



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
MEETING  
June 5, 2024

MEETING LOCATION(S) FOR IN-PERSON ATTENDANCE BY  
BOARD MEMBERS AND MEMBERS OF THE PUBLIC

Bay Area Metro Center  
1st Floor Board Room  
375 Beale Street  
San Francisco, CA 94105

THE FOLLOWING STREAMING OPTIONS WILL ALSO BE PROVIDED

These streaming options are provided for convenience only. In the event that streaming connections malfunction for any reason, the Board of Directors reserves the right to conduct the meeting without remote webcast and/or Zoom access.

The public may observe this meeting through the webcast by clicking the link available on the air district's agenda webpage at [www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas).

Members of the public may participate remotely via Zoom at <https://bayareametro.zoom.us/j/87386439976>, or may join Zoom by phone by dialing (669) 900-6833 or (408) 638-0968. The Webinar ID for this meeting is: 873 8643 9976

**Public Comment on Agenda Items:** The public may comment on each item on the agenda as the item is taken up. Members of the public who wish to speak on a matter on the agenda will have two minutes each to address the Board on that agenda item, unless a different time limit is established by the Chair.

No speaker who has already spoken on an item will be entitled to speak to that item again.

The Board welcomes comments, including criticism, about the policies, procedures, programs, or services of the District, or of the acts or omissions of the Board. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Board meeting. The District is committed to maintaining a workplace free of unlawful harassment and is mindful that District staff regularly attend Board meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is *per se* disruptive to a meeting and will not be tolerated.

# BOARD OF DIRECTORS MEETING AGENDA

**WEDNESDAY, JUNE 5, 2024**

**10:00 AM**

**Chairperson, Davina Hurt**

**1. Call to Order - Roll Call**

*The Board Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Board members.*

**2. Pledge of Allegiance**

**3. Special Orders of the Day**

**CONSENT CALENDAR (Items 4-30)**

*The Consent Calendar consists of routine items that may be approved together as a group by one action of the Board. Any Board member or member of the public may request that an item be removed and considered separately.*

**4. Approval of the Draft Minutes of the Special Budget Hearing of May 1, 2024**

*The Board of Directors will consider approving the Draft Minutes of the Special Budget Hearing of May 1, 2024.*

**5. Approval of the Draft Minutes of the Board of Directors Meeting of May 1, 2024**

*The Board of Directors will consider approving the Draft Minutes of the Board of Directors meeting of May 1, 2024.*

**6. Board Communications Received from May 1, 2024 through June 4, 2024**

*A copy of communications directed to the Board of Directors received by the Air District from May 1, 2024, through June 4, 2024, if any, will be distributed to the Board Members by way of email.*

7. Notices of Violations Issued and Settlements in Excess of \$10,000 in the Month of April 2024

*In accordance with Resolution No. 2012-08 the Board of Directors will receive a list of all Notices of Violations issued, and all settlements for amounts in excess of \$10,000, during the month of April 2024.*

8. Authorization to Execute an Agreement with Alliant Insurance Services, Inc. for Insurance Broker Services

*The Board of Directors will consider authorizing the Executive Officer/APCO to (1) execute an agreement with Alliant Insurance Services, Inc., to provide insurance broker services for the Air District and the Bay Area Clean Air Foundation for up to five years at the Air District's discretion based on the contractor's performance and available funds, for a total contract amount not to exceed \$398,185.19; (2) expend the necessary funds required to cover annual premiums for placing lines of insurance, which is a separate cost and is anticipated to be approximately \$1,000,000 for Fiscal Year Ending 2025. The premiums for subsequent fiscal years are dependent on market conditions, inflation, and coverage option chosen.*

9. Authorization to Execute a Contract with Allison+Partners for Public Relations and Outreach Support Services

*The Board of Directors will consider authorizing the Executive Officer/APCO to execute a contract with Allison+Partners to provide public relations and outreach support services for up to three years at the Air District's discretion based on the contractor's performance and available funds, for an amount not to exceed \$200,000.*

10. Authorization to Execute a Contract Amendment with Acterra for Electric Vehicle Coordinating Council Facilitation

*The Board of Directors will consider authorizing the Executive Officer/APCO to amend the contract with Acterra: Action for a Healthy Planet (Acterra) to extend the contract term to December 31, 2025 and include an additional \$164,902 to continue facilitation and meeting coordination for the Electric Vehicle Coordinating Council, for a total contract amount not to exceed \$264,501.*

11. Authorization to Execute a Contract Amendment with George McDaniel for Climate Tech Finance Program Services

*The Board of Directors will consider authorizing the Executive Officer/APCO to amend contract 2022.254 with George McDaniel to extend the contract term from September 30, 2024, to September 30, 2025, and to include an additional \$96,000 to continue financial development support services for the Climate Tech Finance program, for a total contract amount not to exceed \$288,000.*

12. Authorization to Execute a Contract Amendment with InterEthnica, Inc. for Meeting Facilitation Services to Support the Community Engagement Office

*The Board of Directors will consider authorizing the Executive Officer/APCO to execute an amendment to the contract with InterEthnica, Inc. to extend the end date of the contract from June 30, 2024 to December 31, 2024, and to increase the contract limit by \$75,000 from \$265,000 to \$340,000, to provide continued meeting support for the Community Engagement Office.*

13. Authorization to Execute Contracts for the Modernization of Information Technology Infrastructure and Related Installation and Configuration Services

*The Board of Directors will consider approving the recommendation of the Finance and Administration Committee to reallocate and expend capital funds to modernize the Air District's information technology infrastructure, which is at the end of its useful life. Specifically, the Board of Directors will consider the recommendation of the Finance and Administration Committee to approve and authorize:*

- *The Executive Officer/APCO to execute contracts with qualified Information Technology fulfillment partners ePlus Technologies, Inc., CDWG Inc., SSP Data, Inc., and/or SHI, Inc. for information technology equipment and installation services in a total amount not to exceed \$1.3 million (M);*
- *The transfer of funds not to exceed \$450,000 for this effort from multiple program budgets where actual expenditures are below projected expenditures in their Fiscal Year Ending 2024 services supply and capital budgets; and*
- *The Executive Officer/APCO to amend the competitively bid Contract with Dell, Inc to increase the annual expenditure on Microsoft Licensing and Cloud services by \$250,000 per year to a total amount not to exceed \$1.2 M.*

14. Authorization to Execute a Contract Amendment with Direct Mail Center for Public Notice Expenses and General Mailing Services

*The Board of Directors will consider authorizing the Executive Officer/APCO to execute a contract amendment with Direct Mail Center to extend the term from June 30, 2024, to November 30, 2025, and increase the maximum cost of the contract by \$340,000 from \$340,000 to \$680,000 for public notice expenses and general mailing services supporting the permit programs.*

15. Authorization to Execute a Contract with the Metropolitan Transportation Commission for the Spare the Air Youth Program

*The Board of Directors will consider authorizing the Executive Officer/APCO to execute a sponsorship contract with the Metropolitan Transportation Commission for the Spare the Air Youth program to provide bicycle repair and safety clinics/workshops to youth and families in AB 617 communities and throughout the Bay Area in an amount not to exceed \$150,000.*

16. Authorization to Execute a Memorandum of Agreement with the Association of Bay Area Governments for Implementation of Bay Area Clean Homes Initiative

*The Board of Directors will consider authorizing the Executive Officer/APCO to execute a Memorandum of Agreement with the Association of Bay Area Governments to collaborate on implementing the Bay Area Clean Homes Initiative, through a funding proposal to the US EPA's Climate Protection Reduction Program.*

17. Report of County Populations

*In accordance with Section 2.11 of the Administrative Code, the Clerk of the Boards will provide a report of the populations for each county within the Air District's jurisdiction (and for Solano and Sonoma counties, for the portion of those counties within the Air District's jurisdiction), based on the most recent final estimates released on May 1, 2024, by the Demographic Research Unit of the California Department of Finance.*

18. Authorization to Execute Contract Amendments for Online Permitting and Compliance System (My Air Online)

*The Board of Directors will consider authorizing the Executive Officer/APCO to amend current vendor contracts related to implementing the new My Air Online computer system to replace legacy permitting and enforcement computer systems. The proposed amendments would extend the term of each contract through July 1, 2025, and increase the contracted amounts by a total combined amount not to exceed \$1.4M, as recommended by the Finance and Administration Committee.*

19. Authorization to Execute Purchases for Meteorology and Measurement Division Operations

*The Board of Directors will consider authorizing the Executive Officer/APCO to procure goods and services that are required for Meteorology and Measurement Division operations in a total amount not to exceed \$860,039.*

20. Authorization to Execute Agreements for Projects and Contracts with Proposed Grant Awards Over \$500,000 and Approve Selection Criteria for Solicitation for Electric Charging Infrastructure

*The Board of Directors will consider (i) approving the award of state and local incentive funding to six projects with proposed grant awards in excess of \$500,000 and authorizing the Executive Officer/APCO to execute grant agreements for the recommended projects, and (ii) approving the process and selection criteria for a competitive solicitation for electric charging infrastructure for medium- and heavy-duty vehicles and equipment. The Policy, Grants & Technology Committee received a presentation to review four of the six proposed projects and the proposed selection criteria for the infrastructure grant program on May 15, 2024, and recommended that the Board of Directors approve the recommendations.*

21. Approval of Transportation Fund for Clean Air Regional Fund Policies & Evaluation Criteria Commencing Fiscal Year Ending 2025

*The Board of Directors will consider approving the proposed updates to Transportation Fund for Clean Air Regional Fund Policies and Evaluation Criteria commencing in Fiscal Year Ending (FYE) 2025. The Policy, Grants & Technology Committee received a presentation on this item at its May 15, 2024, meeting and recommended that the Board of Directors approve the recommendations.*

22. Authorization to Execute a Sponsorship Contract with Veloz to Support Electric Vehicle Sales Throughout California and the Bay Area

*The Board of Directors will consider authorizing the Executive Officer/APCO to execute a sponsorship contract with Veloz to support their work to encourage electric vehicle sales throughout California and the Bay Area, in the amount of \$50,000 for FY 2023-2024 and \$50,000 FY 2024-2025, for a total amount of \$100,000.*

23. Authorization of Funding Allocation and Cost-Effectiveness Limits for the Transportation Fund for Clean Air in Fiscal Year Ending 2025 - 60% Funds

*The Board of Directors will consider approving the proposed funding allocation and cost-effectiveness limits for the Transportation Fund for Clean Air Program for Fiscal Year Ending 2025 (60% Fund), as recommended by the Policy, Grants & Technology Committee.*

24. Authorization to Execute a Contract with TTEC Digital for Development and Implementation of a Public Records Management System

*The Board of Directors will consider authorizing the Executive Officer/APCO to enter into a contract with TTEC Digital in an amount not to exceed \$217,412.50 for development and implementation of a Public Records Management (PRM) System with five years of support services. This amount includes a one-time cost of \$79,912.50 for the development of the PRM system, and an annual cost of \$27,500 for support services over five years.*

25. Authorization for Attendance and Compensation for Board of Directors and Advisory Council Members to Attend the Air & Waste Management Association's Annual Conference in Alberta, Canada

*The Board of Directors will consider authorizing attendance and compensation of \$200 per meeting, up to a maximum of \$200 per day, for Board member John Gioia and Advisory Council Member Professor Michael T. Kleinman, Ph.D. to attend the Air & Waste Management Association's 117th Annual Conference & Exhibition, Emissions Reductions for Sustainable Energy Futures from June 24, 2024, to June 27, 2024, in Calgary, Alberta, Canada, pursuant to the Air District's Administrative Code and Meeting Compensation and Expense Reimbursement Policy. The estimated total cost for compensation and expenses is \$6,000.*

26. Report of the Stationary Source Committee Meeting of May 8, 2024

*The Board of Directors will receive a report of the Stationary Source Committee Meeting of May 8, 2024.*

*For the full Committee agenda packet and materials, click on the link below:*  
[www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas)

27. Report of the Community Equity, Health and Justice Committee Special Meeting of May 8, 2024

*The Board of Directors will receive a report of the Community Equity, Health and Justice Committee Special meeting of May 8, 2024.*

*For the full Committee agenda packet and materials, click on the link below:*  
[www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas)

28. Report of the Finance and Administration Committee Meeting of May 15, 2024

*The Board of Directors will receive a report of the Finance and Administration Committee meeting of May 15, 2024.*

*For the full Committee agenda packet and materials, click on the link below:*  
[www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas)

29. Report of the Policy, Grants, and Technology Committee Meeting of May 15, 2024

*The Board of Directors will receive a report of the Policy, Grants, and Technology Committee Meeting of May 15, 2024.*

*For the full Committee agenda packet and materials, click on the link below:*  
[www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas)

30. Report of the Community Advisory Council Meeting of May 16, 2024

*The Board of Directors will receive a report of the Community Advisory Council Meeting of May 16, 2024.*

*For the full Committee agenda packet and materials, click on the link below:*  
[www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas)

### **PUBLIC HEARING(S)**

31. Public Hearing to Consider Adoption of Proposed Amendments to Air District Regulation 3: Fees

*The Board of Directors will hold a public hearing to consider a resolution amending Air District Regulation 3: Fees, to become effective on July 1, 2024. The proposed fee amendments are designed to recover the costs of regulatory program activities in accordance with the Air District's Cost Recovery and Containment Policy. This item will be presented by Fred Tanaka, Manager, Engineering Division.*

32. Public Hearing to Consider Adoption of Proposed Budget for Fiscal Year 2024-2025

*The Board of Directors will hold a public hearing to consider a resolution adopting the proposed Fiscal Year 2024-2025 Budget, including proposed staffing recommendations, salary schedule and benefits, and other budget-related actions. The Finance and Administration Committee recommended approval of the proposed Budget on April 17, 2024, and the Board held an initial public hearing to discuss the proposed Budget and to provide the public with an opportunity to comment on it on May 1, 2024. The Board will now consider a resolution adopting the proposed Budget and related items. This item will be presented by Dr. Philip Fine, Executive Officer/APCO, and Stephanie Osaze, Director of Finance.*



## **INFORMATIONAL ITEM**

### 33. Wildfire Season Preview and Wildfire Programs

*The Board of Directors will consider and discuss the outlook for the 2024 wildfire season and an overview of Air District programs related to wildfire prevention and air filtration. This is an informational item only and will be presented by Ranyee Chiang, Director of the Meteorology and Measurement Division.*

## **COMMENDATION/PROCLAMATION/AWARD**

### 34. *The Board of Directors will recognize outgoing Director David E. Hudson for his service, leadership and dedication to protecting air quality in the Bay Area.*

## **OTHER BUSINESS**

### 35. Public Comment on Non-Agenda Matters

*Pursuant to Government Code Section 54954.3, members of the public who wish to speak on matters not on the agenda will be given an opportunity to address the Board of Directors. Members of the public will have two minutes each to address the Board, unless a different time limit is established by the Chair. The Board welcomes comments, including criticism, about the policies, procedures, programs, or services of the District, or of the acts or omissions of the Board. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Board meeting. The District is committed to maintaining a workplace free of unlawful harassment and is mindful that District staff regularly attend Board meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is per se disruptive to a meeting and will not be tolerated.*

### 36. Board Member Comments

*Any member of the Board, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)*

### 37. Report of the Executive Officer/APCO

### 38. Chairperson's Report

39. Time and Place of Next Meeting

*Wednesday, September 4, 2024, at 10:00 a.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Board of Directors members and members of the public will be able to either join in-person or via webcast.*

**CLOSED SESSION**

40. Conference with Legal Counsel re Existing Litigation (Government Code Section 54956.9(a))

*Pursuant to Government Code Section 54956.9(a), the Board will meet in closed session with legal counsel to discuss the following cases:*

*South Coast Air Quality Management District et al. v. EPA (D.C. Circuit Case No. 19-1241); and*

*South Coast Air Quality Management District et al. v. National Highway Traffic Safety Administration (D.C. Circuit Case No. 20-1173).*

41. Public Employee Evaluation Pursuant to Government Code Section 54957(b)(1)

*Title: General Counsel*

**OPEN SESSION**

**ACTION ITEM**

42. Approval of an Amendment to the Employment Agreement for General Counsel

*This is an action item for the Board of Directors to consider approving an amendment to the employment agreement for General Counsel. This item will be presented by Davina Hurt, Board Chairperson.*

43. Adjournment

*The Board meeting shall be adjourned by the Board Chair.*

**CONTACT:**

**MANAGER, EXECUTIVE OPERATIONS**  
**375 BEALE STREET, SAN FRANCISCO, CA 94105**  
[vjohnson@baaqmd.gov](mailto:vjohnson@baaqmd.gov)

**(415) 749-4941**  
**FAX: (415) 928-8560**  
**BAAQMD homepage:**  
[www.baaqmd.gov](http://www.baaqmd.gov)

- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the Air District's offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

**Accessibility and Non-Discrimination Policy**

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District's policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs, and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at [www.baaqmd.gov/accessibility](http://www.baaqmd.gov/accessibility) to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District's Non-Discrimination Coordinator, Suma Peesapati, at (415) 749-4967 or by email at [spesapati@baaqmd.gov](mailto:spesapati@baaqmd.gov).

# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

375 BEALE STREET, SAN FRANCISCO, CA 94105

FOR QUESTIONS PLEASE CALL (415) 749-4941

## EXECUTIVE OFFICE:

### MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

#### JUNE 2024

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Special Meeting as the Sole Member of the Bay Area Clean Air Foundation	Wednesday	5	9:45 a.m.	1 <sup>st</sup> Floor Board Room
Board of Directors Meeting	Wednesday	5	10:00 a.m.	1 <sup>st</sup> Floor Board Room
Board of Directors Stationary Source Committee - CANCELLED	Wednesday	12	10:00 a.m.	1st Floor, Temazcal Room
Board of Directors Community Equity, Health and Justice Committee	Wednesday	12	1:00 p.m.	1st Floor, Temazcal Room
Board of Directors Finance and Administration Committee	Wednesday	26	10:00 a.m.	1st Floor, Temazcal Room

#### JULY 2024

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting - CANCELLED	Wednesday	10	10:00 a.m.	1 <sup>st</sup> Floor Board Room
Board of Directors Stationary Source Committee	Wednesday	17	10:00 a.m.	1 <sup>st</sup> Floor Board Room
Board of Directors Community Equity, Health and Justice Committee	Wednesday	17	1:00 p.m.	1 <sup>st</sup> Floor Board Room
Board of Directors Community Advisory Council Meeting	Thursday	18	6:00 p.m.	1 <sup>st</sup> Floor Board Room
Board of Directors Policy, Grants, and Technology Committee	Wednesday	24	10:00 a.m.	1st Floor, Temazcal Room
Advisory Council Meeting	Monday	29	9:00 a.m.	1 <sup>st</sup> Floor Board Room

MV 5/22/2024 – 4:44 p.m.

G/Board/Executive Office/Moncal

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Approval of the Draft Minutes of the Special Budget Hearing of May 1, 2024

RECOMMENDED ACTION

Approve the Draft Minutes of the Special Budget Hearing of May 1, 2024.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the Draft Minutes of the Special Budget Hearing of May 1, 2024.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Draft Minutes of the Special Budget Hearing of May 1, 2024

Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
(415) 749-5073

Board of Directors Special Budget Hearing  
Wednesday, May 1, 2024

## **DRAFT MINUTES**

*This meeting was webcast, and a video recording is available on the website of the Bay Area Air Quality Management District at [www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas)*

### **CALL TO ORDER**

1. **Opening Comments:** Board of Directors (Board) Chairperson, Davina Hurt, called the meeting to order at 9:06 a.m.

#### **Roll Call:**

Present, In-Person (Bay Area Metro Center, 375 Beale Street, 1<sup>st</sup> Floor Board Room, San Francisco, California, 94105): Chairperson Davina Hurt; and Directors Ken Carlson, John Gioia, Tyrone Jue, Sergio Lopez, Katie Rice, and Mark Salinas.

Present, In-Person Satellite Location: (Office of Contra Costa County Supervisor John Gioia, Conference Room, 11780 San Pablo Avenue, Suite D, El Cerrito, California, 94530): Director Mark Ross.

Present, In-Person Satellite Location: (City of Palo Alto City Hall, 250 Hamilton Avenue, Community Meeting Room, Palo Alto, California, 94301): Directors Margaret Abe-Koga, Noelia Corzo, Ray Mueller, and Vicki Veenker.

Present, In-Person Satellite Location: (Santa Rosa Junior College Campus, Doyle Library, Room 148, 1501 Mendocino Avenue, Santa Rosa, California, 95401): Director Brian Barnacle.

Present, In-Person Satellite Location: (Napa County Administration Building, 1195 Third St., Suite 310, Crystal Conference Room, Napa, California, 94559): Director Joelle Gallagher.

Present, In-Person Satellite Location: (Office of Alameda County Supervisor David Haubert, 4501 Pleasanton Ave., Pleasanton, California, 94566): Director David Haubert.

Absent: Vice Chairperson Lynda Hopkins; Directors Juan González III, Erin Hannigan, David Hudson, Otto Lee, Nate Miley, Shamann Walton, and Steve Young.

2. **PLEDGE OF ALLEGIANCE**

## **PUBLIC HEARING**

### **3. FIRST PUBLIC HEARING ON THE PROPOSED AIR DISTRICT BUDGET FOR FISCAL YEAR ENDING (FYE) 2025**

The Board of Directors held the first of two public hearings to receive testimony on the Air District's Fiscal Year 2024-2025 Proposed Budget for public review and comment. Final action will be taken at the conclusion of the second public hearing, scheduled for June 5, 2024.

Stephanie Osaze, Director of Finance, and Hyacinth Hinajosa, Deputy Executive Officer of Finance and Administration, gave the staff presentation *First Public Hearing to Consider Adoption of the Air District's Proposed Budget for Fiscal Year 2024-2025* including: outcome; outline; budget and rule development schedule; budget highlights; financial forecast – FYE 2025-2029; key assumptions – revenue and expenditure; FY 2024-2025 Proposed Budget summary; FY 2025 all funds budget by revenue and expenditure type; proposed General Fund Budget by type; Air District's General Fund Reserves: actual vs. minimum policy requirement; overview of proposed reserve policy; 2025 General Fund reserve designations; summary of 2025 \$16.6m budget increase; capital considerations by divisions; medical retiree plan funding status and policy; pension plan funding status and policy; FY 2025 Budget by service area; service area: Engineering and Compliance, Equity and Community Programs, Finance and Administration, General Counsel, Public Affairs, Science and Policy; FY25 new 19 Full Time Equivalent (FTE) cost considerations; projected funding to support additional positions; impact of cost recovery with the new 19 FTEs; other FYE 2025 staffing adjustments; and next steps.

NOTED PRESENT: Directors Lopez and Mueller were noted present at 9:14 a.m.

**Chair Hurt opened the public hearing.**

#### **Public Comments**

Public comments were given by Bob Brown, Western States Petroleum Association.

#### **Board Comments**

The Board and staff discussed the Air District's assumptions on property tax growth; potential replacement revenue, if property tax revenue reduction were to occur; where penalty revenue is reflected in the budget; the anticipated source of revenue that would replace the penalty funds that currently fund general operations, should the Board vote to automatically set aside a portion of penalty funds for community benefits; grant funding allocations; controls currently in place to keep cost increases manageable; concerns about the projected fee increase from 9.9% in 2027 to 11.3% in 2028, due to 19 new FTE positions; whether there is risk to the Air District's staffing levels by continuing to administer state and federal grant programs; whether the Air District's Permitting program is listed in capital considerations by divisions (Slide #15); potential areas for cost containment; how service enhancement (how efficiently work is being completed) relates to increases in FTE positions; whether the Air District has budget markers to maximize its asset of property holdings; and the desire for increased FTE positions in the Air District's service areas of Equity and Community programs.

