



## MINUTES

### PCAPCD Board of Directors Meeting

Thursday, December 12, 2019, at 2:30 PM

Placer County Board of Supervisors' Chambers

175 Fulweiler Avenue, Auburn, California

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The Board of Directors of the Placer County Air Pollution Control District met for a regular meeting at 2:30 PM, Thursday, December 12, 2019, at the Placer County Board of Supervisors' Chambers, 175 Fulweiler Avenue, Auburn, California.

The meeting was called to order by acting Chairperson, Kirk Uhler (Vice Chair). Roll call was taken by the Clerk of the Board, with the following members in attendance: Jeff Duncan, Scott Alvord, Kirk Uhler, Paul Joiner, Robert Weygandt, and Jim Holmes. A quorum was established. Greg Janda arrived after roll call and minutes vote, prior to consent items vote.

Representing the District were: Erik White, Air Pollution Control Officer; Adam Baughman, Deputy Air pollution Control Officer; A.J. Nunez, Senior Administrative Services Officer; Heather Kuklo, Air Quality Specialist, Molly Johnson, Air Quality Specialist; Russell Moore, I.T. Technician; and Shannon Harroun, Clerk of the Board.

#### Flag Salute

#### Clerk's Statement of Meeting Procedures

**Approval of Minutes:** August 8, 2019 Regular Meeting

**Motion:** Weygandt/Duncan

**Action:** Approved 8/8/19 Minutes

**Ayes:** Duncan/Alvord/Uhler/Weygandt

**Abstain:** Joiner/Holmes

**Public Comment:** No public comment.

#### Consent: Items 1 and 2

- 1. Designation of Members of the Mountain Counties Basinwide Air Pollution Control Council and the Sacramento Valley Basinwide Air Pollution Control Council for 2020.** *Designated Jim Holmes and Trinity Burruss as primary and alternate members, respectively, of the Mountain Valley BCC; and designated Jeff Duncan and Scott Alvord as primary and alternate members, respectively, of the Sacramento Valley BCC. If any of the appointed members' jurisdictions appoint new District Board members in 2020, the new representative from that County, City or Town, will assume the associated role on the BCC's.*
- 2. Approval of Negative Declaration for the Control Techniques Guidelines for the Oil and Natural Gas Industry Source Category.** *Adopt Resolution #19-19, thereby approving a Negative Declaration for the Control Technique Guideline for the Oil and Natural Gas Industry source category; and approving submittal of the Negative Declaration as a revision to the State Implementation Plan.*

**Motion:** Holmes/Alvord

**Action:** Approved Consent Items 1 and 2 / Unanimous Vote 7:0

**Ayes:** Duncan/Alvord/Uhler/Joiner/Weygandt/Janda/Holmes

**Action: Items 3 - 6**

- 3. Budget Revision Approving Fund Balance and Technical Budget Revisions for FY 19-20 and Authorization to Fund Public Agency Retirement System, Post-Employment Benefits Trust.** *Adopted Resolution #19-20, thereby approving Budget Revision #20-01, for approval of fund balance and technical budget revisions for FY 19-20 and authorization of a contribution of Five-Hundred Thousand Dollars (\$500,000) with Public Agency Retirement System (PARS) Post-Employment Benefits Trust for future payments of the District's net pension liability.*

Ms. A.J. Nunez presented the proposed budget adjustments and funding of the PARS Trust account. She noted that when the final budget was presented to the Board at the previous meeting in August, the fund carry over balance was not yet available. As the County has completed the close of FY 18-19 in the WorkDay System, all revenue and expenditures for FY 18-19 have been accounted for. This includes items calculated by the auditor's office, such as Investment Income and Depreciation, which had not been completed when the final budget was brought to the Board in August. Having the final numbers, staff requested budget adjustments to reflect the actual fund balance carryover, additional funds for the CBSEP Program, and updated spend codes.

Ms. Nunez added that since the actual fund balance carry over is known, Staff was proposing a contribution of \$500,000 to the PARS trust account. This would offset the District's unfunded liability of \$4.1 Million as of the last completed audit on 6/30/17. Current unfunded liability is \$4.3 Million. District Staff also recommended that fund reserves above the recommended 15% be made as contributions into the Trust until 50% of the unfunded liability amount is met. These PARS Trust funds would be earning a higher rate of return than the County treasury and could only be used for pension liability.

Ms. Nunez presented a chart showing the details of the proposed funding adjustments, which was included in the Board packet.

