiated Settlement through Small Claims Court, referral to the County District Attorney, or by other alternative means of case resolution. Develop a monetary penalty assessment structure schedule to assist in the establishment of consistent and defensible fines for enforcement case settlement. 	3(b), 3(c), 8
<p><i>An enforcement case regarding repeated open burning of debris has been referred to, and is in the process of being prosecuted by, the County District Attorney. The District has entered into a contract for legal support services with ATA Law Group; they have been referred, and are in the process of attempting to resolve, two enforcement cases involving unpermitted portable equipment. We are in process of preparing a case for presentation in Small Claims Court.</i></p>	
<ul style="list-style-type: none"> □ <u>CAPCOA Greenhouse Gas Exchange</u>: Identify, coordinate, and oversee investment in local forest management and biomass projects that provide cost effective GHG reductions for CEQA mitigation. 	2(a), 3(b), 4(a), 4(b), 4(c), 5(b)

The District has received a positive verification statement for a biomass waste for energy project that was conducted and sponsored in 2008, for which we have been issued 2,200 metric tons of greenhouse gas credits, and which has been posted for sale on the Exchange. The District is preparing reports for numerous other biomass energy projects that were supported by the District and completed in years 2009-2013.

- **Biomass:** Continue to advance and support forest management projects that reduce air pollution through: utilization of waste biomass for energy as an alternative to open burning; hazardous fuel reduction thinning and defensible space clearing to mitigate impacts of wildfire; and the development of tools that quantify and provide monetary value to air emission reductions, as well as other societal benefits including renewable energy and protection of upland watersheds, timber resources, and forest ecosystems. Specific tasks will include: encourage the CPUC, CARB, CEC, and State AG Office to formally recognize the displaced fossil fuel benefits of the CAPCOA biomass waste for energy GHG offset protocol; finalize the biochar GHG offset protocol and receive approval into the CAPCOA GHG Exchange; guide a technical team to advance a GHG offset protocol for forest fuel thinning treatments; support the development of the addition of Black Carbon to the biomass waste for energy GHG offset protocol by the Planning & Monitoring Section; and support the implementation of SB1122 and other research initiatives which value the benefits of distributed (strategically sized and located) biomass energy facilities in areas at risk for catastrophic wildfire.

1(a), 1(c), 1(d),
2(a), 2(c), 2(e),
2(f), 2(g), 5(a),
5(c), 6

The biochar GHG offset protocol has gone through public workshop review and a comment response document was prepared; the protocol is currently being reviewed by the CAPCOA protocol review committee, and will be subsequently submitted for CAPCOA board approval. The District has secured funding and developed a work scope plan for the forest fuel treatment / wildfire GHG offset protocol development project. The District has made significant progress on finalizing the implementation of SB 1122. The District is progressing on work to clarify and acknowledge the GHG benefits of the District's biomass waste for energy offset protocol.

- **Inter-agency Cooperation:** Further develop working relationships with allied county agencies, including building and public works departments, law enforcement, fire agencies, code enforcement, weights and measures, animal control, and environmental health.

3(c), 5(a), 5(b),
5(c)

The District continues to work on joint investigations and enforcement actions with CAL FIRE on open burning, and animal control regarding odor control from animal manure management.

Administrative Services Section:	Mission Goal/Objective
Section tasks and projects to be advanced in the 2014-2015 fiscal year are:	
□ <u>Technology Improvement Program</u> : Management of the Strategic Information Technology Master Plan and implementation of the approved roadmap and budget. The Plan has these elements:	1(a), 1(b), 1(c), 2(d), 3(b), 4(a), 5(c), 8
<ul style="list-style-type: none"> ▪ Air Pollution Control Database System (Database System): The Database System will continue to be the common connecting point for all District business applications. The continued implementation and enhancement of the database system will enable electronic access to expanded information by the creation of new system modules, as well as the enhancement of existing system modules. 	
<i>An additional database programming consultant has been selected, and the clean-up of existing modules and development of new modules has been prioritized for scoping and assignment through FY 15-16.</i>	
<ul style="list-style-type: none"> ▪ Electronic Document Handling System (EDHS): The use of the EDHS will be expanded to facilitate greater levels of document storage and retrieval. The EDHS is part of a Document Management System that links specific electronic documents to Air Pollution database records, stores required records and documents in electronic formats, and is coordinated with database records for document locations and with document retention requirements. In FY 2014-2015, a goal is to finalize and implement the document handling structure that will facilitate storing documents in a manner that enables the document to be located, identifies the retention and location of hardcopy documents, and integrates records management retention policies. 	
<i>The EDHS database module known as the "Document Processor" has been programmed, and full incorporation of the Document Processor into the database is planned for completion in the 2015 calendar year.</i>	
<ul style="list-style-type: none"> ▪ Wireless Device Integration/Mobile Inspections Project: The District will implement wireless device integration that supports the work of District employees while they are in the field by providing mobile capabilities that aid the conduction of inspections. The District will build upon the structure developed in FY 2013-2014. This goal will require the input and support of the Compliance & Enforcement Section. 	
<i>Mobile forms applications developed for Samsung tablets have been demonstrated in the field for the services contract with the Department of Public Works for a vehicle and mobile equipment inventory. Mobile forms for stationary source inspection and compliance activities have been created, and 4 Samsung tablets are not in use daily by District Staff. New mobile forms for different types of emission sources are in development. The forms and tablets are integrated with WiFi enabled digital cameras.</i>	
<ul style="list-style-type: none"> ▪ District Website Enhancements: The District Website will continue to 	

be an area for the delivery of District electronic services to citizens, businesses and employees. Proposed enhancements will be implemented by District staff through applications that enhance accessibility and ease of use.