NOTED PRESENT: Director Salinas was noted present at 9:47 a.m.

**Chair Hurt closed the public hearing.**

Board Action

None; receive and file.

**OTHER BUSINESS**

**4. PUBLIC COMMENT ON NON-AGENDA MATTERS**

No requests received.

**5. BOARD MEMBER COMMENTS**

None.

**6. TIME AND PLACE OF NEXT MEETING**

Wednesday, June 5, 2024, at 10:00 a.m., 375 Beale Street, San Francisco, CA 94105. The meetings will be in-person for Board members, and members of the public will be able to join either in-person or via webcast.

**7. ADJOURNMENT**

The meeting was adjourned at 10:03 a.m.

Marcy Hiratzka  
Clerk of the Boards



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Approval of the Draft Minutes of the Board of Directors Meeting of May 1, 2024

RECOMMENDED ACTION

Approve the Draft Minutes of the Board of Directors Meeting of May 1, 2024.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the Draft Minutes of the Board of Directors Meeting of May 1, 2024.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Draft Minutes of the Board of Directors Meeting of May 1, 2024

Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
(415) 749-5073

Board of Directors Regular Meeting  
Wednesday, May 1, 2024

## **DRAFT MINUTES**

*This meeting was webcast, and a video recording is available on the website of the Bay Area Air Quality Management District at [www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas)*

### **CALL TO ORDER**

1. **Opening Comments:** Board of Directors (Board) Chairperson, Davina Hurt, called the meeting to order at 10:08 a.m.

#### **Roll Call:**

Present, In-Person (Bay Area Metro Center, 375 Beale Street, 1<sup>st</sup> Floor Board Room, San Francisco, California, 94105): Chairperson Davina Hurt; and Directors Ken Carlson, John Gioia, Tyrone Jue, Sergio Lopez, Katie Rice, Mark Salinas.

Present, In-Person Satellite Location: (Palo Alto City Hall, 250 Hamilton Ave., Community Meeting Room, Palo Alto, California, 94301): Directors Margaret Abe-Koga, Noelia Corzo, Ray Mueller, and Vicki Veenker.

Present, In-Person Satellite Location: (Office of Contra Costa County Supervisor John Gioia, 11780 San Pablo Ave., Suite D, Conference Room, El Cerrito, California, 94530): Directors Nate Miley and Mark Ross.

Present, In-Person Satellite Location: (Napa County Administration Building, 1195 Third Street, Suite 310, Crystal Conference Room, Napa, California, 94559): Director Joelle Gallagher.

Present, In-Person Satellite Location: (Santa Rosa Junior College, Doyle Library, 1501 Mendocino Avenue, Room 148, Santa Rosa, California, 95401): Director Brian Barnacle.

Present, In-Person Satellite Location: (Office of Alameda County Supervisor David Haubert, 4501 Pleasanton Ave., Pleasanton, California, 94566): Director David Haubert.

Absent: Vice Chairperson Lynda Hopkins; Directors Juan González III, Erin Hannigan, David Hudson, Otto Lee, Shamann Walton, and Steve Young.

2. **PLEDGE OF ALLEGIANCE**

### 3. SPECIAL ORDERS OF THE DAY

Chair Hurt welcomed the following new employees: Brian Do and David Taobra, both in the role of Air Quality Specialist I in Compliance & Enforcement. Chair Hurt also announced that Tim Williams was promoted to the role of Director of Diversity, Equity, and Inclusion.

NOTED PRESENT: Director Mueller was noted present at 10:18 a.m.

### CONSENT CALENDAR (ITEMS 4 – 14)

4. Approval of the Draft Minutes of the Board of Directors Meeting of April 3, 2024
5. Board Communications Received from April 3, 2024 through April 30, 2024
6. Notices of Violations Issued and Settlements in Excess of \$10,000 in the Month of March 2024
7. Transportation Fund for Clean Air 40% Fund Expenditure Plan for Fiscal Year Ending 2025
8. Selection of Vehicle Buy Back Program Contractors
9. Acceptance of Federal Highway Administration Funding  
[Click here to view Board Resolution No. 2024-03](#)
10. Authorization to Purchase Equipment from Sonoma Technology, Incorporated
11. Authorization to Execute a Contract Amendment with Kearns & West, Inc.
12. Adoption of a Revised Reserves Policy
13. Report of the Finance and Administration Committee Meeting of April 17, 2024
14. Report of the Community Equity, Health, and Justice Committee Special Meeting of April 22, 2024

### Public Comments

No requests received.

### Board Comments

Regarding Item 9 (Acceptance of Federal Highway Administration Funding), Director Rice expressed her concern regarding the degree to which agencies higher than air districts regulate public electric vehicle charging infrastructure that are financed with public monies. She said that in the future, she would like to understand what the Air District requires for the grant programs it administers, regarding long-term reliability and performance standards, and whether state and federal agencies are in alignment with the Air District's practices.

### Board Action

Director Rice made a motion, seconded by Director Carlson, to **approve** Consent Calendar Items 4 – 14, inclusive; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Barnacle, Bauters, Carlson, Corzo, Gallagher, Gioia, Haubert, Hurt, Jue, Lopez, Mueller, Rice, Ross, Veenker.  
NOES: None.  
ABSTAIN: None.  
ABSENT: González, Hannigan, Hopkins, Hudson, Lee, Miley, Walton, Young.

## **PUBLIC HEARING**

### **15. PUBLIC HEARING TO RECEIVE TESTIMONY ON PROPOSED AMENDMENTS TO AIR DISTRICT REGULATION 3: FEES**

The Board of Directors held the first of two public hearings to receive testimony on proposed amendments to the Air District's fee regulation, Regulation 3, that would apply beginning July 1, 2024. for public review and comment. Final action will be taken at the conclusion of the second public hearing, scheduled for June 5, 2024.

Fred Tanaka, Engineering Manager, gave the staff presentation *Amendments to Regulation 3, Fees*, including: outcome; outline; requested action; cost recovery background (variables); cost recovery background: fee-recoverable work, limitations of cost recovery, sample of fee schedule trends, historical strategies; proposed amendments: cost recovery, schedules not being increased, obsolete sections, clarifying language, alignment of risk assessment fees, and cost recovery impact; impact of proposed amendments: petroleum refineries and small business; small business considerations; air district comparisons: renewal fees for petroleum refineries, small refineries, medium facilities; budget and rule development schedule; summary of public comments; and feedback requested.

NOTED PRESENT: Director Miley was noted present at 10:30 a.m.

**Chair Hurt opened the public hearing.**

#### **Public Comments**

Public comments were given by Bob Brown, Western States Petroleum Association; and Allegra Curiel, California Council for Environmental and Economic Balance.

#### **Board Comments**

The Board and staff discussed public comments regarding a perceived lack of communication about fee workshops and hearings, and the desire for enhanced outreach to stakeholders; Schedule B: Combustion of Fuels (permitted boilers, engines, heaters); whether rule development, an activity that is covered by Regulation 3, is an ongoing activity (versus a one-time cost); the manner in which rule development costs are incorporated into the Air District's cost recovery policy; projected cost recovery levels over the next several fiscal years, and the contributing factors to historical fee increases; comparison of the fees of the South Coast and Bay Area Air Quality Management Districts; Jue; whether small permitted facilities are taking advantage of fee discounts, and the suggestion of shifting their focus towards a green business model instead of being discounted; concern regarding the perception that the Air District is subsidizing polluters, but should be trying to reach 100% cost recovery; and the desire that small businesses, whose concerns may not always be communicated, would not be subjected to fee increases.

**Chair Hurt closed the public hearing.**

Board Action

None; receive and file.

**ACTION ITEMS**

**16. COMMUNITY EMISSIONS REDUCTION PLAN FOR THE RICHMOND, NORTH RICHMOND, SAN PABLO PATH TO CLEAN AIR (PTCA) AREA**

Diana Ruiz, Community Engagement Manager, and Dr. Wendy Goodfriend, Planning and Climate Protection Division Director, gave the staff presentation *Path to Clean Air Richmond-North Richmond-San Pablo Community Emissions Reduction Plan*, including: outcome; outline; requested action; overview of the Path to Clean Air; Community Steering Committee (CSC); PTCA Plan goals; turning problems into solutions; fuel refining solutions; fuel refining proposed rules and rule-related actions; mobile source solutions; commercial and industrial solutions; marine and rail solutions; public health solutions; other proposed rules and rule-related actions; PTCA Plan public review; CSC approval and (Board) Community Equity, Health, and Justice Committee recommendation; implementation and reporting; compliance with California Environmental Quality Act; and recommended actions.

Public Comments

Public comments were given by CSC members Nancy Peace, Dr. Omoniyi Omotoso, and Marisol Cantú.

Board Comments

The Board and staff discussed appreciation of the CSC and Air District staff for their years of work on the Plan, which is considered groundbreaking and a model to other communities.

Board Action

Director Gioia made a motion, seconded by Director Carlson, to **adopt** the proposed Path to Clean Air Richmond-North Richmond-San Pablo Community Emissions Reduction Plan, and approve the determination that adoption of the Plan is exempt from the California Environmental Quality Act (CEQA); and the motion **carried** by the following vote of the Board:

- AYES: Abe-Koga, Barnacle, Carlson, Corzo, Gallagher, Gioia, Hurt, Jue, Lopez, Miley, Mueller, Rice, Ross, Salinas, Veenker.
- NOES: None.
- ABSTAIN: None.
- ABSENT: González, Hannigan, Haubert, Hopkins, Hudson, Lee, Walton, Young.

**17. FUNDING COMMUNITY BENEFITS FROM PENALTY FUNDS**

Greg Nudd, Deputy Executive Officer, Science and Policy, gave the staff presentation *Funding Community Benefits from Penalty Funds*, including: outcomes; outline; about penalties; proposed policy; community benefit project examples; penalty allocation proposal; mitigating budget risk;

Community Advisory Council recommendations; Richmond-North Richmond-San Pablo PTCA CSC recommendations; partial results for Fiscal Year Ending 2024; and recommendation.

Public Comments

Public comments were given by Nancy Peace, Point Richmond resident.

Board Comments

The Board and staff discussed whether the community benefits could be retroactive from January 2023 instead of from the beginning of this fiscal year; the anticipated process to collaborate with community groups to ensure that they are heard throughout the programming of funds; whether the proposed penalty allocation structure would apply to each individual penalty; projected costs of Compliance and Enforcement and Legal staff that will be working on this program; whether issued Notices of Violation have any impacts on penalties; whether a baseline is needed to protect the Air District’s budget; details regarding the local benefit fund for the Pleasanton area, and which entity determines the way in which penalty money will be used in Pleasanton; whether a similar fund or policy may be created for communities that are highly impacted by mobile sources; whether the policy could allocate 70% for local and 30% for regional community benefits, instead of the suggested 80/20% or 90/10%; and whether the \$20 M Chevron penalty from February 2024 is an anomaly or an average penalty amount.

Board Action

Director Gioia made a motion, seconded by Director Lopez, to **adopt** the policy to allocate penalty money to community benefits as described in the attached policy document entitled “Funding Community Benefits from Penalty Funds”, including the requirement to report back to the Board on the effectiveness of the policy; the motion **carried** by the following vote of the Board:

- AYES: Abe-Koga, Barnacle, Carlson, Corzo, Gallagher, Gioia, Hurt, Jue, Lopez, Miley, Mueller, Rice, Ross, Salinas, Veenker.
- NOES: None.
- ABSTAIN: None.
- ABSENT: González, Hannigan, Haubert, Hopkins, Hudson, Lee, Walton, Young.

18. **STATE LEGISLATIVE BILLS UPDATE**

Alan Abbs, Legislative Officer, and Rowena Brown, District Director for Assemblymember Bonta, gave the presentation *State Legislative Bills Update*, including: outcome; outline; requested action; Assembly Bill (AB) 2852 (Bonta); and requested action.

Public Comments

No requests received.

Board Comments

None.

Board Action

Director Carlson made a motion, seconded by Director Jue, to **adopt** the position of SUPPORT for Assembly Bill 2851 (Bonta) – Metal shredding facilities: fence-line air quality monitoring; the motion **carried** by the following vote of the Board:

- AYES: Barnacle, Carlson, Corzo, Gallagher, Gioia, Hurt, Jue, Lopez, Miley, Rice, Ross, Salinas, Veenker.
- NOES: None.
- ABSTAIN: None.
- ABSENT: Abe-Koga, González, Hannigan, Haubert, Hopkins, Hudson, Lee, Mueller, Walton, Young.

**OTHER BUSINESS**

**19. PUBLIC COMMENT ON NON-AGENDA MATTERS**

Public comments were given by Tony Fisher, Coalition for Clean Air.

**20. BOARD MEMBER COMMENTS**

None.

**21. REPORT OF THE EXECUTIVE OFFICER / AIR POLLUTION CONTROL OFFICER**

Dr. Philip M. Fine, Executive Officer/APCO, announced the following:

- May 1, 2024 is the start of the Spare the Air summer smog season. The largest source of smog pollution and greenhouse gas emissions in the Bay Area are the millions of cars on our roadways every day. The Spare the Air campaign encourages Bay Area residents to drive less and look for ways to share, shorten or change their commutes to help reduce smog, traffic and gridlock in the region. As seasonally warmer temperatures begin, the risk of calling Spare the Air Alerts for unhealthy air quality becomes greater.
- Arsenio Mataka will be the new Deputy Executive Officer of Equity and Community Programs, effective June 10, 2024.
- At the April 3, 2024 Board meeting, at the conclusion of Closed Session, one of the noticed remote locations did not reappear back on Zoom to hear the Closed Session report. Alexander Crockett, General Counsel, repeated the Closed Session report from April 3, 2024, for the record.

**22. CHAIRPERSON’S REPORT**

Chair Hurt made the following announcements:

- On March 13, 2024, the Alameda County Mayors' Conference, appointed City of Hayward Mayor, Mark Salinas, to serve on the Air District’s Board of Directors for a term of two years, beginning on April 13, 2024.

- One of the Air District’s new initiatives will be Office Hours of the Board of Directors Chairperson, in an effort to improve communication between the Chair and Air District constituents, businesses, and elected officials regarding air quality issues. The Chair will travel to the jurisdiction of the parties that wish to take engage, and Board members are encouraged to participate in these meetings, as they occur in their home jurisdictions.
- The Board of Directors as the Sole Member of the Bay Area Clean Air Foundation Meeting will be held at 9:45 a.m. on June 5. No remote locations will be permitted on that day, due to adoption of fees and Fiscal Year 2024-2025 Proposed Budget.
- Andrea Vidaurre, Co-Founder and Senior Policy Analyst at the San Bernardino-based People's Collective for Environmental Justice, is the North American recipient of the Goldman Environmental Foundation's 2024 Goldman Environmental Prize, given to one person from each inhabited continent.

**23. TIME AND PLACE OF NEXT MEETING**

Wednesday, June 5, 2024, at 10:00 a.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Board of Directors members and members of the public will be able to either join in-person or via webcast. Chair Hurt added that there will be no remote locations permitted on that day, due to adoption of fees and Fiscal Year 2024-2025 Proposed Budget.

**24. ADJOURNMENT**

The meeting was adjourned at 12:50 p.m.

Marcy Hiratzka  
Clerk of the Boards



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Board Communications Received from May 1, 2024 through June 4, 2024

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

None.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from May 1, 2024, through June 4, 2024, if any, will be distributed to the Board Members by way of email.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Shantel Reyes-Stokes

Reviewed by: Vanessa Johnson

ATTACHMENTS:

None

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Notices of Violations Issued and Settlements in Excess of \$10,000 in the Month of  
April 2024

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

None.

DISCUSSION

In accordance with Resolution No. 2012-08, attached to this Memorandum is a listing of all Notices of Violations issued, and all settlements for amounts in excess of \$10,000 during the calendar months prior to this report.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The amounts of civil penalties are collected and recorded in the Air District's General Fund.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Alexander G. Crockett

ATTACHMENTS:

1. Notices of Violations Issued and Settlements in Excess of \$10,000 in the Month of April 2024

**NOTICES OF VIOLATIONS ISSUED**

The following Notice(s) of Violation(s) were issued in April 2024:

<b>Alameda</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
Caliber Collision Center	A3871	Berkeley	A62614A	4/10/24	2-1-307	Permit Requirement/Condition Violation
Caliber Collision Center	A3871	Berkeley	A62614B	4/10/24	8-45-316	Motor Vehicle and Mobil Equipment Coating and Operations Violation
City of Alameda, Maint Serv Center	A3194	Alameda	A62616A	4/22/24	8-34-301.1	Landfill Violation
City of Alameda, Maint Serv Center	A3194	Alameda	A62617A	4/22/24	2-1-307	Permit Requirement/Condition Violation
City of Berkeley/Engr Div/Public Works	A3590	Berkeley	A61935A	4/15/24	8-34-301.1	Landfill Violation
City of Berkeley/Engr Div/Public Works	A3590	Berkeley	A61935B	4/15/24	10	Code of Federal Regulation Violation
City of Berkeley/Engr Div/Public Works	A3590	Berkeley	A62615A	4/15/24	8-34-301.1	Landfill Violation
City of Berkeley/Engr Div/Public Works	A3590	Berkeley	A62615B	4/15/24	10	Code of Federal Regulation Violation
Livermore Crematory	A2501	Livermore	A59767A	4/12/24	2-1-302	No Permit to Operate
Mohammed Dobashi	S757799	Oakland	A62662A	4/12/24	8-7-301.1	Gas Dispensing Facility Violation

Mohammed Dobashi	S757799	Oakland	A62662B	4/12/24	8-7-503.1	Gas Dispensing Facility Violation
Safety-Kleen of California, Inc	A1190	Newark	A63049A	4/12/24	8-18-302.1	Equipment Leak Violation
Safety-Kleen of California, Inc.	A1190	Newark	A63050A	4/12/24	8-18-304.1	Equipment Leak Violation
Safety-Kleen of California, Inc.	A1190	Newark	A63051A	4/12/24	8-18-302.1	Equipment Leak Violation
Safety-Kleen of California, Inc.	A1190	Newark	A63052A	4/12/24	8-18-302.1	Equipment Leak Violation
Tesla, Inc.	A1438	Fremont	A63053A	4/12/24	2-6-307	Title V Permit Requirement/Condition Violation
Tesla, Inc.	A1438	Fremont	A63054A	4/12/24	2-6-307	Title V Permit Requirement/Condition Violation
Tesla, Inc.	A1438	Fremont	A63055A	4/12/24	2-6-307	Title V Permit Requirement/Condition Violation

<b>Contra Costa</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
C & H Sugar Company, Inc	B1911	Crockett	A62568A	4/26/24	2-6-307	Title V Permit Requirement/Condition Violation
C & H Sugar Company, Inc	B1911	Crockett	A62568B	4/26/24	6-1-302	Visible Emissions Violation
Chevron Products Company	A0010	Richmond	A56298A	4/17/24	8-8-315	Wastewater Collection and Separation Systems Violation
Corteva Agriscience - Pittsburg Operations	A0031	Pittsburg	A60765A	4/16/24	2-6-307	Title V Permit Requirement/Condition Violation
Future Ford of Concord	C0352	Concord	A60697A	4/10/24	8-7-301.5	Gas Dispensing Facility Violation

Lucid Builders	S758207	Richmond	A62663A	4/23/24	11-2-303.8	Asbestos Violation
Martinez Refining Company LLC	A0011	Martinez	A57837A	4/12/24	8-5-328.1	Storage Tank Violation
Martinez Refining Company LLC	A0011	Martinez	A57838A	4/12/24	10	Code of Federal Regulation Violation
Martinez Refining Company LLC	A0011	Martinez	A57839A	4/12/24	8-5-328.3	Storage Tank Violation
Martinez Refining Company LLC	A0011	Martinez	A57840A	4/12/24	10	Code of Federal Regulation Violation
Martinez Refining Company LLC	A0011	Martinez	A57841A	4/24/24	8-5-303.2	Storage Tank Violation
Martinez Refining Company LLC	A0011	Martinez	A57842A	4/24/24	8-5-303.2	Storage Tank Violation
Martinez Refining Company LLC	A0011	Martinez	A58121A	4/22/24	5-301	Open Burn Violation
Martinez Refining Company LLC	A0011	Martinez	A58123A	4/29/24	8-5-307.1	Storage Tank Violation
Martinez Refining Company LLC	A0011	Martinez	A63159A	4/12/24	10	Code of Federal Regulation Violation
Martinez Refining Company LLC	A0011	Martinez	A63159B	4/12/24	1-523.3	Parametric Monitor Violation
R.V. Stich Construction, Inc.	S757583	Richmond	A62661A	4/9/24	11-2-401.5	Asbestos Violation

Ranjot Johal	S757797	Brentwood	A62105A	4/12/24	8-7-302.3	Gas Dispensing Facility Violation
Ranjot Johal	S757797	Brentwood	A62105B	4/12/24	8-7-301.5	Gas Dispensing Facility Violation
Tesoro Refining & Marketing Company, LLC	B2758	Martinez	A61958A	4/12/24	2-6-307	Title V Permit Requirement/Condition Violation
West Contra Costa County Landfill	A1840	Richmond	A62692A	4/12/24	2-6-307	Title V Permit Requirement/Condition Violation
West Contra Costa County Landfill	A1840	Richmond	A62693A	4/12/24	2-6-307	Title V Permit Requirement/Condition Violation

<b>Marin</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
Strawberry Chevron Carwash	C9692	Mill Valley	A62274A	4/18/24	8-7-302.5	Gas Dispensing Facility Violation
Strawberry Chevron Carwash	C9692	Mill Valley	A62274B	4/18/24	8-7-302:3	Gas Dispensing Facility Violation
Strawberry Chevron Carwash	C9692	Mill Valley	A62275A	4/18/24	8-7-302.1	Gas Dispensing Facility Violation
Strawberry Chevron Carwash	C9692	Mill Valley	A62276A	4/18/24	2-1-307	Permit Requirement/Condition Violation
Strawberry Chevron Carwash	C9692	Mill Valley	A62276B	4/18/24	8-7-407	Gas Dispensing Facility Violation

<b>Napa</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
Veterans' Home of California	A4446	Yountville	A62808A	4/12/24	2-1-307	Permit Requirement/Condition Violation
Veterans' Home of California	A4446	Yountville	A62809A	4/12/24	2-1-307	Permit Requirement/Condition Violation
Veterans' Home of California	A4446	Yountville	A62810A	4/12/24	2-1-307	Permit Requirement/Condition Violation

<b>San Francisco</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
Bedord Ready Mix	B2232	San Francisco	A60152A	4/12/24	8-7-302	Gas Dispensing Facility Violation

<b>San Mateo</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
City of Burlingame, Wastewater Treatment Plant	A1351	Burlingame	A60964A	4/15/24	2-1-301	No Authority to Construct and No Permit to Operate



<b>Santa Clara</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
Chevron USA #8122	C3409	Campbell	A63179A	4/17/24	8-7-301.5	Gas Dispensing Facility Violation
Chevron USA #8122	C3409	Campbell	A63179B	4/17/24	8-7-302.3	Gas Dispensing Facility Violation
Kaiser Permanente San Jose Medical Center	A3919	San Jose	A59801A	4/17/24	9-7-506	Boiler Emissions Violation
Rancho 76, Inc.	C8149	Los Altos	A62912A	4/12/24	8-7-301.6	Gas Dispensing Facility Violation
San Jose State University (Cogen Plant)	A7265	San Jose	A63328A	4/8/24	9-9-301	Turbine NOx or CO Violation

<b>Solano</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
Valero Refining Company - California	B2626	Benicia	A62807A	4/12/24	10	Code of Federal Regulation Violation
Valero Refining Company - California	B2626	Benicia	A62811A	4/12/24	2-6-307	Title V Permit Requirement/Condition Violation

<b>Sonoma</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
Northgate Ready Mix	E0297	Windsor	A62482A	4/25/24	2-1-301	No Authority to Construct and No Permit to Operate
Northgate Ready Mix	E0297	Windsor	A62482B	4/25/24	2-1-302	No Authority to Construct and No Permit to Operate

**SETTLEMENTS FOR \$10,000 OR MORE REACHED**

There was 1 settlement for \$10,000 or more completed in February 2024.