Director Alvord asked where the \$500,000 PARS contribution comes from. Ms. Nunez responded that the contribution comes from the fund balance and is included in the Salaries and Benefits spend code.

**Motion:** Holmes/Alvord

**Action:** Approved Item 3 / Unanimous Roll Call Vote 7:0

**Ayes:** Duncan/Alvord/Uhler/Joiner/Weygandt/Janda/Holmes

**4. Authorization to Accept Funds under the FY 18-19 FARMER Grant Agreement to Develop a FARMER Reporting Tool; and to Accept FY 19-20 FARMER Funding.**

*Adopted Resolution #19-21, thereby: 1) authorizing the District to accept additional funds under the FY 18-19 Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program grant agreement with California Air Resources Board (CARB) for development of the FARMER Program Reporting Tool; and 2) authorizing the Air Pollution Control Officer to negotiate, sign, and amend as needed, agreements and contracts related to development of a FARMER Reporting Tool; and*

*Adopted Resolution #19-22, thereby 1) authorizing the District to accept Shared Allocation Pool funds and execute the CARB grant agreement for administration of the FY 19-20 FARMER Program, including potential funding for ongoing development and maintenance of the FARMER Reporting Tool; and 2) authorizing the Air Pollution Control Officer to negotiate, sign, and amend as needed, agreements and contracts related to administration and implementation of the FY 19-20 FARMER Program.*

Mr. Adam Baughman discussed accepting funding from the California Air Resources Board (CARB) to develop a web-based grants reporting tool for a state-funded grant program we partially administer, called the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) program. He stated that the District is also recommending the Board authorize acceptance of FARMER Year 3 funding.

Mr. Baughman explained that a majority of FARMER funding goes straight from CARB to the 17 districts with the largest ag equipment inventories. Funds for the other 18 air districts (including Placer) go into the “Shared Allocation Pool”. In August 2018, the Board authorized our District to implement the Year 1 Shared Allocation Pool portion of FARMER. The Board approved Year 2 in April 2019.

Mr. Baughman provided a brief summary of Shared Allocation Pool program progress to date. In Year 1 of FARMER, there were two rounds of awards. In total, there were 61 projects, mostly tractors and ag pump replacements, across 17 districts, for a grand total of \$4.7 Million. He presented a chart showing the anticipated cumulative project emission reduction benefits by emission type, over the 5 year project life of all awarded projects to date.

Mr. Baughman explained that CARB approached the District to develop a web-based grants reporting tool for local districts to report their FARMER projects to CARB. He stated that the District had done due diligence investigating potential software solutions and selected Salesforce, a pre-authorized government vendor. The District will also select a third-party implementer with experience developing the Salesforce grants platform for other public agencies.

Director Janda asked if CARB will provide future funding for continued support and maintenance of the grants management program. Mr. Baughman answered that CARB has stated their intention to continue to support the program in future years. Mr. White added that the District has communicated to CARB that the District will not continue to support the system without funding from CARB.

**Motion:** Janda/Weygandt

**Action:** Approved Item 4 / Unanimous Vote 7:0

**Ayes:** Duncan/Alvord/Uhler/Joiner/Weygandt/Janda/Holmes

- 5. Redirection of California Air Resources Board Wood Smoke Reduction Program Funds to El Dorado County Air Quality Management District.** *Adopted Resolution #19-23, thereby 1) authorizing the District to continue to participate in CARB's Statewide Wood Smoke Reduction Program; 2) authorizing the redirection of Placer County's portion of funds to the El Dorado County Air Quality Management District to implement the Program in Placer and El Dorado Counties on the District's behalf; and 3) authorizing the Air Pollution Control Officer (APCO) to negotiate, sign, and amend as needed, any agreements and contracts related to implementation of the Program for Placer County residents.*

Ms. Heather Kuklo presented the statewide woodsmoke reduction program in effect since to provide incentives to upgrade their non-EPA certified wood stoves and fireplaces to certified wood or gas appliances. In FY 2016/17, SB 1613 appropriated \$5 million to the California Air Resources Board (CARB) for the implementation of a wood stove change-out program. The District received \$125,000 for incentive funds. On February 8, 2018, your Board approved participation in the Program as well as authorized the District to establish an agreement with the El Dorado County Air Quality Management District (EDCAQMD). The agreement allowed the District's funds to be redirected to the EDCAQMD from CARB, and the EDCAQMD to implement the Program on the District's behalf. As of the meeting date, 27 vouchers had been approved for Placer County residents.