The District completed webpage clean-up and formatting as a part of the County's "Webolution" effort. In addition, online forms were created for complaints and Public Records Act and information requests, where the requests are immediately e-mailed to responsible District staff for action. After-hour complaints are sent directly to stand-by complaint investigation staff.

- Client Access Portal Project: The District will work to expand its delivery of electronic information and services to District clients and the public. A Client Access Portal will provide District clients with on-line access to District permit and billing information and client contact profile capabilities. The concept is to provide clients and the public with portals to access District information and documents. This element of the Plan will likely be postponed to FY 2015-2016, and perhaps later, when the database enhancements and EDHS are completed as a necessary foundation for the accessing of the stored information. However this effort is highlighted to show the integrated nature of the overall IT improvements that are planned.

The District is currently looking for applications that may provide the desired portal and client profile functions. This effort is scheduled for FY 15-16 implementation.

- Air Quality Supplemental Questionnaire: The District Staff have prepared a supplemental questionnaire that may be incorporated into the permitting process of building departments in Placer County. The questionnaire asks questions to address a number of District regulatory issues, including naturally-occurring asbestos and dust control for development, wood-fired appliance requirements, District permit requirements, and statutory mandates upon building departments with regard to hazardous materials storage and emission sources near schools. The questionnaire and supporting materials provide guidance to the applicant on how to comply, as well as providing notice to the building department, the District, and Environmental Health, when appropriate, that the project impacts air quality and/or utilizes hazardous materials. District Staff have developed sample questionnaires and background and support information to assist the applicant that can be made available both in hardcopy and through a webpage on the internet. The next step is for the District to work with the building departments in Placer County to seek to integrate the questionnaire, as amended for each circumstance, into the building application process.

1(a), 1(b), 1(c),
2(d), 2(f), 3(a),
3(c), 5(a), 8

An air quality questionnaire and supporting documentation have been prepared. District Staff met with Placer County Building Services jointly with Placer County Environmental Health Staff on March 5, 2015, to discuss the implementation of the questionnaire. Building Services

proposed modifying their electronic permitting system, Accela, to determine the answers to the questions that would otherwise be answered through the air quality questionnaire. Use of Accela in lieu of a written questionnaire will streamline the process and provide improved documentation and other efficiencies. The Accela process will address the District's compliance concerns with regard to all of the previously mentioned issues, and will also address compliance with Rule 225, Wood Burning Appliances, as is further discussed in the next section. Once the Accela process has been put in place with the County, District Staff will then seek to have a version of the questionnaire adopted for use by other building departments in the County, or otherwise incorporate the determination of the questions and answers into their building permit process.

- Inspection of Wood Burning Appliances: The District currently inspects new homes in the unincorporated areas of Placer County for compliance with District Rule 225, Wood Burning Appliances. The primary compliance check is for EPA certified wood burning appliances, which is also a requirement of the Placer County Building Code (through adoption of the CalGreen Code). Plan checks and the inspection of new home construction where wood burning appliances are installed, in conjunction with other required plan reviews and inspections by the Placer County Building Department, would be a more efficient and costs effective means of ensuring compliance, versus the District dispatching Specialists to inspect new homes and sign-off on final inspections. Accordingly, the District will seek to work with the Placer County Building Department so that efforts are not duplicated. It is in the public interest that the District and Building Department collectively utilize the least costly approach to assuring compliance.

3(c), 5(a), 8, and
1(a), 1(b), 1(c),
2(d), 2(f), 3(a),

After communicating with Placer County Building Services regarding the overlap of District Rule 225 and the County's CalGreen Code, Building Services committed to assuring compliance with CalGreen wood burning appliance certification standards. Building Services agreed to incorporate a screening process for additional Rule 225 requirements by modifying the electronic building permit system, Accela, to screen building permit applications for possible Rule 225 compliance issues to be addressed by the District. The District will provide training to Placer County Building Services on District and federal regulations for wood burning appliances. Through the outreach planned for the air quality supplemental questionnaire that is mentioned above, the District plans to bring the compliance improvements for wood burning appliance Rule 225 to other jurisdictions.



Board Agenda

APCO Report

Meeting Date: April 9, 2015

Air Pollution Control Officer Report:

1. Art Walk (verbal report)
2. Fiscal update (financial report to be provided at board meeting)