- 1) On February 12, 2024, the District reached settlement with Chevron Products Company for \$20,000,000 covering 678 Notices of Violation. Given the large number of Notices of Violations involved, they are not listed individually here. Additional information regarding this settlement is available at [www.baaqmd.gov/~media/files/communications-and-outreach/publications/news-releases/2024/021324\\_announcement.pdf?rev=91161901e1c349ea9e0f28172cd91c40](http://www.baaqmd.gov/~media/files/communications-and-outreach/publications/news-releases/2024/021324_announcement.pdf?rev=91161901e1c349ea9e0f28172cd91c40).

There were 4 settlements for \$10,000 or more completed in April 2024.

- 1) On April 3, 2024, the District reached settlement with City of Berkeley/Engr Div/Public Works for \$130,000, regarding the allegations contained in the following 7 Notices of Violations:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A58778A	8/9/2019	6/22/2019	8-34-304	Landfill Violation
A58778B	8/9/2019	6/22/2019	2-1-307	Permit Requirement/Condition Violation
A58778C	8/9/2019	6/22/2019	CCR	California Code of Regulation Violation
A58784A	11/22/2021	9/25/2021	CCR	California Code of Regulation Violation
A58784B	11/22/2021	9/25/2021	8-34-301.1	Landfill Violation
A58787A	12/2/2021	11/8/2021	8-34-301.1	Landfill Violation
A58787B	12/2/2021	11/8/2021	10	Code of Federal Regulation Violation
A58802A	6/6/2022	3/4/2022	8-34-301.1	Landfill Violation
A58802B	6/6/2022	3/4/2022	10	Code of Federal Regulation Violation
A58845A	8/6/2021	7/16/2021	2-1-307	Permit Requirement/Condition Violation
A58845B	8/6/2021	7/16/2021	8-34-304	Landfill Violation
A58845C	8/6/2021	7/16/2021	10	Code of Federal Regulation Violation
A58851A	10/12/2021	9/14/2020	2-1-307	Permit Requirement/Condition Violation
A61731A	6/6/2022	5/4/2022	8-34-301.1	Landfill Violation
A61731B	6/6/2022	5/4/2022	10	Code of Federal Regulation Violation

2) On April 5, 2024, the District reached settlement with Sierra Condos for \$50,000, regarding the allegations contained in the following 1 Notice of Violation:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A59824A	12/16/2022	11/2/2021	2-1-301	No Authority to Construct and No Permit to Operate
A59824B	12/16/2022	11/2/2021	2-1-302	No Authority to Construct and No Permit to Operate
A59824C	12/16/2022	11/2/2021	2-2-301	Best Available Control Technology Violation

3) On April 11, 2024, the District reached settlement with APCT, Inc for \$15,000, regarding the allegations contained in the following 1 Notice of Violation:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A61632A	6/24/2022	6/7/2021	2-1-301	No Authority to Construct and No Permit to Operate
A61632B	6/24/2022	6/7/2021	2-1-302	No Authority to Construct and No Permit to Operate

4) On April 26, 2024, the District reached settlement with Air Liquide Large Industries US LP for \$35,000, regarding the allegations contained in the following 3 Notices of Violations:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A58778A	8/9/2019	6/22/2019	8-34-304	Landfill Violation
A58778B	8/9/2019	6/22/2019	2-1-307	Permit Requirement/Condition Violation
A58778C	8/9/2019	6/22/2019	CCR	California Code of Regulation Violation

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute an Agreement with Alliant Insurance Services, Inc. for  
Insurance Broker Services

RECOMMENDED ACTION

Recommend the Board of Directors consider authorizing the Executive Officer/APCO to (1) execute an agreement with Alliant Insurance Services, Inc., to provide insurance broker services for the Air District and the Bay Area Clean Air Foundation for up to five years at the Air District’s discretion based on the contractor’s performance and available funds, for a total contract amount not to exceed \$398,185.19; (2) expend the necessary funds required to cover annual premiums for placing lines of insurance, which is a separate cost and is anticipated to be approximately \$1,000,000 for Fiscal Year Ending 2025. The premiums for subsequent fiscal years are dependent on market conditions, inflation, and coverage option chosen.

BACKGROUND

The Air District maintains various lines of insurance, such as general liability, property, and cyber liability, to protect against a variety of losses. The Air District currently purchases insurance through Alliant Insurance Services, Inc. (Alliant), who has served as the Air District’s insurance broker since as early as 2004. Alliant has worked closely with the Air District to secure broad insurance coverage that is more cost-effective than a public agency can negotiate on its own. While the Air District has had a satisfactory experience working with Alliant, the Air District issued a request for proposals (RFP) in November 2023 to solicit proposals to ensure that the Air District is getting the best value for insurance broker services.

DISCUSSION

The RFP issued sought proposals to service, underwrite, market, and place various lines of insurance for the Air District and its nonprofit organization, the Bay Area Clean Air Foundation. The Air District received three (3) proposals in response to the RFP from the following proposers: Alliant Insurance Services, Inc., Gold River, and WTW. The proposals were evaluated by a panel of Air District staff. During the evaluation process, Alliant received the highest total score (90.67 points out of 100).

<b>Vendor</b>	<b>Total Score</b>
Alliant Insurance Services, Inc.	90.67
WTW	74.67
Gold River	53.67

Alliant is a leading public entity-focused insurance brokerage firm and has a long history of providing insurance brokerage and risk consulting services to public entities throughout the United States. Alliant demonstrated an extensive understanding of the Air District’s insurance needs and is extremely familiar with the coverage requirements of the Air District.

Staff recommends entering into a three (3) year Broker Services Agreement with Alliant to provide insurance broker services to underwrite, market, and place various lines of insurance for the Air District and the Bay Area Clean Air Foundation, with the option to extend the agreement for two (2) additional one-year terms. Alliant will also provide claims administration services and provide ongoing, unbiased, professional advice and recommendations that benefit the Air District. This agreement will result in \$398,185.19 in expenditures over the life of the agreement. This amount does not include the premiums for placing lines of insurance, which is a separate cost and is anticipated to be approximately \$1,000,000 for Fiscal Year Ending 2025. The premiums for subsequent fiscal years are dependent on market conditions, inflation, and coverage option chosen. The Air District will report actual premium amounts in the quarterly financial report.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Contingent on the approval of the Fiscal Year Ending (FYE 2025) budget, funding for this agreement is included in the FYE 2025 budget.

Subsequent annual premiums expenditures will be budgeted appropriately in the ordinary course of the Air District’s annual budget process.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Maricela Martinez  
Reviewed by: Hyacinth Hinojosa

ATTACHMENTS:

1. Alliant Insurance 2024 Final

**BROKER SERVICES AGREEMENT**  
**between**  
**Alliant Insurance Services, Inc.**  
**and**  
**Bay Area Air Quality Management District**

**I. PARTIES.**

The PARTIES to this BROKER SERVICES AGREEMENT are Bay Area Air Quality Management District (CLIENT) and **Alliant Insurance Services, Inc.** (ALLIANT).

**II. AGREEMENT.**

In consideration of the payments and covenants specified in this AGREEMENT, ALLIANT shall perform the SERVICES described herein.

**III. DEFINITIONS.**

When used throughout this AGREEMENT, capitalized terms, whether in the singular or in the plural form, shall have the meanings ascribed to them at their first occurrence. In addition, the following terms, when capitalized, whether in the singular or in the plural form, shall have the meanings set forth below:

- A. ALLIANT** – Alliant Insurance Services, Inc.
- B. CLIENT** – Bay Area Air Quality Management District
- C. AGREEMENT** – This Broker Services Agreement, its addendums, exhibits, and/or attachments, and any written changes that are agreed upon by the PARTIES.
- D. COMPENSATION** – Remuneration paid to ALLIANT as consideration for its SERVICES performed under this AGREEMENT, which shall be in the form of either a FEE and/or COMMISSION.
- E. FEE** – Annual or interim remuneration paid by CLIENT directly to ALLIANT for SERVICES in connection with the categories or risk and insurance identified in **Addendum A** (does not include COMMISSION).
- F. COMMISSION** – Remuneration paid by CLIENT’S insurance carriers (or excess pools) directly to ALLIANT in connection with ALLIANT’S placement of insurance for CLIENT.
- G. PARTY** – CLIENT or ALLIANT.

- H. PROGRAM** – The categories of risk and insurance placed on behalf of CLIENT and SERVICES provided under the scope of this AGREEMENT and listed in **Addendum A**.
- I. SERVICES** – Any and all obligations of ALLIANT to be performed pursuant to Article IV of this AGREEMENT.
- J. CONFIDENTIAL INFORMATION** – Information considered by its owner to be confidential, proprietary and/or trade secret including, without limitation, client information, data, recommendations, proposals, reports and similar information, and work product.
- K. DISCLOSING PARTY** – The party disclosing CONFIDENTIAL INFORMATION under this AGREEMENT.
- L. RECIPIENT PARTY** – The party receiving CONFIDENTIAL INFORMATION under this AGREEMENT.
- M. KEY PERSONNEL** – Those individuals on the account service team, designated in the attached **Addendum B**, who are responsible for ALLIANT’S role provided for under the Section IV, SCOPE OF SERVICE.

#### **IV. SCOPE OF SERVICES.**

Upon CLIENT’S request, ALLIANT shall perform the following SERVICES for the categories of risk and insurance identified in the attached **Addendum A**:

- A.** Develop and recommend insurance and other risk financing or loss funding PROGRAMS, techniques, and methods.
- B.** Assist client in developing underwriting information. Structure offerings to insurers and secure, when reasonably available, a PROGRAM as desired by CLIENT with financially acceptable insurance companies, or other pooling programs providing the balance of coverage scope, cost, and services selected by the CLIENT.
- C.** Negotiate and review insurance wording for PROGRAM contracts to meet the specific needs of CLIENT.
- D.** Review marketing plan with CLIENT prior to approaching insurers on any PROGRAM.
- E.** Review insurance policies, binders, certificates, and other documents related to the PROGRAM for accuracy and obtain revisions in such documents when needed.
- F.** Monitor the PROGRAM to assure its continuing balance of coverage scope, cost, service, and stability.

- G.** Prepare written reports to CLIENT management to include:
- 1.** Reports as needed of pending rate, coverage, or renewal problems including significant changes in the financial status of major insurers, reinsurers, and other entities providing services for PROGRAM. At least ninety (90) days prior to PROGRAM anniversary, prepare a written report stating anticipated renewal terms and conditions, and other indications of market conditions, trends, and anticipated changes.
  - 2.** Not more than ninety (90) days after renewal, deliver a comprehensive annual summary report outlining the PROGRAM for use in the CLIENT'S annual report. Such report shall contain the following information:
    - (a)** Recapitulation of PROGRAM'S cost for current and preceding years.
    - (b)** Summary of coverages and other PROGRAM terms and conditions.
- H.** Provide additional broker services as agreed upon by the PARTIES.
- I.** ALLIANT'S goal is to procure insurance for CLIENT with underwriters possessing the financial strength to perform. To that end, ALLIANT regularly reviews publicly available information concerning an underwriter's financial condition. ALLIANT does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and CLIENT recognizes and agrees that ALLIANT maintains no responsibility for any loss or damage occasioned by reason of the financial failure or insolvency of any insurer. ALLIANT encourages CLIENT to review the publicly available information collected by ALLIANT to enable CLIENT to make the ultimate decision of accepting or rejecting a particular underwriter.
- J.** Deliver binders or other evidences of insurance after the placement of any insurance under the PROGRAM to be effective until such time as the policy or policies for the placement are received by CLIENT from the insurance carriers. Such binders shall be signed by an authorized agent or employee of the insurance carrier.
- K.** ALLIANT shall use best efforts to secure a correct policy or policies of any insurance under the PROGRAM.
- L.** ALLIANT shall not be responsible for the failure of CLIENT to make premium payments.



## V. COMPENSATION

- A. Annual FEE.** As compensation for the SERVICES, CLIENT shall pay to ALLIANT an annual not-to-exceed FEE as follows subject to a 3% inflationary increase annually. The FEE for the first year of this contract shall not exceed \$75,000. The FEE for the July 1, 2025 policy year shall not exceed \$77,250. The FEE for the July 1, 2026 policy year shall not exceed \$79,568. The FEE for the optional July 1, 2027 policy year shall not exceed \$81,955. The FEE for the optional July 1, 2028 policy year shall not exceed \$84,413. Any further mutually agreed extensions to this AGREEMENT shall include negotiation of the FEE prior to the expiration of the then current term. The cumulative fees for the first three years of this agreement shall not exceed \$231,818. The cumulative fees for the optional full five years of this agreement shall not exceed \$398,185.
- 1. Changes in SERVICES.** The FEE is subject to adjustment if CLIENT creates a new PROGRAM other than those listed in **Addendum A**, requests a change in SERVICES or if the CLIENT's size or organization changes to alter the time involved in the SERVICES. Tasks or functions that are not presently included in the SERVICES may be available on a "per service basis" for a separate fee. Any change in services will be brought through an amendment to this contract agreed to by both parties.
  - 2. Early Cancellation.** If this AGREEMENT is terminated or canceled mid-year, and within the first three hundred (300) days of the PROGRAM year, then the FEE shall be prorated with a minimum of fifty percent (50%) deemed earned. The FEE shall be deemed fully earned if termination occurs on or after three hundred one (301) days of the PROGRAM year. In the event of a mid-term termination of this AGREEMENT by either PARTY, all excess COMPENSATION will be paid to CLIENT within sixty (60) days of the date of termination. The intent of the Fee is to be tied to broker services, primarily around the preparation and placement of insurance scheduled to be renewed every July 1<sup>st</sup>.
  - 3. Payment.** The FEE shall be paid annually within thirty (30) days of the anniversary date of this AGREEMENT and, if necessary, adjusted thirty (30) days prior to the anniversary date.
  - 4. Fee Reduction.** When marketing and placing insurance under this AGREEMENT, ALLIANT will request all carriers to quote premiums net of commissions. The PARTIES acknowledge that when premiums are not rendered net of commissions, the premium total includes broker commissions, all of which is paid by CLIENT. In such case, the carrier will pass the commission portion of the premium to ALLIANT as compensation for its broker services. If any of CLIENT'S premiums include commissions and, as a result, ALLIANT receives

COMMISSIONS in addition to the FEE, ALLIANT shall reduce the FEE for the relevant period by the amount of COMMISSIONS it received that period so as to avoid overpayment by CLIENT (“REDUCED FEE”). Notwithstanding the above, the FEE shall not be reduced to an amount below zero. If CLIENT paid part or all of the FEE before ALLIANT received the COMMISSIONS, ALLIANT will return to CLIENT any amounts it paid over the REDUCED FEE. If COMMISSIONS exceed the FEE, ALLIANT will not return or give the excess amount to CLIENT.

- B. Commissions.** COMMISSIONS shall be collected as agreed by both PARTIES in writing.
- C. Revenue from Pool or JPA membership.** Revenue Alliant may receive for placing reinsurance or excess insurance for a pool or a joint power authority shall not be considered compensation paid by the CLIENT when the CLIENT participates in a pool or joint power authority placement.
- D. Disclosures.**
  - 1. Exclusions.** COMMISSIONS for Notary and Fidelity Bonds, and are not included in the annual FEE or COMPENSATION.
  - 2. Transparency and Disclosure.** During the time of this AGREEMENT, ALLIANT will, upon request, disclose COMMISSIONS received by ALLIANT, where possible, in connection with any insurance placements on behalf of CLIENT under ALLIANT’S “Transparency and Disclosure” policy, a copy of which is made available upon request. Pursuant to its policy, ALLIANT will conduct business in conformance with all applicable insurance regulations and in advancement of the best interests of its clients. In addition, ALLIANT’S conflict of interest policy precludes it from accepting any form of broker incentives that would result in business being placed with carriers in conflict with the interests of ALLIANT’S clients.
  - 3. Other Alliant Services.**
    - (a) Alliant Specialty Insurance Services (ASIS).** In addition to the COMPENSATION that ALLIANT receives, its related entity, Alliant Specialty Insurance Services (ASIS) and its underwriting operations, Alliant Underwriting Services (AUS), may receive compensation from ALLIANT and/or carriers for providing underwriting services. The financial impact of the compensation received by ASIS is a cost included in the premium. Compensation received by ASIS will be disclosed in writing to CLIENT and is agreed to by CLIENT as part of the premium. CLIENT further acknowledges that ALLIANT and ASIS maintain an arm’s length

relationship. CLIENT understands that while ALLIANT represents CLIENT as an individual entity, ASIS independently administers its program as a whole and not on behalf of any particular member.

**(b) Alliant Business Services (ABS).** Additionally, ALLIANT'S internal operating group, Alliant Business Services (ABS), may receive compensation from ALLIANT and/or carriers for providing designated, value-added services. Services contracted for by the CLIENT directly will be invoiced accordingly. Otherwise, services will be provided at the expense of ALLIANT and/or the carrier.

## **VI. TAXES & FEES, THIRD PARTY BROKERS AND INDIRECT INCOME.**

- A. Surplus Lines Fees and Taxes.** In certain circumstances, placement of insurance services made by ALLIANT on behalf of CLIENT, with the prior approval of CLIENT, may require the payment of surplus lines assessments, taxes, and/or fees to state regulators, boards, and associations. Such assessments, taxes, and/or fees will be charged to CLIENT and identified separately on invoices covering these placements. CLIENT shall be responsible for all such assessments, taxes, and fees, whether or not separately invoiced. ALLIANT shall not be responsible for the payment of any such fees, taxes, or assessments, except to the extent such fees, taxes or assessments have already been collected from CLIENT.
- B. Third Party Brokers.** ALLIANT may determine from time to time that it is necessary or appropriate to utilize the services of third party brokers (such as surplus lines brokers, underwriting managers, London market brokers, and reinsurance brokers) to assist in marketing the CLIENT insurance PROGRAM. Subject to the provisions herein, these third party brokers may be affiliates of ALLIANT (e.g., other companies of ALLIANT that provide services other than those included within the SCOPE OF SERVICES of this AGREEMENT), or may be unrelated third party brokers. Compensation to such third party brokers will not be part of ALLIANT'S FEE.

- C. Indirect Income.** “INDIRECT INCOME” means insurance carrier contingency arrangements. ALLIANT will accept these compensation incentives from insurers, if any, including contingent commissions, market service agreements (MSA), volume-based commission incentives and rebates on business placed on behalf of CLIENT within the SCOPE OF SERVICES of this AGREEMENT. The parties acknowledge that ALLIANT producers who solicit, negotiate, or place insurance products, or services for clients, including CLIENT, do not negotiate indirect income agreements with the carriers, nor do they receive any portion of the indirect income paid to ALLIANT. Nonetheless, the client may opt-out of having its premiums included in the calculation of indirect income by accessing the “opt-out” form from the link on Alliant’s website: <http://www.alliant.com/Legal-Notices/Pages/Disclosure-Policy.aspx>. The “opt out” provision applies only to those accounts served directly by ALLIANT as a retail agent or broker. It does not apply to account placements for which ALLIANT’s role is that of a wholesaler, MGA, or program administrator working with non-ALLIANT brokers who represent the client. The parties acknowledge that indirect income, if any, is determined by insurance carriers, and if the CLIENT does not opt-out, it remains the carriers’ exclusive decision to include or exclude certain premiums in any calculation. The availability of information regarding the make-up of any indirect income payment is at the carrier’s discretion.
- D. Premium Financing.** Upon CLIENT’S request, ALLIANT may provide CLIENT with assistance in obtaining a premium finance agreement with third party financing company. In some cases, the financing company may pay ALLIANT a fee for the placements facilitated by ALLIANT.

## VII. PERSONNEL.

ALLIANT agrees KEY PERSONNEL as listed in **Addendum B** will be responsible for performance of the SERVICES described herein. Should such personnel become unavailable to perform SERVICES for CLIENT, ALLIANT agrees to replace, as soon as practicable, such personnel with individual(s) of comparable skills and experience as determined by ALLIANT’S evaluation and subject to CLIENT’S right of reasonable refusal.

## VIII. INSURANCE REQUIREMENTS.

- A. Coverage and Limits.** During the term of this AGREEMENT, ALLIANT shall maintain the following insurance coverage and limits or the equivalent self-insurance coverage that can be met through a combination of primary and excess policies:
1. Professional Liability insurance with minimum limits of \$5 million per claim providing coverage for any errors and omissions that ALLIANT or its agents may make resulting in financial loss to CLIENT;

2. Commercial General and Automobile Liability insurance with minimum limits of at least \$1 million combined single limit per occurrence and \$5 million in the aggregate for bodily injury and property damage.
  3. Workers' Compensation coverage in compliance with applicable law, and Employers' Liability insurance in the amount of at least \$1 million per accident or aggregate.
- B. Carrier Rating.** All insurance carriers providing the coverages required by this section shall have a financial rating of at least an VII A- published A.M. Best, or an equivalent financial rating firm. Published reports will be used to confirm the insurance carriers' rating, unless ALLIANT has obtained the CLIENT'S written acknowledgment that an insurance carrier with a lower financial rating is permitted.
- C. Certificates of Insurance/Endorsements.** Upon request, ALLIANT shall also provide to CLIENT certificates of insurance and copies of applicable endorsements evidencing the above coverages and limits, and will maintain these coverages during the term of this AGREEMENT.
- D. Ongoing Obligation.** The failure of ALLIANT to procure and maintain the required insurance does not negate its obligation under this AGREEMENT to do so.

## **IX. OBLIGATIONS OF CLIENT.**

CLIENT will cooperate with ALLIANT in the performance of ALLIANT'S duties by providing complete and accurate information as to CLIENT'S loss experience, risk exposures, and any other pertinent information that ALLIANT requests. CLIENT shall promptly review coverage documents concerning the PROGRAMS delivered by ALLIANT for consistency with CLIENT'S specifications. In addition, CLIENT shall have the responsibility to keep record of and immediately report significant changes in exposures, loss-related data, and/or any other material changes to ALLIANT. This reporting must be memorialized in writing and delivered to ALLIANT in accordance with the notice provisions below. CLIENT instructs ALLIANT to process information provided hereunder for the purpose of performing insurance consulting and services for its PROGRAMS and in accordance with Addendum C.

## **X. CONFIDENTIALITY.**

- A. Confidential Information.** The services and work product exchanged by the PARTIES under this AGREEMENT are to be used exclusively to carry out the terms, conditions, and purposes set forth herein. The PARTIES acknowledge that during the term of this AGREEMENT, they may each exchange CONFIDENTIAL INFORMATION. Except as otherwise

provided herein or as required by applicable law, the PARTIES understand and agree that they will not distribute, use, or rely upon CONFIDENTIAL INFORMATION received from the other without the permission of the DISCLOSING PARTY.