Ms. Kuklo stated that the District anticipates an additional \$125,000 allocation for CARB's second year of funding. Due to the successful partnership currently with the EDCAQMD, the District is proposing to redirect its second allocation of funds to the EDCAQMD for implementation. It is anticipated that there will be no changes in the agreement, other than, extending the contractual deadline and updating the amount of funding that will be re-directed to the EDCAQMD by CARB. District staff will continue to operate in a supportive role and will conduct wood stove inspections within Placer County.

**Motion:** Holmes/Joiner

**Action:** Approved Item 5 / Unanimous Vote 7:0

**Ayes:** Duncan/Alvord/Uhler/Joiner/Weygandt/Janda/Holmes

- 6. Authorization to Redirect CAP Incentive Funds to Cost Share Replacement of a Capitol Corridor Passenger Locomotive with the Bay Area Air Quality Management District.** *Adopted Resolution #19-24, thereby 1) authorizing the District to enter into a Memorandum of Agreement (MOA) with the Bay Area Air Quality Management District (BAAQMD) to cost share the replacement of a Capitol Corridor passenger locomotive owned by the California Department of Transportation and Operated by Amtrak; 2) authorizing the District to redirect \$182,857.14 in Community Air Protection (CAP) incentive funds to BAAQMD; and 3) authorizing the Air Pollution Control Officer to negotiate, sign, and amend the MOA as needed.*

Ms. Molly Johnson presented information regarding the redirection of CAP incentive funds to cost share the replacement of a locomotive with BAAQMD. CAP incentive funds are provided by CARB as a result of Assembly Bill (AB) 617. CAP funds are intended to reduce the emission impacts in communities most affected by air pollution. In FY 18-19, the District was awarded \$1,120,159 in CAP funds. At a CAP community meeting held by the District on June 27, 2019, at the Roseville Civic Center, participants indicated support for projects that would directly reduce emissions from locomotives operating in Roseville and at the J.R. Davis Railyard and neighboring train station. This project will replace an old, high polluting 1994 passenger locomotive with a new Tier 4 locomotive, on the Capitol Corridor rail line that runs from the Bay Area to Placer County, including Roseville, Rocklin and Auburn

Ms. Johnson stated that the BAAQMD requested that the District redirect \$182,857 of CAP funds to cost share with other air districts along the rail line. This is proportional to the total project costs based on the percentage the locomotive operates in Placer County. The project will result in an estimated 18 tons of NOx, 0.65 tons of ROG, and 0.28 tons of PM emission reductions on an annual basis, and will reduce localized risk from Diesel PM in the Railyard.

**Motion: Holmes/Alvord**

**Action: Approved Item 6 / Unanimous Vote 7:0**

**Ayes: Duncan/Alvord/Uhler/Joiner/Weygandt/Janda/Holmes**

### **Air Pollution Control Officer Report**

#### A. General APCO Updates

- District holiday closure. The District office will be closed to the public 12/22/19 – 12/27/19. Critical services will be maintained.
- Burn day status voice search. The District is planning to use Alexa voice application to allow the public to ask questions about burn days in Placer County.
- District response to Public Safety Power Shutoff (PSPS). The recent PSPS did not affect District operations. The District worked with County Office of Emergency Services by providing information on permitted generators, and ensured all sources and facilities needing temporary power did not experience permitting or deployment issues. The District is working with CARB and CAPCOA on consistent statewide solutions to generator issues during power shutoffs.
- 2020 Regulatory Measures List. Mr. Adam Baughman presented an overview of the 2020 regulatory measures list to be published at the end of December, 2019.

#### B. Incentive Grants Program Update

Mr. White provided an update on the District's incentive program, noting that \$2.7 million in total funding was available for 2019, and \$2.4 million was awarded to 18 projects.

#### C. FY 17-18 and FY 18-19 Audit – Auditor Letters to the Board provided

Ms. Nunez described the District's upcoming bi-annual audit for FY 18-19 and FY 19-20. The County has contracted with the auditing firm Eide Bailly to conduct the audit. The audit completion date is anticipated to be the end of February. Audit results will be brought to the Board in April.

#### D. Fiscal update

Ms. Nunez provided the District's financial report.

**Meeting Adjournment at 3:36 p.m.**

**Minutes prepared by:**

*Shannon Harroun*

Shannon Harroun, Clerk of the Board

**Minutes approved by Board of Directors:**

Attest: *Shannon Harroun*  
Clerk of the Board

2/13/2020  
Date