- 1. Ownership.** Except as otherwise provided in this AGREEMENT, CONFIDENTIAL INFORMATION is and remains the absolute and exclusive property of the DISCLOSING PARTY and/or its affiliates, and is its unique and variable asset. Unless otherwise authorized by this AGREEMENT, no copies of CONFIDENTIAL INFORMATION shall be made without the written permission of the DISCLOSING PARTY. The PARTIES agree that, except as otherwise provided herein, they will not directly or indirectly communicate, divulge, or otherwise disclose any of the other's CONFIDENTIAL INFORMATION to any unauthorized person, firm, or corporation, and shall prevent, to the best of their ability, the unauthorized disclosure of such CONFIDENTIAL INFORMATION to others.
  - 2. Exclusions.** The following types of information shall not be considered confidential:
    - (a)** Information in the public domain or that becomes a part of the public domain, other than as a result of a breach of the confidentiality provisions of this AGREEMENT;
    - (b)** Information that is independently developed by either PARTY as demonstrated by the PARTY'S records;
    - (c)** Any item or data forming part of the CONFIDENTIAL INFORMATION that is lawfully known by the RECIPIENT PARTY, without any obligation of confidentiality or other restriction on use or disclosure, prior to the provision of such information by DISCLOSING PARTY; or
    - (d)** Information that is disclosed by a third party whom the RECIPIENT PARTY has no reason to believe has any confidentiality or fiduciary obligation to the owner of such information.
- B. Legal Process of Compulsion.** Either PARTY is entitled to release CONFIDENTIAL INFORMATION as required to prosecute or defend any claim under this AGREEMENT; provided however, that the PARTY seeking to enforce this AGREEMENT shall take all reasonable steps necessary to avoid disclosing CONFIDENTIAL INFORMATION, including filing documents and papers under seal. A RECIPIENT PARTY may disclose CONFIDENTIAL INFORMATION pursuant to a valid order of a court or governmental agency with proper jurisdiction, or if such disclosure is required by law or regulation provided that the information is

disclosed only to the minimum extent necessary, and provided that, to the extent allowed by law, the releasing PARTY shall give DISCLOSING PARTY sufficient advance notice so that it may seek a protective order or employ other lawful means to avoid or limit disclosure.

- C. Reasonable Efforts.** The PARTIES agree to employ reasonable and customary business practices to protect and secure CONFIDENTIAL INFORMATION from unauthorized release or distribution and to limit access and usage of such information to those employees, officers, agents, and representatives (collective, "REPRESENTATIVES") who have a legitimate need to know in order to provide the products and SERVICES under this AGREEMENT. The PARTIES further agree that those employees, officers, agents, and representatives who are privy to CONFIDENTIAL INFORMATION shall be informed about the confidential nature of the information and required to maintain its confidentiality as provided under this AGREEMENT. The RECIPIENT PARTY shall remain liable for any breach of this AGREEMENT by any of its REPRESENTATIVES.
- D. Return of Confidential Information.** Upon termination of this Agreement, or earlier upon the DISCLOSING PARTY's request, the RECIPIENT PARTY shall promptly return all of DISCLOSING PARTY's Confidential Information, including all copies, that was received in a non-electronic form, and shall destroy all information received electronically. Upon termination of this Agreement, a RECIPIENT PARTY shall promptly return all of DISCLOSING PARTY's Confidential Information, including all copies, that was received in a non-electronic form, and will destroy all information received electronically. Notwithstanding anything to the contrary herein, and subject to the confidentiality obligations herein, a RECIPIENT PARTY may retain on a confidential basis copies of DISCLOSING PARTY's Confidential Information in order to comply with legal or regulatory requirements, as well as any and all (A) emails and any attachments contained in such emails, and (B) any electronic files, each of which are automatically saved pursuant to legal or regulatory requirements.
- E. Survival.** The PARTIES agree that the obligations contained in this section shall survive the termination of this AGREEMENT, for a period of two (2) years, or longer to the extent required by law. Nothing in this section limits or otherwise diminishes the protections afforded to trade secret information or otherwise conferred by applicable law.

## **XI. DISASTER RECOVERY; CONTINUITY.**

ALLIANT agrees that it has a disaster recovery plan in place that is intended to secure, and if necessary, restore information adversely affected by a security breach, force majeure or natural disaster. In addition, ALLIANT will make commercially reasonable efforts to ensure that, at all times, it has a sufficient

number of trained personnel on hand to meet its obligations under this AGREEMENT including in the event of a force majeure, natural disaster, or pandemic.

## **XII. ETHICS AND CONFLICT OF INTEREST STATEMENT.**

ALLIANT shall conduct its business so as to fulfill all legal and ethical requirements, and standards of the industry and the applicable state(s) in which SERVICES are rendered, and shall place the best interests of CLIENT ahead of any other concerns in the placement of insurance services and products. To this end, ALLIANT:

- A.** Will adhere to its ethical obligations to CLIENT to deliver honest, competitive, and meaningful service and advice on the placement of any insurance products, services, or coverages, and to provide access to an open, fair, and competitive insurance market place;
- B.** Will exercise due diligence in making a full and complete disclosure of all quotes and declinations from all markets contacted for each specific line of coverage, including the date and time of contact and the name, address, phone number and, to the extent available, email address of the individual contact for each market;
- C.** Will make every good faith attempt to avoid even the appearance of a conflict of interest between ALLIANT, CLIENT, and any provider of any insurance product or service, and will promptly notify CLIENT of any real or potential conflict of interest;
- D.** Agrees to provide to CLIENT a copy of ALLIANT'S own Ethics Statement or Code, or ALLIANT'S Compliance Statement, or to make such statements available on ALLIANT'S website; and
- E.** Will request that all insurance carriers show any commission rates on their insurance policies and will otherwise ensure those rates are known to CLIENT.

## **XIII. TERM.**

The term of this AGREEMENT shall be effective from 6/1/2024 and ending 12:01 a.m. 6/1/2027 (i.e., three years), unless cancelled pursuant to termination provisions set forth herein. CLIENT shall have an option to extend this AGREEMENT for two additional one-year periods, exercisable by CLIENT by notifying ALLIANT of such extension ninety (90) days prior to the anniversary date. This AGREEMENT shall have an anniversary date each July 1st for the purpose of reviewing COMPENSATION and optional extensions.



#### **XIV. TERMINATION.**

This AGREEMENT may be cancelled by either PARTY any time upon ninety (90) days' advance written notice delivered or mailed to the other PARTY in accordance with the notice provisions set forth herein. In the event of termination or expiration of this AGREEMENT, ALLIANT will provide CLIENT with reasonable assistance in arranging a smooth transition to another broker. Except for this transition assistance, ALLIANT'S obligation to provide SERVICES to CLIENT will cease at 12:01 a.m. upon the effective date of termination or expiration.

#### **XV. NONASSIGNABLE.**

This AGREEMENT is binding upon the PARTIES hereto and their respective successors by merger, sale, consolidation, or reorganization. This AGREEMENT may not be assigned or delegated without prior written consent of the other PARTY, except that consent shall not be required in the case of a merger, consolidation, or sale of substantially all of a PARTY's assets.

#### **XVI. MATERIAL CHANGE.**

In the event that CLIENT operations change substantially by merger, acquisition, expansion, or other material change, thus changing the scope and nature of exposures, losses, and/or insurance program(s), the PARTIES will negotiate in good faith to revise this AGREEMENT'S compensation arrangement as appropriate. It is agreed and understood that a material change shall include a change in existing coverage or limits, and/or lines of coverage.

#### **XVII. RELATIONSHIP OF THE PARTIES.**

At all times and for all purposes, the relationship between the PARTIES is intended to be that of independent contractors and there is no intent to create a joint venture relationship, and any person representing ALLIANT, shall be an independent contractor to CLIENT, and the AGREEMENT shall not in any way be construed as a contract of employment between CLIENT and ALLIANT'S agents. In addition, the PARTIES agree that, except as otherwise provided herein, CLIENT shall not be obligated for any expense incurred by ALLIANT in rendering SERVICES, or by engaging in any other transaction or conduct arising out of this AGREEMENT.

**XVIII. OWNERSHIP OF BOOKS AND RECORDS.**

The PARTIES shall each maintain normal business records related to all business generated under this AGREEMENT. Upon reasonable request, and subject to the confidentiality provisions set forth herein, the PARTIES may each obtain from the other copies of all policyholder documents, including but not limited to policies, binders, certificates, endorsements, underwriting submissions/applications, and loss data in the other’s possession, custody, or control with respect to all business generated under this AGREEMENT.

**XIX. INDEMNIFICATION.**

- A. ALLIANT shall indemnify and hold CLIENT, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fees, or claims for injury or damages arising out of the performance of this AGREEMENT, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of ALLIANT, its officers, agents, or employees.
- B. CLIENT shall indemnify and hold ALLIANT, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fee, or claims for injury or damages arising out of the performance of this AGREEMENT, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of CLIENT, its officers, agents, or employees.

**XX. NOTICE.**

All notices, requests, and other communications given under this AGREEMENT, shall be in writing and deemed duly given: (a) when delivered personally to the recipient; (b) one (1) business day after being sent to the recipient by reputable overnight courier service (charges prepaid); (c) five (5) business days after being sent by U.S. certified mail (charges prepaid); or (d) one (1) business day after being sent to the recipient by fax or email transmission. Except as otherwise provided herein, all notices, requests or communications under this AGREEMENT shall be addressed to the intended recipient as set forth below:

To CLIENT:  
Erica Flahan, Procurement Manager

To ALLIANT:  
Brian White

with a copy to:

Bay Area Air Quality Management District  
Attn: Business Office  
375 Beale Street, Suite 600  
San Francisco, CA 94105

Alliant Insurance Services, Inc.  
Attn: General Counsel  
701 B Street, 6th Floor  
San Diego, CA 92101

## **XXI. WAIVER.**

No provision of this AGREEMENT shall be considered waived, unless such waiver is in writing and signed by the PARTY that benefits from the enforcement of such provision. No waiver of any provision in this AGREEMENT, however, shall be deemed a waiver of a subsequent breach of such provision or a waiver of a similar provision. In addition, a waiver of any breach or a failure to enforce any term or condition of this AGREEMENT shall not in any way affect, limit, or waive a PARTY'S right under this AGREEMENT at any time to enforce strict compliance thereafter with every term and condition of this AGREEMENT.

## **XXII. ENTIRE AGREEMENT MODIFICATION.**

This AGREEMENT contains the entire agreement between the PARTIES and supersedes and replaces all previous agreements or contracts on the subject matter described herein. The AGREEMENT may be modified only by a written amendment signed by authorized representatives of both PARTIES.

## **XXIII. SEVERABILITY.**

If any term, covenant, condition, or provision of this AGREEMENT is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

## **XXIV. APPLICABLE LAW.**

This AGREEMENT has been executed and delivered in the State of California, and the validity, enforceability, and interpretation of any of its provisions shall be determined and governed by the applicable laws of this state, without regard to any conflict of law provisions. Each PARTY irrevocably consents to the exclusive jurisdiction of the state and federal courts in San Francisco, CA, in any action, suit, or proceeding arising out of or relating to this AGREEMENT.

## **XXV. DISPUTE RESOLUTION.**

Any dispute arising under the terms of this AGREEMENT that is not resolved within a reasonable period of time by authorized representatives of the PARTIES shall be brought to the attention of the Chief Executive Officer (or designated representative) of ALLIANT and the Chair (or designee) of the CLIENT for joint resolution. At the request of either PARTY, the CLIENT shall provide a forum for discussion of the disputed item(s). If resolution of the dispute through these means is pursued without success the PARTIES must first seek mediation to resolve the dispute in accordance with the provisions set forth below:

- A. Upon receipt of a notice of breach of contract, the PARTY may submit a demand for mediation to resolve whether or not a breach occurred. The PARTY must state the basis of the dispute and deliver the demand within ten (10) business days of the date of receipt of the notice of breach.
- B. The mediation shall take place at CLIENT's office at 375 Beale Street, Suite 600, San Francisco, CA, or at such other place as may be mutually agreed upon by the PARTIES and the mediator.
- C. The PARTIES shall make good faith efforts to hold the mediation within thirty (30) days after receipt of the demand for mediation.
- D. Each PARTY shall bear its own mediation costs.
- E. In the event the PARTIES are unable to resolve the dispute, either PARTY may file an action in a court of competent jurisdiction to enforce the AGREEMENT. In any such action in court arising out of or under the terms of this AGREEMENT, the prevailing PARTY shall be entitled to recover its legal fees and costs from the other PARTY to the extent allowed by applicable law.
- F. Except for: (i) a PARTY'S indemnity obligations; (ii) willful/gross negligence; (iii) fraud; (iv) breach of confidentiality; and bodily injury or damage to tangible property; maximum recovery under this section shall be limited to Four Hundred Thousand Dollars (\$400,000.00). The mediation costs shall not reduce the maximum amount recoverable under this section. Despite an unresolved dispute, ALLIANT shall continue without delay to perform its responsibilities under this AGREEMENT. ALLIANT shall keep accurate records of its SERVICES in order to document the extent of its SERVICES under this AGREEMENT.

## **XXVI. HEADINGS AND CONSTRUCTION.**

The PARTIES agree that the headings and sections of this AGREEMENT are used for convenience only and shall not be used to interpret the provisions herein. The PARTIES also agree that the terms of this AGREEMENT were jointly negotiated and each has had an opportunity to review and discuss each provision with legal counsel, to the extent desired. Therefore, the normal rule of construction that construes any ambiguities against the drafting party shall not be employed in the interpretation of this AGREEMENT.

**SO AGREED.**

Bay Area Air Quality Management District ALLIANT INSURANCE SERVICES, INC.

By: \_\_\_\_\_ By: \_\_\_\_\_

Title: \_\_\_\_\_ Title: \_\_\_\_\_

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## **ADDENDUM A**

ALLIANT agrees to provide SERVICES for the following PROGRAMS of CLIENT:

1. Property
2. Boiler & Machinery
3. Difference in Conditions
4. General Liability
5. Automobile Liability
6. Cyber Liability
7. Pollution Liability
8. Automobile Physical Damage
9. Crime/Employee Dishonesty/Fidelity
10. Excess Workers' Compensation
11. Excess Employment Practices Liability

For additional compensation, CLIENT may obtain SERVICES from ALLIANT for programs not listed in this Addendum A. The terms, including without limitation compensation, for ALLIANT's provision of SERVICES for additional programs must be mutually agreed to in writing by the PARTIES.

DRAFT

## **ADDENDUM B**

*Team Coordinator*

\* Brian White

*Account Manager*

Thomas Joyce

*Marketing and Risk Management Specialists*

Brian White

Sheryl Fitzgerald

Thomas Joyce

*Claims Services:*

Elaine Tizon

Rachel Wrightson

Robert Frey

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## ADDENDUM C

### Data Processing Agreement

#### Data Processing Addendum

This Data Processing Addendum (together with the Exhibit, Attachment and Appendices, the “**Addendum**” or “**DPA**”) forms part of the Agreement, including all attachments, exhibits, and appendices (“**Agreement**”) entered into between **Bay Area Air Quality Management District** (“**Customer**”) and Alliant Insurance Services, Inc. (“**Alliant**” or “**Service Provider**”). This Addendum reflects the Parties’ agreement with regard to Service Provider’s Processing of Personal Data (defined below) in connection with providing Services described in the Agreement. In the event of a conflict, the terms and conditions of this Addendum will prevail. Capitalized terms shall have the meaning given them in the Agreement, in this DPA, and in the Data Protection Laws, as applicable.

Customer and Service Provider agree as follows:

1. **DEFINITIONS.** The following terms, including any derivatives thereof, will have the meanings set forth below.
  - 1.1. “**Data Protection Laws**” means any laws that apply to the Processing of data by Service Provider under the Agreement.
  - 1.2. “**Data Subject**” means any living identified or identifiable natural person to which Personal Data relates or identifies.
  - 1.3. “**Data Subject Request**” means a request to access, correct, amend, transfer, rectify, restrict, limit use, opt out of sale or sharing or other processing, or delete a Data Subject’s Personal Data consistent with that person’s rights under Data Protection Laws.
  - 1.4. “**De-Identified Data**” means information that cannot reasonably be used to infer information about, or otherwise be linked to, a particular consumer, provided that the business that possesses the information:
    - 1.4.1. Takes reasonable measures to ensure that the information cannot be associated with a Data Subject or household;
    - 1.4.2. Publicly commits to maintain and use the information in deidentified form and not to attempt to reidentify the information, except that the business may attempt to reidentify the information solely for the purpose of determining whether its deidentification processes satisfy the requirements of this definition; and
    - 1.4.3. Contractually obligates any recipients of the information to comply with all of the requirements of this definition.
  - 1.5. “**Personal Data**,” “**Personal Information**,” means Customer information Processed by Service Provider under the Agreement that is linked, reasonably linkable, or relates to an identified or identifiable natural person. Both Personal Data and Personal Information are referred to in this Addendum as “Personal Data.”
  - 1.6. “**Process**” or “**Processing**” means any operation or set of operations performed on Personal Data, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, modification, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, sale, analysis, alignment or combination, restriction, erasure or destruction.
  - 1.7. “**Sell**” has the meaning as set forth in the Data Protection Laws.
  - 1.8. “**Service Provider**” means Alliant Insurance Services, Inc., including its affiliates and subsidiaries.
  - 1.9. “**Services**” will have the same meaning provided under the Agreement.



1.10. **“Share”** has the meaning as set forth in the Data Protection Laws.

1.11. **“Subprocessor”** means a subcontractor engaged by Service Provider or its affiliates to Process Customer Personal Data as part of the performance of the Services.

## 2. PROCESSING OF PERSONAL DATA

2.1. **Processing of Personal Data.** Service Provider will only Process (including but not limited to Sale, Sharing, or Disclosure) Customer Personal Data for the purposes of providing the Services specified in the Agreement.

2.1.1. Service Provider will not Sell or Share Customer Personal Data, nor will it retain, use, or disclose Customer Personal Data for any purpose other than for the specific business purpose of performing the Services specified in the Agreement. Service Provider will not Process Customer Personal Data outside the direct business relationship between Customer and Service Provider, including retaining, using, or disclosing Customer Personal Data for a commercial purpose other than providing the Services specified in the Agreement or as required by law.

2.1.2. The details of the Processing of Personal Data pursuant to the Agreement are set forth in Exhibit A to this DPA.

2.1.3. Service Provider shall not combine Customer Personal Data received from Customer with any other information Service Provider receives from or on behalf of another person or business or which it collects from its own interactions with Data Subjects.

2.1.4. Service Provider shall Process Personal Data under the Agreement in compliance with Data Protection Laws, including providing the same level of privacy protection required by Data Protection Laws. Service Provider will notify Customer if Service Provider determines it or its Subprocessor(s) cannot meet its obligations under the Data Protection Laws, in which case Customer may, upon thirty (30) days' notice, take reasonable and appropriate steps to stop and remediate unauthorized Processing of Personal Data.

2.2. **Data Subject Requests.** Service Provider shall inform Customer if it receives a request from a Data Subject to exercise their rights under Data Protection Laws. Service Provider will provide such assistance, including taking any appropriate technical and organizational measures, as Customer requests to help Customer fulfill its obligations under Data Protection Laws to respond to Data Subject Requests.

2.3. **Disclosure.** Service Provider shall inform its personnel engaged in the Processing of Customer Personal Data of the confidential nature of the Customer Personal Data and ensure that they are subject to binding confidentiality obligations.

2.4. **Confidentiality.** Service Provider will ensure that all employees are subject to binding confidentiality obligations.

2.5. **De-identified Data.** Service Provider shall be responsible for its compliance with all laws regarding data that cannot reasonably identify, be related to, describe, be capable of being associated with or be linked directly or indirectly to a Data Subject.

2.5.1. To the extent Service Provider Processes De-Identified Data under the Agreement, Service Provider:

2.5.1.1. Will not attempt to associate De-Identified Data with an individual;

2.5.1.2. Will not attempt to re-identify De-Identified Data;

2.5.1.3. Will maintain and use De-Identified Data only in a de-identified fashion; and

2.5.1.4. Will not use De-Identified Data to infer information about, or otherwise link to, an identified or identifiable individual or a device linked to such an individual.

3. **AUDITS.** Customer may audit Service Provider's compliance with its obligations under this DPA and Data Protection Laws, including but not limited to ongoing manual reviews, automated scans, regular assessments, audits, or other technical and operational testing at least once every 12 months.
4. **SECURITY MEASURES.** Service Provider shall, in relation to the Customer Personal Data, implement appropriate technical and organizational measures to ensure a level of security appropriate to the risk.
5. **SUBPROCESSORS.** Service Provider will ensure that any Subprocessor that has access to Customer Personal Data enters into a written agreement obligating the Subprocessor to comply with terms that are at least as restrictive as those imposed on Service Provider under the Data Protection Laws.
6. **ADDITIONAL COMPLIANCE PROVISIONS**
  - 6.1. The Parties each represent and warrant to each other that they have read and understand the requirements of all applicable Data Protection Laws, and will be responsible for their own compliance with them.
    - 6.1.1. Customer shall have the right to take reasonable and appropriate steps to ensure that the Service Provider is using Customer Personal Data in a manner consistent with Service Provider's obligations under this DPA and Data Protection Laws.
    - 6.1.2. Each Party agrees that it is responsible for its own compliance with the requirements of the applicable Data Protection Laws
    - 6.1.3. The Parties agree that where Service Provider processes Personal Data, it functions as a Service Provider and a Processor under the Data Protection Laws.
    - 6.1.4. The disclosure of Customer Personal Data to Service Provider does not constitute a Sale or Sharing under the Data Protection Laws. Notwithstanding anything in the Agreement, the Parties acknowledge and agree that Customer's provision of access to Personal Data is not part of and is explicitly excluded from the exchange of consideration or any other thing of value between the Parties.
7. **CERTIFICATION.** By signing this DPA, Service Provider certifies that it understands the restrictions herein and will comply with them.

**Signature Page  
Data Processing Addendum**

Acceptance of this Agreement is indicated by signature of the parties below.

**Bay Area Air Quality Management District**

**Alliant Insurance Services, Inc.**

By:

By:

Print Name:

Print Name: Brian White

Title:

Title: Senior Vice President

Date:

Date:

DRAFT

**EXHIBIT A – Details of Data Processing**

The details of the Processing to be carried out under the Agreement are as follows:

Nature and Purpose of Processing	As set forth in the Agreement		
Types of Personal Data Processed	<input type="checkbox"/> Abilities/aptitudes <input checked="" type="checkbox"/> Address <input type="checkbox"/> Attitudes <input checked="" type="checkbox"/> Background checks <input type="checkbox"/> Bank account number <input type="checkbox"/> Bank routing number <input checked="" type="checkbox"/> Beneficiary information <input checked="" type="checkbox"/> Beneficiary number <input type="checkbox"/> Blood pressure <input checked="" type="checkbox"/> CCTV footage <input type="checkbox"/> Citizenship Status <input checked="" type="checkbox"/> Compensation information <input type="checkbox"/> Credit history <input checked="" type="checkbox"/> Criminal history <input checked="" type="checkbox"/> Date of birth <input type="checkbox"/> Dates of health service <input checked="" type="checkbox"/> Diagnosis <input checked="" type="checkbox"/> Disability <input checked="" type="checkbox"/> Disease/disorder <input checked="" type="checkbox"/> Driver's license number <input checked="" type="checkbox"/> Education history information <input type="checkbox"/> Education records (e.g., transcript) <input checked="" type="checkbox"/> Email address <input checked="" type="checkbox"/> Employee ID <input checked="" type="checkbox"/> Employment history <input type="checkbox"/> Eye color <input type="checkbox"/> Facial images <input checked="" type="checkbox"/> Financial records <input type="checkbox"/> Other:	<input type="checkbox"/> Finger or handprint <input checked="" type="checkbox"/> Gender/Gender Identity <input type="checkbox"/> Genetic information <input checked="" type="checkbox"/> Govt-issued ID number <input checked="" type="checkbox"/> Handicapped status <input checked="" type="checkbox"/> Health records <input checked="" type="checkbox"/> Health status <input checked="" type="checkbox"/> Health symptoms <input checked="" type="checkbox"/> Health treatments <input checked="" type="checkbox"/> Height <input type="checkbox"/> Immigration/VISA <input checked="" type="checkbox"/> Insurance information <input checked="" type="checkbox"/> Insurance policy numbers <input type="checkbox"/> Intelligence <input type="checkbox"/> Iris/retina scan <input type="checkbox"/> Keystroke patterns <input checked="" type="checkbox"/> Marital status <input checked="" type="checkbox"/> Medical claim history <input checked="" type="checkbox"/> Medical conditions <input checked="" type="checkbox"/> Medical device identifiers <input checked="" type="checkbox"/> Medical photo images/X-Rays <input checked="" type="checkbox"/> Medical record number <input checked="" type="checkbox"/> Medical test results <input checked="" type="checkbox"/> Medication <input checked="" type="checkbox"/> Mental health <input checked="" type="checkbox"/> Name <input checked="" type="checkbox"/> National ID Card Number <input checked="" type="checkbox"/> National origin/race/ethnicity <input checked="" type="checkbox"/> Partial Social Security number	<input type="checkbox"/> Passport number <input checked="" type="checkbox"/> Payment card number <input checked="" type="checkbox"/> Performance Evaluations <input checked="" type="checkbox"/> Philosophical beliefs <input checked="" type="checkbox"/> Political party <input checked="" type="checkbox"/> Preferences, Trends, Predispositions <input checked="" type="checkbox"/> Professional licenses <input checked="" type="checkbox"/> Purchase/Service history <input checked="" type="checkbox"/> Religion <input checked="" type="checkbox"/> Resume <input checked="" type="checkbox"/> Signature <input checked="" type="checkbox"/> Sleep patterns <input checked="" type="checkbox"/> Social Insurance Number <input checked="" type="checkbox"/> Social Security number <input checked="" type="checkbox"/> State ID <input type="checkbox"/> Subscriber number <input type="checkbox"/> Survey responses <input type="checkbox"/> Tax information <input checked="" type="checkbox"/> Telephone number <input checked="" type="checkbox"/> Union membership or information <input checked="" type="checkbox"/> Vehicle License Plate Number <input type="checkbox"/> Vein patterns <input checked="" type="checkbox"/> Veteran/Military Status <input type="checkbox"/> Voice patterns <input type="checkbox"/> Voice recordings <input type="checkbox"/> Weight

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute a Contract with Allison+Partners for Public Relations and  
Outreach Support Services

RECOMMENDED ACTION

Authorize the Executive Officer/APCO to execute a contract with Allison+Partners to provide public relations and outreach support services for up to three years at the Air District's discretion based on the contractor's performance and available funds, for an amount not to exceed \$200,000.

BACKGROUND

The Air District, on occasion, relies on contractors to assist with various aspects of its public relations and outreach support. The Air District completed a Request for Proposal (RFP) process to solicit responses for the following services: Media Pitching, Press Events and Crisis Communications.

- **Media Pitching:** To maintain key Bay Area media contracts, provide creative and engaging communications strategies that are meaningful and effective at amplifying key messages and proactively pitch local media outlets to place stories.
- **Press Events:** To assist with the coordination and logistics of press conferences and/or media events, drive media attendance to press events and development and production of media kits.
- **Crisis Communications:** To assist with creating and implementing crisis communications plans for incident response, working with subject experts to draft key messages and work in coordination with the Air District's Communications team to disseminate information to the media and public.

DISCUSSION

The Air District completed the RFP for public relations and outreach support services in June 2023. The RFP received bids from five firms – Allison+Partners, Keough Consulting, Progress Public Affairs, Segal Communications and Szabo and Associates.

The RFP selection process included a proposal screening (out of 100 points) and a panel interview (out of 80 points) for a total score of 180 points. After the proposal screening, the review panel interviewed the top three firms.

<b>Firms</b>	<b>Total Score (out of 180) Proposal &amp; Interview</b>
Allison+Partners	153.67
Progress Public Affairs	147.33
Szabo and Associates	142.67
<b>Eliminated Firms</b>	<b>Total Score (Out of 100)</b>
Keough Consulting	66.33
Segal Communications	66

Through the RFP selection process, Allison+Partners received the highest total score (153.67 points out of 180) and demonstrated extensive understanding of the Air District’s public relations needs. Allison+Partners has previous experience working with the Air District and has demonstrated extensive understanding of the Air District’s mission and messaging. Allison+Partners will provide public relations and outreach support to the Air District and assist with promoting Air District programs as well as crisis communications on an as-needed basis.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Contingent on the approval of the Fiscal Year Ending (FYE) 2025 budget, funding for the contract is included in the FYE 2025 budget.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Kristina Chu  
Reviewed by: Kristine Roselius

ATTACHMENTS:

- 1. Allison+Partners 2024 Approved Draft

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**PROFESSIONAL SERVICES CONTRACT**

**CONTRACT NO. 2024.046**

1. PARTIES – The parties to this Contract (“Contract”) are the Bay Area Air Quality Management District (“DISTRICT”) whose address is 375 Beale Street, Suite 600, San Francisco, CA 94105, and **Allison & Partners LLC** (“CONTRACTOR”) whose address is 40 Gold Street, San Francisco, CA 94133.
  
2. RECITALS
  - A. DISTRICT is the local agency with primary responsibility for regulating stationary source air pollution in the Bay Area Air Quality Management District in the State of California. DISTRICT is authorized to enter into this Contract under California Health and Safety Code Section 40701. DISTRICT desires to contract with CONTRACTOR for services described in the Scope of Work, attached hereto as Attachment A and made a part hereof by this reference. DISTRICT is entering into this Contract based on CONTRACTOR’s stated qualifications to perform the services.
  - B. All parties to this Contract have had the opportunity to have this contract reviewed by their attorney.
  
3. PERFORMANCE REQUIREMENTS
  - A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
  - B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and to pay all applicable fees.
  - C. CONTRACTOR shall comply with all laws and regulations that apply to its performance under this Contract, including any requirements to disclose potential conflicts of interest under DISTRICT’s Conflict of Interest Code.
  - D. CONTRACTOR shall not engage in any performance of work during the term of this contract that is in direct or indirect conflict with duties and responsibilities set forth in the Scope of Work.
  - E. CONTRACTOR shall exercise the degree of skill and care customarily required by accepted professional practices and procedures.
  - F. CONTRACTOR shall ensure that any subcontractors, employees and agents performing under this Contract comply with the performance standards set forth in paragraphs A-E above.
  
4. TERM – The term of this Contract is from July 1, 2024 to June 30, 2027, unless further extended by amendment of this Contract in writing and signed by both parties, or terminated earlier. CONTRACTOR shall not submit any invoice for services performed under this Contract until the Contract is fully executed.



5. TERMINATION

- A. The DISTRICT may terminate this Contract at any time, at will, and without specifying any reason, by notifying CONTRACTOR in writing. The notice of termination shall specify the effective date of termination, which shall be no less than thirty (30) calendar days from the date of delivery of the notice of termination, as set forth in section 10, below, and shall be delivered in accordance with the provisions of section 10 below. Immediately upon receipt of the notice of termination, CONTRACTOR shall cease all work under this Contract, except such work as is specified in the notice of termination. CONTRACTOR shall deliver a final invoice for all remaining work performed but not billed, including any work specified in the termination notice, on or before ten (10) business days following the effective date of termination.
- B. Either party may terminate this Contract for breach by the other party.
- i) Failure to perform any agreement or obligation contained in this Contract or failure to perform the services in a satisfactory manner shall constitute a breach of the Contract.
  - ii) The non-breaching party may terminate the Contract by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and the date by which such breach must be cured.
  - iii) If CONTRACTOR fails to perform any obligation under this Contract, DISTRICT, at its sole discretion, may perform, or cause the performance of, the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the payment otherwise due to CONTRACTOR for work performed under this Contract. DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, CONTRACTOR under this Contract.
  - iv) The notice of breach shall be provided in accordance with the notice requirements set forth in section 10.
  - v) The non-breaching party reserves all rights under law and equity to enforce this Contract and recover any damages.

6. INSURANCE

- A. CONTRACTOR shall maintain the following insurance:
- i) Workers' compensation and employers' liability insurance as required by California law or other applicable statutory requirements.
  - ii) Occurrence-based commercial general liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each occurrence. Such insurance shall include DISTRICT and its officers, agents, and employees as additional insureds and shall be primary with respect to any insurance maintained by DISTRICT.
  - iii) Business automobile liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each accident. Such insurance shall include coverage for owned, hired, and non-owned vehicles. If CONTRACTOR is a sole proprietor, CONTRACTOR may meet this insurance requirement with personal automobile liability insurance carrying a business use endorsement or by demonstrating to the satisfaction of DISTRICT that business use is covered under the CONTRACTOR's personal automobile liability insurance. A CONTRACTOR using only rental vehicles in performing

work under this Contract may meet this insurance requirement by purchasing automobile liability insurance in the required coverage amount from the rental agency.

- iv) Professional liability insurance with limits not less than one million dollars (\$1,000,000) each claim.
  - B. All insurance shall be placed with insurers acceptable to DISTRICT.
  - C. Prior to commencement of work under this Contract, CONTRACTOR shall furnish properly-executed certificates of insurance for all required insurance. Upon request by DISTRICT, CONTRACTOR shall provide a complete copy of any required insurance policy. CONTRACTOR shall notify DISTRICT in writing thirty (30) days prior to cancellation or modification of any required insurance policy. Any such modifications are subject to pre-approval by DISTRICT.
  - D. If CONTRACTOR fails to maintain the required insurance coverage set forth above, DISTRICT reserves the right either to purchase such additional insurance and deduct the cost thereof from any payments owed to CONTRACTOR or to terminate this Contract for breach.
7. INDEMNIFICATION
- A. CONTRACTOR shall indemnify and hold DISTRICT, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fees, or claims for injury or damages arising out of the performance of this Contract, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of CONTRACTOR, its officers, agents, or employees.
  - B. DISTRICT shall indemnify and hold CONTRACTOR, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fee, or claims for injury or damages arising out of the performance of this Contract, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of DISTRICT, its officers, agents, or employees.

8. PAYMENT

- A. DISTRICT shall pay CONTRACTOR for services in accordance with the terms set forth in the Cost Schedule, which is attached hereto as Attachment B and incorporated herein by this reference.
- B. CONTRACTOR shall submit invoice(s) to DISTRICT for services performed. Each invoice shall specify the total cost of the services for which the invoice is submitted, shall reference tasks shown in the Scope of Work, the hours associated with same, or percentage completion thereof, and the amount of charge claimed, and, as appropriate, shall list any charges for equipment, material, supplies, travel, and subcontractors' services.
- C. DISTRICT's payment of invoices shall be subject to the following limitations and requirements:
  - i) Each invoice, including supporting documentation, shall be prepared in duplicate on CONTRACTOR's letterhead; shall list DISTRICT's contract number, the period covered by the invoice, and the CONTRACTOR's Social Security Number or Federal Employer Identification Number; and shall be submitted to: Bay Area Air Quality Management District, 375 Beale Street, Suite 600, San Francisco, CA 94105, Attn: Contracts

- Manager.
- ii) DISTRICT shall not pay interest, fees, handling charges, or the cost of money on the Contract.
  - iii) DISTRICT shall pay CONTRACTOR within thirty (30) calendar days after approval by DISTRICT of an itemized invoice.
- D. The total amount for which DISTRICT may be held liable for the performance of services specified in this Contract shall not exceed \$200,000.
9. DISPUTE RESOLUTION – A party that disputes a notice of breach must first seek mediation to resolve the dispute in accordance with the provisions set forth below.
- A. Upon receipt of a notice of breach of contract, the party may submit a demand for mediation to resolve whether or not a breach occurred. The party must state the basis of the dispute and deliver the demand within ten (10) business days of the date of receipt of the notice of breach.
  - B. The mediation shall take place at DISTRICT’s office at 375 Beale Street, Suite 600, San Francisco, or at such other place as may be mutually agreed upon by the parties and the mediator.
  - C. The parties shall make good faith efforts to hold the mediation within thirty (30) days after receipt of the demand for mediation.
  - D. Each party shall bear its own mediation costs.
  - E. In the event the parties are unable to resolve the dispute, either party may file an action in a court of competent jurisdiction to enforce the Contract.
  - F. Maximum recovery under this section shall be limited to \$200,000. The mediation costs shall not reduce the maximum amount recoverable under this section.
10. NOTICES – All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail, facsimile, or regular first class mail. In the case of e-mail and facsimile communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail and facsimile communications shall be deemed to have been received on the date of such transmission, provided such date was a business day and delivered prior to 4:00 p.m. pacific time. Otherwise, receipt of e-mail and facsimile communications shall be deemed to have occurred on the following business day. In the case of regular mail notice, notice shall be deemed to have been delivered on the mailing date and received five (5) business days after the date of mailing.

DISTRICT: Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
Attn: Kristina Chu

CONTRACTOR: Allison & Partners  
40 Gold Street  
San Francisco, CA 94105  
Attn: Meghan Curtis

11. ADDITIONAL PROVISIONS – All attachment(s) to this Contract are expressly incorporated herein by this reference and made a part hereof as though fully set forth.
12. EMPLOYEES OF CONTRACTOR
  - A. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation leave, vacation replacements, sick leave, severance pay, and pay for legal holidays.
  - B. CONTRACTOR, its officers, employees, agents, or representatives shall not be considered employees or agents of DISTRICT, nor shall CONTRACTOR, its officers, employees, agents, or representatives be entitled to or eligible to participate in any benefits, privileges, or plans given or extended by DISTRICT to its employees.
  - C. CONTRACTOR shall assign those employees listed in the Cost Schedule to perform work under this Contract. CONTRACTOR shall not assign different employees to perform this work without the express written permission of DISTRICT, which DISTRICT will not unreasonably withhold.
  - D. DISTRICT reserves the right to review the credentials to perform the work of any of CONTRACTOR's employees assigned herein and to disapprove CONTRACTOR's assignments. CONTRACTOR warrants that it will not employ any subcontractor(s) without prior written approval from DISTRICT.
13. CONFIDENTIALITY – In order to carry out the purposes of this Contract, CONTRACTOR may require access to certain of DISTRICT's confidential information (including trade secrets, inventions, confidential know-how, confidential business information, and other information that DISTRICT considers confidential) (collectively, "Confidential Information"). It is expressly understood and agreed that DISTRICT may designate in a conspicuous manner Confidential Information that CONTRACTOR obtains from DISTRICT, and CONTRACTOR agrees to:
  - A. Observe complete confidentiality with respect to such information, including, without limitation, agreeing not to disclose or otherwise permit access to such information by any other person or entity in any manner whatsoever, except that such disclosure or access shall be permitted to employees of CONTRACTOR requiring access in fulfillment of the services provided under this Contract.
  - B. Ensure that CONTRACTOR's officers, employees, agents, representatives, and independent contractors are informed of the confidential nature of such information, and to assure by agreement or otherwise, that they are prohibited from copying or revealing, for any purpose whatsoever, the contents of such information or any part thereof, or from taking any action otherwise prohibited under this section.
  - C. Not use such information or any part thereof in the performance of services to others or for the benefit of others in any form whatsoever, whether gratuitously or for valuable consideration, except as permitted under this Contract.
  - D. Notify DISTRICT promptly and in writing of the circumstances surrounding any possession, use, or knowledge of such information, or any part thereof, by any person or entity other than those authorized by this section. Take, at CONTRACTOR's expense but at DISTRICT's option, and in any event under DISTRICT's control, any legal action necessary to prevent unauthorized use of such information by any third party or entity which has gained access to such information at least in part due to the fault of CONTRACTOR.
  - E. Take any and all other actions necessary or desirable to assure such continued

confidentiality and protection of such information during the term of this Contract and following expiration or termination of the Contract.

- F. Prevent access to such materials by a person or entity not authorized under this Contract.
- G. Establish specific procedures in order to fulfill the obligations of this section.

14. INTELLECTUAL PROPERTY RIGHTS – Title and full ownership rights to all intellectual property developed under this Contract shall at all times remain with DISTRICT, unless otherwise agreed to in writing.

15. PUBLICATION

- A. DISTRICT shall approve in writing any report or other document prepared by CONTRACTOR in connection with performance under this Contract prior to dissemination or publication of such report or document to a third party. DISTRICT may waive in writing its requirement for prior approval.
- B. Until approved by DISTRICT, any report or other document prepared by CONTRACTOR shall include on each page a conspicuous header, footer, or watermark stating “DRAFT – Not Reviewed or Approved by BAAQMD,” unless DISTRICT has waived its requirement for prior approval pursuant to paragraph A of this section.
- C. Information, data, documents, or reports developed by CONTRACTOR for DISTRICT pursuant to this Contract shall be part of DISTRICT’s public record, unless otherwise indicated. CONTRACTOR may use or publish, at its own expense, such information, provided DISTRICT approves use of such information in advance. The following acknowledgment of support and disclaimer must appear in each publication of materials, whether copyrighted or not, based upon or developed under this Contract:

“This report was prepared as a result of work sponsored, paid for, in whole or in part, by the Bay Area Air Quality Management District (District). The opinions, findings, conclusions, and recommendations are those of the author and do not necessarily represent the views of the District. The District, its officers, employees, contractors, and subcontractors make no warranty, expressed or implied, and assume no legal liability for the information in this report.”

- D. CONTRACTOR shall inform its officers, employees, and subcontractors involved in the performance of this Contract of the restrictions contained herein and shall require compliance with this section.

16. AUDIT / INSPECTION OF RECORDS – If this Contract exceeds \$10,000, pursuant to California Government Code Section 8546.7, all records, documents, conditions and activities of CONTRACTOR, and its subcontractors, related to the services provided hereunder, shall be subject to the examination and audit of the California State Auditor and other duly authorized agents of the State of California for a period of three (3) years after final payment under this Contract. CONTRACTOR hereby agrees to make such records available during normal business hours for inspection, audit, and reproduction by any duly authorized agents of the State of California or DISTRICT. CONTRACTOR further agrees to allow interviews of any of its employees who might reasonably have information related to such records by any duly authorized agents of the State of California or DISTRICT. All examinations and audits conducted under this section shall be strictly confined to those matters connected with the performance of this Contract,

including, but not limited to, the costs of administering this Contract.

17. NON-DISCRIMINATION – In the performance of this Contract, CONTRACTOR shall not discriminate in its recruitment, hiring, promotion, demotion, and termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, marital status, sexual orientation, medical condition, or physical or mental disability, and shall comply with the provisions of the California Fair Employment & Housing Act (Gov. Code, §§12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, and all administrative rules and regulations issued pursuant to said Acts. CONTRACTOR shall also require each subcontractor performing work in connection with this Contract to comply with this section, and shall include in each contract with such subcontractor provisions to accomplish the requirements of this section.
18. PROPERTY AND SECURITY – Without limiting CONTRACTOR’S obligations with regard to security, CONTRACTOR shall comply with all the rules and regulations established by DISTRICT for access to and activity in and around DISTRICT’s premises.
19. ASSIGNMENT – No party shall assign, sell, license, or otherwise transfer any rights or obligations under this Contract to a third party without the prior written consent of the other party, and any attempt to do so shall be void upon inception.
20. WAIVER – No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Contract shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies. Further, the failure of a party to enforce performance by the other party of any term, covenant, or condition of this Contract, and the failure of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.
21. ATTORNEYS’ FEES – In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys’ fees and costs.
22. FORCE MAJEURE – Neither DISTRICT nor CONTRACTOR shall be liable for or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, judicial orders, governmental controls, regulations or restrictions, inability to obtain labor or materials or reasonable substitutes for labor or materials necessary for performance of the services, or other causes, except financial, that are beyond the reasonable control of DISTRICT or CONTRACTOR, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if the cause of the force majeure event is due to a party’s own action or inaction, then such cause shall not excuse that party from performance under this Contract.

23. SEVERABILITY – If a court of competent jurisdiction holds any provision of this Contract to be illegal, unenforceable or invalid, in whole or in part, for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected.
24. HEADINGS – Headings on the sections and paragraphs of this Contract are for convenience and reference only, and the words contained therein, shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
25. COUNTERPARTS/FACSIMILES/SCANS – This Contract may be executed and delivered in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same contract. The parties may rely upon a facsimile copy or scanned copy of any party's signature as an original for all purposes.
26. GOVERNING LAW – Any dispute that arises under or relates to this Contract shall be governed by California law, excluding any laws that direct the application of another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Contract, including mediation, shall be San Francisco, California.
27. ENTIRE CONTRACT AND MODIFICATION – This Contract represents the final, complete, and exclusive statement of the agreement between the parties related to CONTRACTOR providing services to DISTRICT, and supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Contract by, nor is any party relying upon, any representation or warranty outside those expressly set forth herein. This Contract may only be amended by mutual agreement of the parties in writing and signed by both parties.
28. SURVIVAL OF TERMS – The provisions of sections 7 (Indemnification), 13 (Confidentiality), 14 (Intellectual Property Rights), and 15 (Publication) shall survive the expiration or termination of this Contract.

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

ALLISON & PARTNERS LLC

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_  
Meghan Curtis  
General Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel

DRAFT



## ATTACHMENT A

### SCOPE OF WORK

Upon DISTRICT request, CONTRACTOR shall provide public relations counsel including media pitching, press event support and crisis communications to DISTRICT on an as-needed basis. All work will be conducted within the nine counties of the DISTRICT's jurisdiction.

1. **Media Pitching:** CONTRACTOR media pitching services shall include, but are not limited to:
  - a. Maintaining lists of key Bay Area media contacts
  - b. Providing input on media outreach and targeting strategy;
  - c. Providing communications strategies to DISTRICT. The goal of the strategies will be to aid DISTRICT in amplifying key messages in a creative and/or engaging way;
  - d. Pitching local, regional, and multicultural media outlets to place stories;
  - e. Generating wide press coverage of DISTRICT health alerts, initiatives, events, and related topics;
  - f. Leveraging storytelling to deliver unique messages with clear calls to action;
  - g. Providing reputation management: maintain and build upon DISTRICT's distinction to garner support and increase public trust; and
  - h. Providing support for multicultural media outreach including audience mapping and multicultural media engagement.
  
2. **Press Events:** CONTRACTOR press event services shall include, but are not limited to:
  - a. Assisting DISTRICT with the coordination and logistics of press conferences and/or speaking engagements including securing locations, notifying media, producing media kits and making follow-up calls to media after the events. Press events may occur as often as five times per quarter;
  - b. Driving media attendance at press events from local, regional, and multicultural media outlets;
  - c. Developing press materials and production of media kits; and
  - d. Providing media training assistance for staff subject matter experts.
  
3. **Crisis Communications:** CONTRACTOR crisis communications services shall include, but are not limited to:
  - a. Assisting DISTRICT in creating and implementing crisis communications plans to disseminate information and provide support in community awareness during incident response;
  - b. Performing timely and effective response to unplanned incidents that leads to high awareness among Bay Area residents;
  - c. Communicating facts and updates about the crisis situation to rapidly increase public awareness of potential emergency situations and protective actions;
  - d. Assisting with collecting information, creating, and disseminating key messages and working with the media; and
  - e. Monitoring of response to the crisis and crisis communication.

4. **Measurement:** Evaluation of success through media coverage analysis and reporting
  - a. DISTRICT will measure CONTRACTOR's performance based on the extent of press coverage of DISTRICT initiatives, media attendance at press events, and timely and effective response to unplanned incidents that leads to high awareness among Bay Area residents.

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**ATTACHMENT B**

**COST SCHEDULE**

DISTRICT will pay CONTRACTOR on a time and materials basis for the work outlined in the Scope of Work, according to the hourly rates in the table below. CONTRACTOR shall invoice DISTRICT monthly. Payment will be made in accordance with Section 8, Payment, of this Contract.

<b>Title</b>	<b>Hourly rate</b>
Global CEO / Chairman / Vice Chair	\$500
Global Partner / Global COO	\$475
Partner / President / Chief Creative Officer	\$450
Executive Director	\$425
Managing Director / General Manager / Executive Vice President / Executive Producer / Executive Creative Director	\$400
Senior Vice President / Group Creative Director / Group Director of Production / Group Strategy Director	\$375
Director of Production / Senior Creative Director	\$350
Vice President / Creative Director / Senior Content Producer / Senior Director / Strategy Director / Vice President Editorial	\$315
Account Director / Media Relations Director / Director of Photography / ACD Motion Graphics / Producer / Senior Strategist / Senior Editorial Manager / Director Community Management / Director Content Marketing / Art Director / Director Client Service / Associate Creative Director / Analytics Director / Research Director	\$250
Account Manager / Media Relations Manager / Analytics Manager / Research Manager / Senior Videographer / Senior Motion Graphic / Editor / Strategist 2 / Content Marketing Manager / Editorial Manager / Junior Art Director / Manager Client Service	\$225
Senior Account Executive / Senior Media Specialist / Senior Analyst Grade 4 / Videographer / Motion Graphics / Editor / Associate Producer / Strategist 1 / Lead Content Strategist / Senior Community Manager / Senior Designer / Senior Client Service Specialist	\$200
Account Executive / Media Specialist / Analyst Grade 3 / Associate Videographer / Associate Motion Graphics / Editor / Production Assistant / Senior Analyst / Community Manager L3 / Graphic Designer L2 / Client Service Specialist L2	\$175
Assistant Account Executive / Assistant Media Specialist / Analyst Grade 2 / Analyst L2 / Community Manager L2 / Graphic Designer L1 / Client Service Specialist L1	\$150
Account Coordinator / Media Coordinator / Community Manager L1 / Production Designer / Creative Coordinator / Analyst Grade 1 / Analyst L1	\$125
Intern	\$100

DISTRICT will reimburse CONTRACTOR for any expenses incurred by CONTRACTOR on behalf of DISTRICT. Reimbursable expenses include media monitoring tools, subscriptions, proprietary software, postage, overnight delivery and messenger service fees, local and long-distance telephone calls, reasonable printing and copying costs, and all other telecommunications use. CONTRACTOR will bill DISTRICT for reimbursable expenses at the actual costs they are incurred.

**Total cost of Contract not to exceed \$200,000.**

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute a Contract Amendment with Acterra for Electric Vehicle  
Coordinating Council Facilitation

RECOMMENDED ACTION

Recommend the Board of Directors authorize the Executive Officer to amend Air District professional services contract 2023.027 with Acterra: Action for a Healthy Planet (Acterra) to include an additional amount of up to \$164,902 for meeting facilitation services to support the convening of the Bay Area Electric Vehicle Coordinating Council and extend the term of the agreement to December 31, 2025.

BACKGROUND

The Air District, in partnership with the Metropolitan Transportation Commission (MTC), manages the Bay Area Electric Vehicle Coordinating Council (EV Council), a multi-stakeholder partnership working to accelerate the adoption of electric vehicles (EVs) in the Bay Area. The EV Council was created in 2011 and is a staff level, peer-to-peer forum that provides an opportunity for participants to discuss EV related emerging trends and to share information about their experiences in implementing best practices that support accelerated EV adoption within their communities.

Participants convene approximately three times a year and include organizations such as EV industry representatives, federal, state, regional, and local government agencies, research institutions, and nonprofit organizations. A typical EV Council meeting will see approximately 75 participants from a range of different organizations.

The Air District and MTC require assistance from an experienced firm to carry out meeting facilitation and coordination to organize meetings, convene stakeholders, facilitate discussions, and disseminate information for the EV Council. This work has historically been performed by contractors and requires training facilitation and EV experts to effectively implement the scope of work.

## DISCUSSION

The Air District released a Request for Proposals (RFP) on July 28, 2022, to search for a contractor to facilitate the EV Council. Proposals were accepted until September 26, 2022. Acterra, Emery Power LLC, and Kearns & West submitted proposals in response to the RFP and the review panel selected the Acterra proposal. Acterra is a local non-profit organization that has a wide range of experience in the EV space. Their work has involved activities such as hosting EV education programs, supporting local cities to adopt EV charging reach codes, and staying up to date with national, regional, and local EV infrastructure policies. Acterra also sub-contracted with Cool the Earth to facilitate EV Council meetings. Cool the Earth brings their expertise in the topic of EV charging reliability and leverages their connections to identify and reach out to guest speakers to speak on topics of interest for EV Council members.

The Air District and Acterra entered into professional services agreement (Agreement) on April 14, 2023, for EV Council facilitation services. This Agreement was for \$99,599 and expires on June 30, 2024. Acterra has successfully executed the requirements of the Agreement; therefore, staff recommend the Board of Directors authorize the Executive Officer/ APCO to amend the Agreement to extend the term to December 31, 2025, and increase the award amount by \$164,902. This proposed increase along with the original award amount total \$264,501.

## BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding for this contract is provided by Congestion Mitigation and Air Quality Improvement Program (CMAQ). There is sufficient funding remaining in CMAQ funds to cover the cost of the contract amendment.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Ada Truong  
Reviewed by: Anthony Fournier

## ATTACHMENTS:

1. Acterra Contract 2023.027
2. Acterra 2023.027 - Amendment 1

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**PROFESSIONAL SERVICES CONTRACT**

**CONTRACT NO. 2023.027**

1. PARTIES – The parties to this Contract (“Contract”) are the Bay Area Air Quality Management District (“DISTRICT”) whose address is 375 Beale Street, Suite 600, San Francisco, CA 94105, and **Acterra: Action for a Healthy Planet** (“CONTRACTOR”) whose address is 3921 E. Bayshore Road, Suite 210, Palo Alto, CA 94303.
  
2. RECITALS
  - A. DISTRICT is the local agency with primary responsibility for regulating stationary source air pollution in the Bay Area Air Quality Management District in the State of California. DISTRICT is authorized to enter into this Contract under California Health and Safety Code Section 40701. DISTRICT desires to contract with CONTRACTOR for services described in the Scope of Work, attached hereto as Attachment A and made a part hereof by this reference. DISTRICT is entering into this Contract based on CONTRACTOR’s stated qualifications to perform the services.
  - B. All parties to this Contract have had the opportunity to have this contract reviewed by their attorney.
  
3. PERFORMANCE REQUIREMENTS
  - A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
  - B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and pay all applicable fees.
  - C. CONTRACTOR shall comply with all laws and regulations that apply to its performance under this Contract, including any requirements to disclose potential conflicts of interest under DISTRICT’s Conflict of Interest Code.
  - D. CONTRACTOR shall not engage in any performance of work during the term of this contract that is in direct or indirect conflict with duties and responsibilities set forth in the Scope of Work.
  - E. CONTRACTOR shall exercise the degree of skill and care customarily required by accepted professional practices and procedures.
  - F. CONTRACTOR shall ensure that any subcontractors, employees and agents performing under this Contract comply with the performance standards set forth in paragraphs A-E above.
  
4. TERM – The term of this Contract is from the date of execution of the Contract to June 30, 2024, unless further extended by amendment of this Contract in writing, or terminated earlier. CONTRACTOR shall not submit any invoice for services performed under this Contract until the Contract is fully executed.

5. TERMINATION

- A. The DISTRICT may terminate this Contract at any time, at will, and without specifying any reason, by notifying CONTRACTOR in writing. The notice of termination shall specify the effective date of termination, which shall be no less than thirty (30) calendar days from the date of delivery of the notice of termination, and shall be delivered in accordance with the provisions of section 10 below. Immediately upon receipt of the notice of termination, CONTRACTOR shall cease all work under this Contract, except such work as is specified in the notice of termination. CONTRACTOR shall deliver a final invoice for all remaining work performed but not billed, including any work specified in the termination notice, on or before ten (10) business days following the termination date.
- B. Either party may terminate this Contract for breach by the other party.
  - i) Failure to perform any agreement or obligation contained in this Contract or failure to perform the services in a satisfactory manner shall constitute a breach of the Contract.
  - ii) The non-breaching party may terminate the Contract by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and the date by which such breach must be cured.
  - iii) If CONTRACTOR fails to perform any obligation under this Contract, DISTRICT at its sole discretion, may perform, or cause the performance, of the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the payment otherwise due to CONTRACTOR for work performed under this Contract. DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, CONTRACTOR under this Contract.
  - iv) The notice of breach shall be provided in accordance with the notice requirements set forth in section 10.
  - v) The non-breaching party reserves all rights under law and equity to enforce this Contract and recover any damages.

6. INSURANCE

- A. CONTRACTOR shall maintain the following insurance:
  - i) Workers' compensation and employers' liability insurance as required by California law or other applicable statutory requirements.
  - ii) Occurrence-based commercial general liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each occurrence. Such insurance shall include DISTRICT and its officers, agents, and employees as additional insureds and shall be primary with respect to any insurance maintained by DISTRICT.
  - iii) Business automobile liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each accident. Such insurance shall include coverage for owned, hired, and non-owned vehicles. If CONTRACTOR is a sole proprietor, CONTRACTOR may meet this insurance requirement with personal automobile liability insurance carrying a business use endorsement or by demonstrating to the satisfaction of DISTRICT that business use is covered under the CONTRACTOR's personal automobile liability insurance. A CONTRACTOR using only rental vehicles in performing work under this Contract may meet this insurance requirement by purchasing

automobile liability insurance in the required coverage amount from the rental agency.

- B. All insurance shall be placed with insurers acceptable to DISTRICT.
- C. Prior to commencement of work under this Contract, CONTRACTOR shall furnish properly-executed certificates of insurance for all required insurance. Upon request by DISTRICT, CONTRACTOR shall provide a complete copy of any required insurance policy. CONTRACTOR shall notify DISTRICT in writing thirty (30) days prior to cancellation or modification of any required insurance policy. Any such modifications are subject to pre-approval by DISTRICT.
- D. If CONTRACTOR fails to maintain the required insurance coverage set forth above, DISTRICT reserves the right either to purchase such additional insurance and to deduct the cost thereof from any payments owed to CONTRACTOR or to terminate this Contract for breach.

7. INDEMNIFICATION

- A. CONTRACTOR shall indemnify and hold DISTRICT, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fees, or claims for injury or damages arising out of the performance of this Contract but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of CONTRACTOR, its officers, agents, or employees.
- B. DISTRICT shall indemnify and hold CONTRACTOR, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fee, or claims for injury or damages arising out of the performance of this Contract but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of DISTRICT, its officers, agents, or employees.

8. PAYMENT

- A. DISTRICT shall pay CONTRACTOR for services in accordance with the terms set forth in the Cost Schedule, which is attached hereto as Attachment B and incorporated herein by this reference.
- B. CONTRACTOR shall submit invoice(s) to DISTRICT for services performed. Each invoice shall specify the total cost of the services for which the invoice is submitted, shall reference tasks shown in the Scope of Work, the hours associated with same, or percentage completion thereof, and the amount of charge claimed, and, as appropriate, shall list any charges for equipment, material, supplies, travel, and subcontractors' services.
- C. DISTRICT's payment of invoices shall be subject to the following limitations and requirements:
  - i) Each invoice, including supporting documentation, shall be prepared in duplicate on CONTRACTOR's letterhead; shall list DISTRICT's contract number, the period covered by the invoice, and the CONTRACTOR's Social Security Number or Federal Employer Identification Number; and shall be submitted to: Bay Area Air Quality Management District, 375 Beale Street, Suite 600, San Francisco, CA 94105, Attn: Contracts Manager.
  - ii) DISTRICT shall not pay interest, fees, handling charges, or the cost of money on the Contract.



- iii) DISTRICT shall pay CONTRACTOR within thirty (30) calendar days after approval by DISTRICT of an itemized invoice.
  - D. The total amount for which DISTRICT may be held liable for the performance of services specified in this Contract shall not exceed \$99,599.
9. DISPUTE RESOLUTION – A party that disputes a notice of breach must first seek mediation to resolve the dispute in accordance with the provisions set forth below.
- A. Upon receipt of a notice of breach of contract, the party may submit a demand for mediation to resolve whether or not a breach occurred. The party must state the basis of the dispute and deliver the demand within ten (10) business days of the date of receipt of the notice of breach.
  - B. The mediation shall take place at DISTRICT’s office at 375 Beale Street, Suite 600, San Francisco, or at such other place as may be mutually agreed upon by the parties and the mediator.
  - C. The parties shall make good faith efforts to hold the mediation within thirty (30) days after receipt of the demand for mediation.
  - D. Each party shall bear its own mediation costs.
  - E. In the event the parties are unable to resolve the dispute, either party may file an action in a court of competent jurisdiction to enforce the Contract.
  - F. Maximum recovery under this section shall be limited to \$99,599. The mediation costs shall not reduce the maximum amount recoverable under this section.
10. NOTICES – All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail, facsimile, or regular first class mail. In the case of e-mail and facsimile communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail and facsimile communications shall be deemed to have been received on the date of such transmission, provided such date was a business day and delivered prior to 4:00 p.m. PST. Otherwise, receipt of e-mail and facsimile communications shall be deemed to have occurred on the following business day. In the case of regular mail notice, notice shall be deemed to have been delivered on the mailing date and received five (5) business days after the date of mailing.

DISTRICT: Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
Attn: Tin Le

CONTRACTOR: Acterra: Action for a Healthy Planet  
3921 E. Bayshore Road, Suite 210  
Palo Alto, CA 94303  
Attn: Lauren Weston

11. ADDITIONAL PROVISIONS – All attachment(s) to this Contract are expressly incorporated herein by this reference and made a part hereof as though fully set forth.

12. EMPLOYEES OF CONTRACTOR

- A. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation leave, vacation replacements, sick leave, severance pay, and pay for legal holidays.
- B. CONTRACTOR, its officers, employees, agents, or representatives shall not be considered employees or agents of DISTRICT, nor shall CONTRACTOR, its officers, employees, agents, or representatives be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by DISTRICT to its employees.
- C. CONTRACTOR shall assign those employees listed in the Cost Schedule to perform work under this Contract. CONTRACTOR shall not assign different employees to perform this work without the express written permission of DISTRICT, which DISTRICT will not unreasonably withhold.
- D. DISTRICT reserves the right to review the credentials to perform the work of any of CONTRACTOR's employees assigned herein and to disapprove CONTRACTOR's assignments. CONTRACTOR warrants that it will not employ any subcontractor(s) without prior written approval from DISTRICT.

13. CONFIDENTIALITY – In order to carry out the purposes of this Contract, CONTRACTOR may require access to certain of DISTRICT's confidential information (including trade secrets, inventions, confidential know-how, confidential business information, and other information that DISTRICT considers confidential) (collectively, "Confidential Information"). It is expressly understood and agreed that DISTRICT may designate in a conspicuous manner Confidential Information that CONTRACTOR obtains from DISTRICT, and CONTRACTOR agrees to:

- A. Observe complete confidentiality with respect to such information, including without limitation, agreeing not to disclose or otherwise permit access to such information by any other person or entity in any manner whatsoever, except that such disclosure or access shall be permitted to employees of CONTRACTOR requiring access in fulfillment of the services provided under this Contract.
- B. Ensure that CONTRACTOR's officers, employees, agents, representatives, and independent contractors are informed of the confidential nature of such information and to assure by agreement or otherwise that they are prohibited from copying or revealing, for any purpose whatsoever, the contents of such information or any part thereof, or from taking any action otherwise prohibited under this section.
- C. Not use such information or any part thereof in the performance of services to others or for the benefit of others in any form whatsoever whether gratuitously or for valuable consideration, except as permitted under this Contract.
- D. Notify DISTRICT promptly and in writing of the circumstances surrounding any possession, use, or knowledge of such information or any part thereof by any person or entity other than those authorized by this section. Take at CONTRACTOR's expense, but at DISTRICT's option and in any event under DISTRICT's control, any legal action necessary to prevent unauthorized use of such information by any third party or entity which has gained access to such information at least in part due to the fault of CONTRACTOR.
- E. Take any and all other actions necessary or desirable to assure such continued confidentiality and protection of such information during the term of this Contract and following expiration or termination of the Contract.
- F. Prevent access to such materials by a person or entity not authorized under this Contract.

- G. Establish specific procedures in order to fulfill the obligations of this section.
14. INTELLECTUAL PROPERTY RIGHTS – Title and full ownership rights to all intellectual property developed under this Contract shall at all times remain with DISTRICT, unless otherwise agreed to in writing.
15. PUBLICATION
- A. DISTRICT shall approve in writing any report or other document prepared by CONTRACTOR in connection with performance under this Contract prior to dissemination or publication of such report or document to a third party. DISTRICT may waive in writing its requirement for prior approval.
- B. Until approved by DISTRICT, any report or other document prepared by CONTRACTOR shall include on each page a conspicuous header, footer, or watermark stating “DRAFT – Not Reviewed or Approved by BAAQMD,” unless DISTRICT has waived its requirement for prior approval pursuant to paragraph A of this section.
- C. Information, data, documents, or reports developed by CONTRACTOR for DISTRICT, pursuant to this Contract, shall be part of DISTRICT’s public record, unless otherwise indicated. CONTRACTOR may use or publish, at its own expense, such information, provided DISTRICT approves use of such information in advance. The following acknowledgment of support and disclaimer must appear in each publication of materials, whether copyrighted or not, based upon or developed under this Contract.
- “This report was prepared as a result of work sponsored, paid for, in whole or in part, by the Bay Area Air Quality Management District (District). The opinions, findings, conclusions, and recommendations are those of the author and do not necessarily represent the views of the District. The District, its officers, employees, contractors, and subcontractors make no warranty, expressed or implied, and assume no legal liability for the information in this report.”
- D. CONTRACTOR shall inform its officers, employees, and subcontractors involved in the performance of this Contract of the restrictions contained herein and shall require compliance with the above.
16. NON-DISCRIMINATION – In the performance of this Contract, CONTRACTOR shall not discriminate in its recruitment, hiring, promotion, demotion, and termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, marital status, sexual orientation, medical condition, or physical or mental disability and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, and all administrative rules and regulations issued pursuant to said Acts. CONTRACTOR shall also require each subcontractor performing work in connection with this Contract to comply with this section and shall include in each contract with such subcontractor provisions to accomplish the requirements of this section.
17. PROPERTY AND SECURITY – Without limiting CONTRACTOR’S obligations with regard to security, CONTRACTOR shall comply with all the rules and regulations established by DISTRICT for access to and activity in and around DISTRICT’S premises.

18. ASSIGNMENT – No party shall assign, sell, license, or otherwise transfer any rights or obligations under this Contract to a third party without the prior written consent of the other party, and any attempt to do so shall be void upon inception.
19. WAIVER – No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Contract shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies. Further, the failure of a party to enforce performance by the other party of any term, covenant, or condition of this Contract, and the failure of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.
20. ATTORNEYS' FEES – In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys' fees and costs.
21. FORCE MAJEURE – Neither DISTRICT nor CONTRACTOR shall be liable for or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, judicial orders, governmental controls, regulations or restrictions, inability to obtain labor or materials or reasonable substitutes for labor or materials necessary for performance of the services, or other causes, except financial, that are beyond the reasonable control of DISTRICT or CONTRACTOR, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if the cause of the force majeure event is due to party's own action or inaction, then such cause shall not excuse that party from performance under this Contract.
22. SEVERABILITY – If a court of competent jurisdiction holds any provision of this Contract to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them will not be affected.
23. HEADINGS – Headings on the sections and paragraphs of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
24. COUNTERPARTS/FACSIMILES/SCANS – This Contract may be executed and delivered in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same contract. The parties may rely upon a facsimile copy or scanned copy of any party's signature as an original for all purposes.
25. GOVERNING LAW – Any dispute that arises under or relates to this Contract shall be governed

by California law, excluding any laws that direct the application of another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Contract, including mediation, shall be San Francisco, California.

26. ENTIRE CONTRACT AND MODIFICATION – This Contract represents the final, complete, and exclusive statement of the agreement between the parties related to CONTRACTOR providing services to DISTRICT and supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Contract by, nor is any party relying upon, any representation or warranty outside those expressly set forth herein. This Contract may only be amended by mutual agreement of the parties in writing and signed by both parties.
27. SURVIVAL OF TERMS – The provisions of sections 7 (Indemnification), 13 (Confidentiality), 14 (Intellectual Property Rights), and 15 (Publication) shall survive the expiration or termination of this Contract.
28. SUPERSEDING FEDERAL FUNDING REQUIREMENTS - All terms in this Section (Section 28) shall be deemed to amend, modify, supplement, replace and/or supersede (as applicable) any inconsistent provisions of the Contract, to the extent of the inconsistency.
- A. Non-Discrimination and Statement of Compliance
- i) CONTRACTOR's signature affixed herein and dated shall constitute a certification under penalty of perjury under the laws of the State of California that CONTRACTOR has, unless exempt, complied with the nondiscrimination program requirements of Gov. Code §12990 and 2 CCR § 8103.
  - ii) During the performance of this Contract, CONTRACTOR and its subcontractors shall not deny the Contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. CONTRACTOR and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
  - iii) CONTRACTOR and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 et seq.), the applicable regulations promulgated there under (2 CCR §11000 et seq.), the provisions of Gov. Code §§11135-11139.8, and the regulations or standards adopted by Customer to implement such article. The applicable regulations of the Fair Employment and Housing Commission implementing Gov. Code §12990 (a-f), set forth 2 CCR §§8101-8504, are incorporated into this Contract by reference and made a part hereof as if set forth in full.
  - iv) CONTRACTOR shall permit access by representatives of the Department of Fair Employment and Housing and the Customer upon reasonable notice at any time

during the normal business hours, but in no case less than twenty-four (24) hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Customer shall require to ascertain compliance with this clause.

- v) CONTRACTOR and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- vi) CONTRACTOR shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Contract.
- vii) CONTRACTOR, with regard to the work performed under this Contract, shall act in accordance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d et seq.). Title VI provides that the recipients of federal assistance will implement and maintain a policy of nondiscrimination in which no person in the United States shall, on the basis of race, color, or national origin be excluded from participation in, denied the benefits of or subject to discrimination under any program or activity by the recipients of federal assistance or their assignees and successors in interest.
- viii) CONTRACTOR shall comply with regulations relative to non-discrimination in federally assisted programs of the U.S. Department of Transportation (49 CFR Part 21 - Effectuation of Title VI of the Civil Rights Act of 1964). Specifically, CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by 49 CFR §21.5, including employment practices and the selection and retention of subcontractors.
- ix) CONTRACTOR, subrecipient or subcontractor will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR 26 on the basis of race, color, sex, or national origin. In administering the Customer components of the Disadvantaged Business Enterprises (DBE) Program Plan, CONTRACTOR, subrecipient or subcontractor will not, directly, or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE Program Plan with respect to individuals of a particular race, color, sex, or national origin.

#### B. Cost Principles and Administrative Requirements

- i) CONTRACTOR agrees that 48 CFR Part 31, Contract Cost Principles and Procedures, shall be used to determine the allowability of individual terms of cost.
- ii) CONTRACTOR also agrees to comply with Federal procedures in accordance with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- iii) Any costs for which payment has been made to the CONTRACTOR that are determined by subsequent audit to be unallowable under 48 CFR Part 31 or 2 CFR Part 200 are subject to repayment by CONTRACTOR to Customer.
- iv) When CONTRACTOR or subcontractor is a Non-Profit Organization or an Institution of Higher Education, the Cost Principles for Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards shall apply.

#### C. Retention of Records/Audits - For the purpose of determining compliance with Gov. Code § 8546.7, CONTRACTOR, subcontractors, and Customer shall maintain all books, documents,

papers, accounting records, Independent CPA Audited Indirect Cost Rate workpapers, and other evidence pertaining to the performance of the Contract including, but not limited to, the costs of administering the Contract. All parties, including the CONTRACTOR's Independent CPA, shall make such workpapers and materials available at their respective offices at all reasonable times during the Contract period and for three (3) years from the date of final payment under the Contract. Customer, Caltrans Auditor, FHWA, or any duly authorized representative of the Federal government having jurisdiction under Federal laws or regulations (including the basis of Federal funding in whole or in part) shall have access to any books, records, and documents of the CONTRACTOR, subcontractors, and the CONTRACTOR's Independent CPA, that are pertinent to the Contract for audits, examinations, workpaper review, excerpts, and transactions, and copies thereof shall be furnished if requested without limitation.

D. Prohibition of Expending Customer, State, or Federal Funds for Lobbying

- i) CONTRACTOR certifies, to the best of its knowledge and belief, that:
  - a. No State, Federal, or Customer appropriated funds have been paid or will be paid, by or on behalf of CONTRACTOR, to any person for influencing or attempting to influence an officer or employee of any local, State, or Federal agency, a Member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding or making of this Contract, or with the extension, continuation, renewal, amendment, or modification of this Contract.
  - b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Contract, CONTRACTOR shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- ii) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than ten thousand dollars (\$10,000) and not more than one hundred thousand dollars (\$100,000) for each such failure.
- iii) CONTRACTOR also agrees that by signing this Contract it shall require that the language of this certification be included in all lower tier subcontracts, which exceed one hundred thousand dollars (\$100,000), and that all such subrecipients shall certify and disclose accordingly.

E. Debarment and Suspension Certification

- i) CONTRACTOR's signature affixed herein shall constitute a certification under penalty of perjury under the laws of the State of California, that CONTRACTOR or any person associated therewith in the capacity of owner, partner, director, officer or manager:
  - a. Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;
  - b. Has not been suspended, debarred, voluntarily excluded, or determined ineligible by any federal agency within the past three (3) years;
  - c. Does not have a proposed debarment pending; and

- d. Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years.
- ii) Any exceptions to this certification must be disclosed to the Air District. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining responsibility. Disclosures must indicate the party to whom the exceptions apply, the initiating agency, and the dates of agency action.
- iii) Exceptions to the Federal Government Excluded Parties List System maintained by the U.S. General Services Administration are to be determined by FHWA.

F. Title VI Assurances

- i) During the performance of this Contract, CONTRACTOR for itself, its assignees and successors in interest (hereinafter collectively, "CONSULTANT") agrees as follows:
  - Compliance with Regulations: CONSULTANT shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the REGULATIONS), which are herein incorporated by reference and made a part of this agreement.
  - Nondiscrimination: CONSULTANT, with regard to the work performed by it during the Contract, shall not discriminate on the grounds of race, color, sex, national origin, religion, age, or disability in the selection and retention of sub-applicants, including procurements of materials and leases of equipment. CONSULTANT shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the agreement covers a program set forth in Appendix B of the Regulations.
  - Solicitations for Sub-agreements, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by CONSULTANT for work to be performed under a Sub- agreement, including procurements of materials or leases of equipment, each potential sub-applicant or supplier shall be notified by CONSULTANT of the CONSULTANT'S obligations under this Contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
  - Information and Reports: CONSULTANT shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the recipient or FHWA to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of CONSULTANT is in the exclusive possession of another who fails or refuses to furnish this information, CONSULTANT shall so certify to the recipient or FHWA as appropriate, and shall set forth what efforts CONSULTANT has made to obtain the information.
  - Sanctions for Noncompliance: In the event of CONSULTANT'S noncompliance with the nondiscrimination provisions of this agreement,



the recipient shall impose such agreement sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

- withholding of payments to CONSULTANT under the Contract within a reasonable period of time, not to exceed 90 days; and/or
- cancellation, termination or suspension of the Contract, in whole or in part.

Incorporation of Provisions: CONSULTANT shall include the provisions of paragraphs (1) through (6) in every sub-agreement, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. CONSULTANT shall take such action with respect to any sub-agreement or procurement as the recipient or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that, in the event CONSULTANT becomes involved in, or is threatened with, litigation with a sub-applicant or supplier as a result of such direction, CONSULTANT may request the recipient enter into such litigation to protect the interests of the State, and, in addition, CONSULTANT may request the United States to enter into such litigation to protect the interests of the United States.

ii) During the performance of this contract, the CONSULTANT, for itself, its assignees, and successors in interest (hereinafter referred to as the "CONSULTANT") agrees to comply with the following nondiscrimination statutes and authorities, including, but not limited to: Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), prohibits discrimination on the basis of sex;
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of Limited English Proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C.1681 et seq).

G. Financial Management and Accounting System Requirements

- i) CONTRACTOR’s signature affixed herein shall constitute a certification under penalty of perjury under the laws of the State of California, that CONTRACTOR’s labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in Title 23 United States Code (U.S.C.) Section 112(b)(2); 48 CFR Part 31.201-2(d); 23 CFR, Chapter 1, Part 172.11(a)(2); and all applicable state and federal rules and regulations.

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

ACTERRA: ACTION FOR A HEALTHY PLANET

By:  \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By:  \_\_\_\_\_  
Lauren Weston  
Executive Director

Date: 4/14/2023

Date: 3/29/23

Approved as to form:  
District Counsel

By:  \_\_\_\_\_  
Alexander Crockett  
District Counsel

## ATTACHMENT A

### SCOPE OF WORK

CONTRACTOR shall provide stakeholder meeting facilitation and coordination to organize meetings, convene stakeholders, facilitate discussions, and disseminate information for the Bay Area Electric Vehicle Coordinating Council (“EV Council”), a multi-stakeholder partnership working to accelerate the adoption of electric vehicles (“EVs”) in the San Francisco Bay Area.

CONTRACTOR shall provide its expertise in EVs along with professional facilitation and meeting coordination services to enable EV Council members (“Members”) to convene, share experiences, and develop action-oriented solutions to pertinent issues facing the EV industry to help accelerate EV adoption in the region.

CONTRACTOR will be responsible for the following tasks:

#### **Task 1: Convene Four (4) Full EV Council Meetings**

CONTRACTOR will coordinate, develop materials for, and facilitate a minimum of four (4) full EV Council meetings over the course of a year at regular intervals of approximately once every quarter. EV Council meetings will be 1-3 hours in duration, be attended by up to 75 Members, and cover a range of EV topics, as identified by the Steering Committee, DISTRICT, and Metropolitan Transportation Commission (MTC). The EV Council meetings will either be hosted at the Bay Area Metro Center, online, or both (hybrid in-person and online).

Activities for Task 1 include, but are not limited to, the following:

- Provide logistical support for EV Council meetings, which includes organizing meeting space and times, contacting meeting participants and guest speakers, developing meeting agendas, distributing documents, and coordinating audiovisual equipment;
- Provide content, materials, and documentation developed for the meetings to the DISTRICT, MTC, and EV Council in a timely manner;
- Facilitate and moderate EV Council meetings based on the agendas approved by the DISTRICT and MTC;
- Develop event content to be hosted on the DISTRICT’s website, including agendas, PowerPoint presentations, web presentations, and meeting minutes;
- Develop and provide a comprehensive record of each facilitated EV Council meeting including, but not limited to, names of all attendees, groups represented, meeting minutes (topic discussion outcomes, issues, and clearinghouse of materials that were shared by Members), and new content for website on an as-needed basis. Note that meeting records shall be sufficient to be included into reports to the DISTRICT’s Board of Directors;
- Engage Members and provide opportunities for Member input during EV Council meetings, and document and include such information in meeting summaries;
- Extend invitations, schedule meetings, and confirm speakers identified by the DISTRICT, MTC, and Members for EV Council meetings (speakers may include Members or guests from outside the region and State or Federal entities);
- Collect feedback on EV Council activities through an online survey tool and/or phone interviews as needed;

- Communicate with Members, send event notices, send registration information, confirm meeting participation, respond to requests for information from Members, post meeting follow-ups; and
- Procure and provide refreshments for in-person meetings.

### **Task 2: Convene Steering Committee Meetings**

CONTRACTOR will organize and facilitate a minimum of four (4) to five (5) online Steering Committee meetings and up to one (1) in-person Steering Committee meeting. At least one (1) Steering Committee meeting will be held before each full EV Council meeting to collect input on EV Council meeting topics, presenters, and other expert guidance. Additional Steering Committee meetings may be convened to discuss annual EV Council meeting planning, strategic planning for the EV Council, working group or other sub-group formation and coordination, or other proposed EV Council activities. Steering Committee meetings shall be approximately 30-90 minutes in duration and be attended by ten to fifteen pre-selected Members. The Steering Committee meetings shall take place as deemed necessary by the DISTRICT and MTC.

Activities for Task 2 include, but are not limited to, the following:

- Evaluate existing Steering Committee composition, recommend changes as necessary, and develop support materials, including the Steering Committee Charter;
- Provide logistical support for Steering Committee meetings, including coordinating meeting times, presentations and discussions; and inviting and confirming attendance of meeting participants;
- Coordinate with the DISTRICT and MTC to develop agendas and lists of topics to discuss with Steering Committee members;
- Distribute agendas and meeting materials to the Steering Committee members, and develop meeting minutes and necessary follow up items;
- Facilitate Steering Committee meeting discussions to prompt valuable feedback and helpful guidance from the Steering Committee members;
- Develop and provide a comprehensive record of each facilitated Steering Committee meeting ("Steering Committee Meeting Records") including, but not limited to, names of all attendees, groups represented, and meeting minutes (topic discussion outcomes, issues, clearinghouse of materials that were shared by Steering Committee meeting members). Steering Committee Meeting Records shall be complete and accurate and maintained on a cloud-based storage system (e.g. Box), that will be turned over to the DISTRICT following completion of the contract;
- Maintain communications with Steering Committee members on meeting dates, times, locations and materials;
- Respond to Steering Committee member inquiries in a timely manner and forward all correspondence to the DISTRICT and MTC; and
- Provide strategic planning assistance to the Steering Committee, DISTRICT, and MTC to develop the annual and long-term EV Council program.

### **Task 3: Attend Check-in Meetings and Perform Administrative Duties**

CONTRACTOR will perform several administrative tasks between and during EV Council meetings to ensure a seamless experience for Members. CONTRACTOR shall participate in a minimum of two (2)

monthly online check-in meetings with the DISTRICT and MTC staff that are 30 to 60 minutes in duration.

Activities for Task 3 include, but are not limited to, the following:

- Attend project kick-off conference call with the DISTRICT and MTC;
- Manage, maintain, and update EV Council membership list and recruit members to ensure representation of key stakeholder groups for EV Council and sub-group meetings and activities;
- Coordinate and develop agendas of upcoming meetings with the DISTRICT and MTC, including meeting topics, updates, and speakers; and
- Manage new member engagement.

#### **Task 4: Coordinate and Support Working Groups**

CONTRACTOR will help develop, coordinate, and provide technical expertise for one (1) working group or similar sub-group of the EV Council that will focus on developing implementation approaches to address a particular challenge or barrier to EV adoption and charging infrastructure deployment, as identified by the Steering Committee, EV Council, MTC, or DISTRICT. This task may include up to four (4) working group meetings, up to two (2) of which may be in place of full EV Council meetings (Task 1).

Examples of working group topics include: local government solutions for equitable EV charger access; identifying and securing funding for public fleet charging infrastructure; best practices for building codes, permitting, and inspection.

Activities for this task include, but are not limited to, the following:

- Identify topics and help select topics for working group meetings in coordination with the DISTRICT and MTC;
- Draft proposed scopes for working group, including problem statement, goals, participants, tasks, expected staff and participant time commitment and other resources needed, and deliverables or other outputs;
- Recruit and lead engagement of stakeholders to refine working group scope and secure participation;
- Coordinate working group meetings including scheduling meetings, developing agendas, coordinating presentations;
- Facilitate meetings and communication between meetings to maximize input from the working group participants; and
- Develop memos, reports, tools, or other resources, or coordinate the development of such resources for the working group.

**Tentative Meeting Schedule**

The tentative schedule for EV Council and Steering Committee Meetings (Tasks 1 and 2) is as follows:

<b>Date</b>	<b>Event</b>
March – April 2023	Kick-off meeting with DISTRICT and MTC
April 2023	Steering Committee In-Person Meeting
May-June 2023	<b>EV Council Meeting #1</b>
June 2023	Steering Committee Meeting
July-August 2023	<b>EV Sub-group Meeting #1</b>
August 2023	Steering Committee Meeting
August-September 2023	<b>EV Council Meeting #2</b>
September 2023	Steering Committee Meeting
October-December 2023	<b>EV Council Meeting #3</b>
January 2024	Steering Committee Meeting
March 2024	<b>EV Council Meeting #4</b>

**ATTACHMENT B**

**COST SCHEDULE**

**Labor:** DISTRICT will pay CONTRACTOR the hourly rates listed in the table below for the work outlined in Attachment A, Scope of Work:

<b>Staff Level</b>	<b>Hourly Rate</b>
Director	\$100
Manager	\$80
Associate	\$60

**Expenses:** DISTRICT shall also pay CONTRACTOR for additional expenses as follows:

- Up to \$3,000 may be used towards supplies and refreshments for in-person events.
- 

Expenses must be pre-approved in writing by DISTRICT staff.

**Overhead Costs:** DISTRICT will pay CONTRACTOR an additional 15% to the total cost of each invoice to cover CONTRACTOR’s overhead costs, which includes general administrative costs, rent, utilities, liability insurance, legal fees, office supplies, advertising, payroll, and accounting fees.

All payments will be made in accordance with Section 8, Payment, of the Contract.

**Total cost of Contract not to exceed \$99,599.**



**AMENDMENT NO. 1 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2023.027**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, April 25, 2024.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **Acterra: Action for a Healthy Planet** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract for meeting facilitation services to support the Bay Area Electric Vehicle Coordinating Council (the "Contract"), which Contract was executed on behalf of CONTRACTOR on March 29, 2023, and on behalf of DISTRICT on April 14, 2023.
2. The PARTIES seek to amend the term, total cost, Scope of Work, and Cost Schedule of the Contract, because DISTRICT seeks to have CONTRACTOR continue to provide the services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services.
3. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 4, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now December 31, 2025.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph D of Section 8, "Payment," of the Contract to replace "\$99,599" with "\$264,501."
3. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph F of Section 9, "Dispute Resolution," of the Contract to replace "\$99,599" with "\$264,501."
4. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment A, Scope of Work, with the attached "Attachment A-1, Scope of Work" and agree that all references in the Contract to Attachment A shall be deemed to refer to Attachment A-1, Scope of Work.
5. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment B, Cost Schedule, with the attached "Attachment B-1 Cost Schedule" and agree that all references in the Contract to Attachment B shall be deemed to refer to Attachment B-1, Cost Schedule.
6. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the PARTIES have caused this Contract Amendment to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

ACTERRA: ACTION FOR A HEALTHY PLANET

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

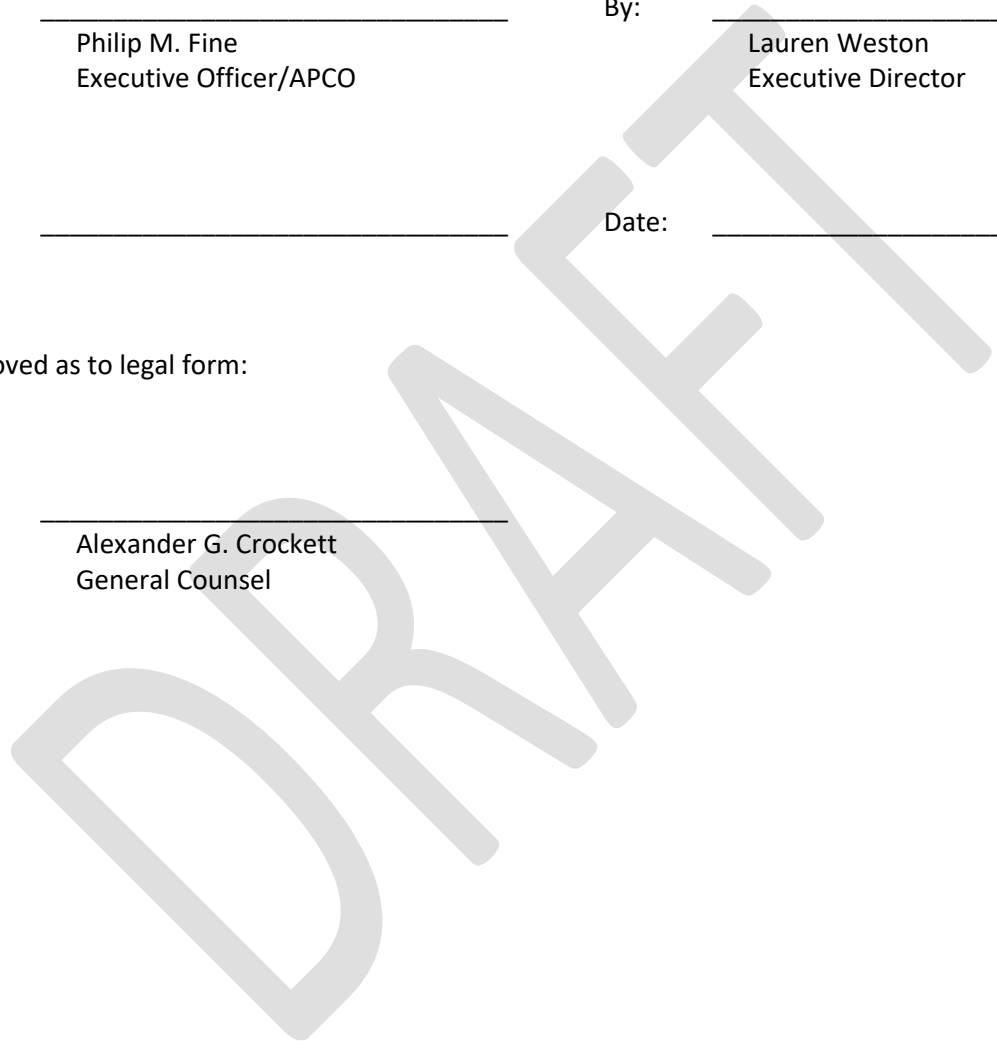
By: \_\_\_\_\_  
Lauren Weston  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to legal form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel



## ATTACHMENT A-1

### SCOPE OF WORK

CONTRACTOR shall provide stakeholder meeting facilitation and coordination to organize meetings, convene stakeholders, facilitate discussions, and disseminate information for the Bay Area Electric Vehicle Coordinating Council (“EV Council”), a multi-stakeholder partnership working to accelerate the adoption of electric vehicles (“EVs”) in the San Francisco Bay Area.

CONTRACTOR shall provide its expertise in EVs along with professional facilitation and meeting coordination services to enable EV Council members (“Members”) to convene, share experiences, and develop action-oriented solutions to pertinent issues facing the EV industry to help accelerate EV adoption in the region.

CONTRACTOR will be responsible for the following tasks:

#### **Task 1: Convene Nine (9) Full EV Council Meetings**

CONTRACTOR will coordinate, develop materials for, and facilitate a minimum of nine (9) full EV Council meetings at regular intervals of approximately once every quarter, before December 31, 2025. EV Council meetings will be 1-3 hours in duration, be attended by up to 75 Members, and cover a range of EV topics, as identified by the Steering Committee, DISTRICT and Metropolitan Transportation Commission (MTC). The EV Council meetings will either be hosted at the Bay Area Metro Center, online, or both (hybrid in-person and online).

Activities for Task 1 include, but are not limited to, the following:

- Provide logistical support for EV Council meetings, which includes organizing meeting space and times, contacting meeting participants and guest speakers, developing meeting agendas, distributing documents, and coordinating audiovisual equipment;
- Provide content, materials, and documentation developed for the meetings to the DISTRICT, MTC, and EV Council in a timely manner.
- Facilitate and moderate EV Council meetings based on the agendas approved by the DISTRICT and MTC;
- Develop event content to be hosted on the DISTRICT’s website, including agendas, PowerPoint presentations, web presentations, and meeting summaries;
- Develop and provide a comprehensive record of each facilitated EV Council meeting including, but not limited to, names of all attendees, groups represented, updates and resources that were shared by Members, and new content for website on an as-needed basis. Note that meeting records shall be sufficient to be included into reports to the DISTRICT’s Board of Directors;
- Engage Members and provide opportunities for Member input during EV Council meetings and document and include information such as updates, announcements, or resources in meeting recap e-blasts;
- Extend invitations, schedule meetings, and confirm speakers identified by the DISTRICT, MTC, and Members for EV Council meetings (speakers may include Members or guests from outside the region and State or Federal entities);
- Collect feedback on EV Council activities through an online survey tool and/or phone

- interviews as needed;
- Communicate with Members, draft event e-blast notices, send registration information, confirm meeting participation, respond to requests for information from Members, post meeting follow-ups; and
- Procure and provide refreshments for in-person meetings.

**Task 2: Convene Steering Committee Meetings**

CONTRACTOR will organize and facilitate a minimum of nine (9) to ten (10) Steering Committee meetings. Up to one (1) of the Steering Committee meetings shall be in person with the remaining meetings conducted online. At least one (1) Steering Committee meeting will be held before each full EV Council meeting to collect input on EV Council meeting topics, presenters, and other expert guidance. Additional Steering Committee meetings may be convened to discuss annual EV Council meeting planning, strategic planning for the EV Council, working group or other sub-group formation and coordination, or other proposed EV Council activities. Steering Committee meetings shall be approximately 30-90 minutes in duration and be attended by ten to fifteen pre-selected Members. The Steering Committee meetings shall take place as deemed necessary by the DISTRICT and MTC.

Activities for Task 2 include, but are not limited to, the following:

- Evaluate existing Steering Committee composition, recommend changes as necessary, and develop support materials, including the Steering Committee Charter;
- Provide logistical support for Steering Committee meetings, including coordinating meeting times, presentations and discussions; and inviting and confirming attendance of meeting participants;
- Coordinate with the DISTRICT and MTC to develop agendas and list of topics to discuss with Steering Committee members;
- Distribute agendas and meeting materials to the Steering Committee members, and develop meeting minutes and necessary follow up items;
- Facilitate Steering Committee meeting discussions to prompt valuable feedback and helpful guidance from the Steering Committee members;
- Develop and provide a comprehensive record of each facilitated Steering Committee meeting (“Steering Committee Meeting Records”) including, but not limited to, names of all attendees, groups represented, and meeting minutes (topic discussion outcomes, issues, clearinghouse of materials that were shared by Steering Committee meeting members). Steering Committee Meeting Records shall be complete and accurate and maintained on a cloud-based storage system (e.g. Box), that will be turned over to the DISTRICT following completion of the contract; and
- Maintain communications with Steering Committee members on meeting dates, times, locations and materials.
- Respond to Steering Committee member inquiries in a timely manner and forward all correspondence to the DISTRICT and MTC.
- Provide strategic planning assistance to the Steering Committee, DISTRICT, and MTC to develop the annual and long-term EV Council program.

**Task 3: Attend Check-in Meetings and Perform Administrative Duties**

CONTRACTOR will perform several administrative tasks between and during EV Council meetings to

ensure a seamless experience for Members. CONTRACTOR shall participate in a minimum of two (2) monthly online check-in meetings with the DISTRICT and MTC staff that are 30 to 60 minutes in duration.

Activities for Task 3 include, but are not limited to, the following:

- Attend project kick-off conference call with the DISTRICT and MTC;
- Manage, maintain, and update EV Council membership list and recruit members to ensure representation of key stakeholder groups for EV Council and sub-group meetings and activities;
- Coordinate and develop agendas of upcoming meetings with the DISTRICT and MTC, including meeting topics, updates, and speakers;
- Manage new member engagement.

#### **Task 4: Coordinate and Support Working Groups**

CONTRACTOR will help develop, coordinate, and provide technical expertise for at least one (1) working groups or similar sub-groups of the EV Council focused on developing implementation approaches to address a challenge/barrier to EV adoption and charging infrastructure deployment., as identified by the Steering Committee, EV Council, MTC, and DISTRICT. Up to two (2) working group meetings may be in place of full EV Council meetings (Task 1), upon approval of the DISTRICT.

Examples of working group topics include: local government solutions for equitable EV charger access; identifying and securing funding for public fleet charging infrastructure; best practices for building codes, permitting, and inspection.

Activities for this task include, but are not limited to, the following:

- Identify topics and help select topics for working group meetings, in coordination with the DISTRICT and MTC;
- Draft proposed scopes for working group(s), including problem statement, goals, participants, tasks, expected staff and participant time commitment and other resources needed, and deliverables or other outputs;
- Recruit and lead engagement of stakeholders to refine working group scope(s) and secure participation;
- Coordinate working group meetings, including scheduling meetings, developing agendas, coordinating presentations;
- Facilitate meetings and communication between meetings to maximize input from the working group participants;
- Develop memos, reports, tools, or other resources, or coordinate the development of such resources for the working group(s); and
- Maintain tools or other resources or coordinate the maintenance of such resources for the working group.

**Tentative Meeting Schedule**

The tentative schedule for EV Council, Steering Committee, and Working Group Meetings (Tasks 1, 2, and 4) is as follows:

<b>2023 Schedule</b>	<b>Event</b>
April	Kick-off meeting with DISTRICT and MTC
June	Steering Committee Meeting
<b>August</b>	<b>EV Council Meeting #1</b>
September	Steering Committee Meeting
<b>December</b>	<b>EV Council Meeting #2</b>

<b>2024 Schedule – Q1, Q2</b>	<b>Event</b>
January	Steering Committee Meeting
<b>February</b>	<b>EV Sub-group Meeting #1</b>
<b>March</b>	<b>EV Council Meeting #3</b>
<b>March</b>	<b>EV Sub-group Meeting #2</b>
<b>April</b>	<b>EV Sub-group Meeting #3</b>
<b>May</b>	<b>EV Sub-group Meeting #4</b>

<b>2024 Schedule – Q3, Q4</b>	<b>Event</b>
July	Steering Committee Meeting
<b>August-September</b>	<b>EV Council Meeting #4</b>
September	Steering Committee Meeting
<b>October-December</b>	<b>EV Council Meeting #5</b>

<b>2025 Schedule</b>	<b>Event</b>
January	Steering Committee Meeting
<b>February</b>	<b>EV Council Meeting #6</b>
April	Steering Committee Meeting
<b>May</b>	<b>EV Council Meeting #7</b>
July	Steering Committee Meeting
<b>August</b>	<b>EV Council Meeting #8</b>
September	Steering Committee Meeting
<b>October-December</b>	<b>EV Council Meeting #9</b>
October-December	Steering Committee Meeting

**ATTACHMENT B-1**

**COST SCHEDULE**

**Labor:** DISTRICT will pay CONTRACTOR the hourly rates listed in the table below for the work outlined in Attachment A-1, Scope of Work:

<b>Staff Level</b>	<b>Acterra Hourly Rate</b>	<b>Cool The Earth Hourly Rate</b>
Director	\$141	\$100
Manager	\$60	\$80
Associate	\$50	--

**Expenses:** DISTRICT shall also pay CONTRACTOR for additional expenses as follows:

- Up to \$4,000 may be used towards supplies and refreshments for in-person events.
- Expenses must be pre-approved in writing by DISTRICT staff.

**Overhead Costs:** DISTRICT will pay CONTRACTOR up to an additional 15% to the total cost of each invoice to cover CONTRACTOR’s overhead costs, which includes general administrative costs, rent, utilities, liability insurance, legal fees, office supplies, advertising, payroll, and accounting fees.

All payments will be made in accordance with Section 8, Payment, of the Contract.

**Total cost of Contract not to exceed \$264,501.**

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute a Contract Amendment with George McDaniel for Climate  
Tech Finance Program Services

**RECOMMENDED ACTION**

Recommend the Board of Directors authorize the Executive Officer/APCO to amend contract 2022.254 with George McDaniel to extend the contract term and include an additional \$96,000 to continue financial development support services for Climate Tech Finance program, for a total contract amount not to exceed \$288,000.

**BACKGROUND**

The Air District established the Climate Tech Finance (CTF) program in 2018 to scale up technologies that reduce greenhouse gas (GHG) emissions. This program provides financial and technical support to small businesses, entrepreneurs, and lenders to encourage the commercialization of climate technologies. The program's overall goal is to accelerate climate technologies and practices across California and beyond. CTF helps entrepreneurs secure working capital loans from banks. The program encourages banks to lend to climate entrepreneurs by offering a loan guarantee of up to 80% of the loan principal or \$5 million, whichever is less.

**DISCUSSION**

Through the Request for Qualification (RFQ) issued on August 17, 2022, the Air District selected George McDaniel to deliver financial development support services for the Climate Tech Finance (CTF) program and executed a contract on October 25, 2022, with a total cost of up to \$96,000. On September 13, 2023, the Air District amended the contract to extend the term and increase the total contract amount by \$96,000 to a total of \$192,000. The financial consultant role provides financial development support services for CTF, including ongoing deal sourcing, deal development, and project management of CTF loan guarantees. George McDaniel has supported the CTF program since its inception in 2019 as a consultant at NorCal FDC, and his expansive knowledge of the program, its objectives, and its intricacies, accumulated over the years, is a tremendous asset.



Mr. McDaniel and his team have demonstrated an exceptional understanding of the climate tech finance landscape and have consistently proven their ability to foster meaningful relationships with entrepreneurs, lenders, and other stakeholders. Furthermore, his past experience and familiarity with the CTF mission and processes have ensured a smooth transition to the statewide program. Staff recommend the Board authorize the Executive Officer/APCO to amend the contract with George McDaniel to include an additional \$96,000 to continue providing financial support services for the CTF program and extend the project term by one year. With this amendment, the total not-to-exceed contract limit will be \$288,000.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The proposed contract costs are included as professional services in the Air District's FYE 2024 budget under program 126.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Tamara Kohne  
Reviewed by: Anthony Fournier

ATTACHMENTS:

- 1. George McDaniel 2022.254
- 2. George McDaniel 2022.254 - Amendment 1
- 3. George McDaniel 2022.254 - Draft Amendment 2

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**PROFESSIONAL SERVICES CONTRACT**

**CONTRACT NO. 2022.254**

1. PARTIES – The parties to this Contract (“Contract”) are the Bay Area Air Quality Management District (“DISTRICT”) whose address is 375 Beale Street, Suite 600, San Francisco, CA 94105, and **George McDaniel** (“CONTRACTOR”) whose address is 300 Frank Ogawa Plaza, Suite 175, Oakland, CA 94612.
  
2. RECITALS
  - A. DISTRICT is the local agency with primary responsibility for regulating stationary source air pollution in the Bay Area Air Quality Management District in the State of California. DISTRICT is authorized to enter into this Contract under California Health and Safety Code Section 40701. DISTRICT desires to contract with CONTRACTOR for services described in the Scope of Work, attached hereto as Attachment A and made a part hereof by this reference. DISTRICT is entering into this Contract based on CONTRACTOR’s stated qualifications to perform the services.
  - B. All parties to this Contract have had the opportunity to have this contract reviewed by their attorney.
  
3. PERFORMANCE REQUIREMENTS
  - A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
  - B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and pay all applicable fees.
  - C. CONTRACTOR shall comply with all laws and regulations that apply to its performance under this Contract, including any requirements to disclose potential conflicts of interest under DISTRICT’s Conflict of Interest Code.
  - D. CONTRACTOR shall not engage in any performance of work during the term of this contract that is in direct or indirect conflict with duties and responsibilities set forth in the Scope of Work.
  - E. CONTRACTOR shall exercise the degree of skill and care customarily required by accepted professional practices and procedures.
  - F. CONTRACTOR shall ensure that any subcontractors, employees and agents performing under this Contract comply with the performance standards set forth in paragraph D above.
  
4. TERM – The term of this Contract is from October 1, 2022 to September 30, 2023, unless further extended by amendment of this Contract in writing, or terminated earlier. CONTRACTOR shall not submit any invoice for services performed under this Contract until the Contract is fully executed.

5. TERMINATION

- A. The DISTRICT may terminate this Contract at any time, at will, and without specifying any reason, by notifying CONTRACTOR in writing. The notice of termination shall specify the effective date of termination, which shall be no less than thirty (30) calendar days from the date of delivery of the notice of termination, and shall be delivered in accordance with the provisions of section 10 below. Immediately upon receipt of the notice of termination, CONTRACTOR shall cease all work under this Contract, except such work as is specified in the notice of termination. CONTRACTOR shall deliver a final invoice for all remaining work performed but not billed, including any work specified in the termination notice, on or before ten (10) business days following the termination date.
- B. Either party may terminate this Contract for breach by the other party.
  - i) Failure to perform any agreement or obligation contained in this Contract or failure to perform the services in a satisfactory manner shall constitute a breach of the Contract.
  - ii) The non-breaching party may terminate the Contract by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and the date by which such breach must be cured.
  - iii) If CONTRACTOR fails to perform any obligation under this Contract, DISTRICT at its sole discretion, may perform, or cause the performance, of the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the payment otherwise due to CONTRACTOR for work performed under this Contract. DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, CONTRACTOR under this Contract.
  - iv) The notice of breach shall be provided in accordance with the notice requirements set forth in section 10.
  - v) The non-breaching party reserves all rights under law and equity to enforce this Contract and recover any damages.

6. INSURANCE

- A. CONTRACTOR shall maintain the following insurance:
  - i) Workers' compensation and employers' liability insurance as required by California law or other applicable statutory requirements.
  - ii) Occurrence-based commercial general liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each occurrence. Such insurance shall include DISTRICT and its officers, agents, and employees as additional insureds and shall be primary with respect to any insurance maintained by DISTRICT.
  - iii) Business automobile liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each accident. Such insurance shall include coverage for owned, hired, and non-owned vehicles. If CONTRACTOR is a sole proprietor, CONTRACTOR may meet this insurance requirement with personal automobile liability insurance carrying a business use endorsement or by demonstrating to the satisfaction of DISTRICT that business use is covered under the CONTRACTOR's personal automobile liability insurance. A CONTRACTOR using only rental vehicles in performing work under this Contract may meet this insurance requirement by purchasing

automobile liability insurance in the required coverage amount from the rental agency.

- B. All insurance shall be placed with insurers acceptable to DISTRICT.
- C. Prior to commencement of work under this Contract, CONTRACTOR shall furnish properly-executed certificates of insurance for all required insurance. Upon request by DISTRICT, CONTRACTOR shall provide a complete copy of any required insurance policy. CONTRACTOR shall notify DISTRICT in writing thirty (30) days prior to cancellation or modification of any required insurance policy. Any such modifications are subject to pre-approval by DISTRICT.
- D. If CONTRACTOR fails to maintain the required insurance coverage set forth above, DISTRICT reserves the right either to purchase such additional insurance and to deduct the cost thereof from any payments owed to CONTRACTOR or to terminate this Contract for breach.

7. INDEMNIFICATION

- A. CONTRACTOR shall indemnify and hold DISTRICT, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fees, or claims for injury or damages arising out of the performance of this Contract but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of CONTRACTOR, its officers, agents, or employees.
- B. DISTRICT shall indemnify and hold CONTRACTOR, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fee, or claims for injury or damages arising out of the performance of this Contract but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of DISTRICT, its officers, agents, or employees.

8. PAYMENT

- A. DISTRICT shall pay CONTRACTOR for services in accordance with the terms set forth in the Cost Schedule, which is attached hereto as Attachment B and incorporated herein by this reference.
- B. CONTRACTOR shall submit invoice(s) to DISTRICT for services performed. Each invoice shall specify the total cost of the services for which the invoice is submitted, shall reference tasks shown in the Scope of Work, the hours associated with same, or percentage completion thereof, and the amount of charge claimed, and, as appropriate, shall list any charges for equipment, material, supplies, travel, and subcontractors' services.
- C. DISTRICT's payment of invoices shall be subject to the following limitations and requirements:
  - i) Each invoice, including supporting documentation, shall be prepared in duplicate on CONTRACTOR's letterhead; shall list DISTRICT's contract number, the period covered by the invoice, and the CONTRACTOR's Social Security Number or Federal Employer Identification Number; and shall be submitted to: Bay Area Air Quality Management District, 375 Beale Street, Suite 600, San Francisco, CA 94105, Attn: Contracts Manager.
  - ii) DISTRICT shall not pay interest, fees, handling charges, or the cost of money on the Contract.

- iii) DISTRICT shall pay CONTRACTOR within thirty (30) calendar days after approval by DISTRICT of an itemized invoice.
  - D. The total amount for which DISTRICT may be held liable for the performance of services specified in this Contract shall not exceed \$96,000.
9. DISPUTE RESOLUTION – A party that disputes a notice of breach must first seek mediation to resolve the dispute in accordance with the provisions set forth below.
- A. Upon receipt of a notice of breach of contract, the party may submit a demand for mediation to resolve whether or not a breach occurred. The party must state the basis of the dispute and deliver the demand within ten (10) business days of the date of receipt of the notice of breach.
  - B. The mediation shall take place at DISTRICT’s office at 375 Beale Street, Suite 600, San Francisco, or at such other place as may be mutually agreed upon by the parties and the mediator.
  - C. The parties shall make good faith efforts to hold the mediation within thirty (30) days after receipt of the demand for mediation.
  - D. Each party shall bear its own mediation costs.
  - E. In the event the parties are unable to resolve the dispute, either party may file an action in a court of competent jurisdiction to enforce the Contract.
  - F. Maximum recovery under this section shall be limited to \$96,000. The mediation costs shall not reduce the maximum amount recoverable under this section.
10. NOTICES – All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail, facsimile, or regular first class mail. In the case of e-mail and facsimile communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail and facsimile communications shall be deemed to have been received on the date of such transmission, provided such date was a business day and delivered prior to 4:00 p.m. PST. Otherwise, receipt of e-mail and facsimile communications shall be deemed to have occurred on the following business day. In the case of regular mail notice, notice shall be deemed to have been delivered on the mailing date and received five (5) business days after the date of mailing.

DISTRICT: Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
Attn: Derrick Tang

CONTRACTOR: George McDaniel  
300 Frank Ogawa Plaza, Suite 175  
Oakland, CA 94612  
Attn: George McDaniel

11. ADDITIONAL PROVISIONS – All attachment(s) to this Contract are expressly incorporated herein by this reference and made a part hereof as though fully set forth.

12. EMPLOYEES OF CONTRACTOR

- A. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation, vacation replacements, sick leave, severance pay, and pay for legal holidays.
- B. CONTRACTOR, its officers, employees, agents, or representatives shall not be considered employees or agents of DISTRICT, nor shall CONTRACTOR, its officers, employees, agents, or representatives be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by DISTRICT to its employees.
- C. DISTRICT reserves the right to review the credentials to perform the work of any of CONTRACTOR's employees assigned herein and to disapprove CONTRACTOR's assignments. CONTRACTOR warrants that it will not employ any subcontractor(s) without prior written approval from DISTRICT.

13. CONFIDENTIALITY – In order to carry out the purposes of this Contract, CONTRACTOR may require access to certain of DISTRICT's confidential information (including trade secrets, inventions, confidential know-how, confidential business information, and other information that DISTRICT considers confidential) (collectively, "Confidential Information"). It is expressly understood and agreed that DISTRICT may designate in a conspicuous manner Confidential Information that CONTRACTOR obtains from DISTRICT, and CONTRACTOR agrees to:

- A. Observe complete confidentiality with respect to such information, including without limitation, agreeing not to disclose or otherwise permit access to such information by any other person or entity in any manner whatsoever, except that such disclosure or access shall be permitted to employees of CONTRACTOR requiring access in fulfillment of the services provided under this Contract.
- B. Ensure that CONTRACTOR's officers, employees, agents, representatives, and independent contractors are informed of the confidential nature of such information and to assure by agreement or otherwise that they are prohibited from copying or revealing, for any purpose whatsoever, the contents of such information or any part thereof, or from taking any action otherwise prohibited under this section.
- C. Not use such information or any part thereof in the performance of services to others or for the benefit of others in any form whatsoever whether gratuitously or for valuable consideration, except as permitted under this Contract.
- D. Notify DISTRICT promptly and in writing of the circumstances surrounding any possession, use, or knowledge of such information or any part thereof by any person or entity other than those authorized by this section. Take at CONTRACTOR's expense, but at DISTRICT's option and in any event under DISTRICT's control, any legal action necessary to prevent unauthorized use of such information by any third party or entity which has gained access to such information at least in part due to the fault of CONTRACTOR.
- E. Take any and all other actions necessary or desirable to assure such continued confidentiality and protection of such information during the term of this Contract and following expiration or termination of the Contract.
- F. Prevent access to such materials by a person or entity not authorized under this Contract.
- G. Establish specific procedures in order to fulfill the obligations of this section.

14. INTELLECTUAL PROPERTY RIGHTS – Title and full ownership rights to all intellectual property developed under this Contract shall at all times remain with DISTRICT, unless otherwise agreed

to in writing.

15. PUBLICATION

- A. DISTRICT shall approve in writing any report or other document prepared by CONTRACTOR in connection with performance under this Contract prior to dissemination or publication of such report or document to a third party. DISTRICT may waive in writing its requirement for prior approval.
- B. Until approved by DISTRICT, any report or other document prepared by CONTRACTOR shall include on each page a conspicuous header, footer, or watermark stating "DRAFT – Not Reviewed or Approved by BAAQMD," unless DISTRICT has waived its requirement for prior approval pursuant to paragraph A of this section.
- C. Information, data, documents, or reports developed by CONTRACTOR for DISTRICT, pursuant to this Contract, shall be part of DISTRICT's public record, unless otherwise indicated. CONTRACTOR may use or publish, at its own expense, such information, provided DISTRICT approves use of such information in advance. The following acknowledgment of support and disclaimer must appear in each publication of materials, whether copyrighted or not, based upon or developed under this Contract.

"This report was prepared as a result of work sponsored, paid for, in whole or in part, by the Bay Area Air Quality Management District (District). The opinions, findings, conclusions, and recommendations are those of the author and do not necessarily represent the views of the District. The District, its officers, employees, contractors, and subcontractors make no warranty, expressed or implied, and assume no legal liability for the information in this report."

- D. CONTRACTOR shall inform its officers, employees, and subcontractors involved in the performance of this Contract of the restrictions contained herein and shall require compliance with the above.

16. NON-DISCRIMINATION – In the performance of this Contract, CONTRACTOR shall not discriminate in its recruitment, hiring, promotion, demotion, and termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, marital status, sexual orientation, medical condition, or physical or mental disability and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, and all administrative rules and regulations issued pursuant to said Acts. CONTRACTOR shall also require each subcontractor performing work in connection with this Contract to comply with this section and shall include in each contract with such subcontractor provisions to accomplish the requirements of this section.

17. PROPERTY AND SECURITY – Without limiting CONTRACTOR'S obligations with regard to security, CONTRACTOR shall comply with all the rules and regulations established by DISTRICT for access to and activity in and around DISTRICT'S premises.

18. ASSIGNMENT – No party shall assign, sell, license, or otherwise transfer any rights or obligations under this Contract to a third party without the prior written consent of the other party, and any attempt to do so shall be void upon inception.

19. WAIVER – No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Contract shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies. Further, the failure of a party to enforce performance by the other party of any term, covenant, or condition of this Contract, and the failure of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.
20. ATTORNEYS' FEES – In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys' fees and costs.
21. FORCE MAJEURE – Neither DISTRICT nor CONTRACTOR shall be liable for or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, judicial orders, governmental controls, regulations or restrictions, inability to obtain labor or materials or reasonable substitutes for labor or materials necessary for performance of the services, or other causes, except financial, that are beyond the reasonable control of DISTRICT or CONTRACTOR, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if the cause of the force majeure event is due to party's own action or inaction, then such cause shall not excuse that party from performance under this Contract.
22. SEVERABILITY – If a court of competent jurisdiction holds any provision of this Contract to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them will not be affected.
23. HEADINGS – Headings on the sections and paragraphs of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
24. COUNTERPARTS/FACSIMILES/SCANS – This Contract may be executed and delivered in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same contract. The parties may rely upon a facsimile copy or scanned copy of any party's signature as an original for all purposes.
25. GOVERNING LAW – Any dispute that arises under or relates to this Contract shall be governed by California law, excluding any laws that direct the application of another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Contract, including mediation, shall be San Francisco, California.



26. ENTIRE CONTRACT AND MODIFICATION – This Contract represents the final, complete, and exclusive statement of the agreement between the parties related to CONTRACTOR providing services to DISTRICT and supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Contract by, nor is any party relying upon, any representation or warranty outside those expressly set forth herein. This Contract may only be amended by mutual agreement of the parties in writing and signed by both parties.

27. SURVIVAL OF TERMS – The provisions of sections 7 (Indemnification), 13 (Confidentiality), 14 (Intellectual Property Rights), and 15 (Publication) shall survive the expiration or termination of this Contract.

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

GEORGE MCDANIEL

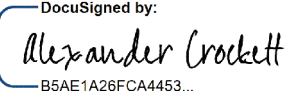
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Sharon Landers  
Interim Executive Officer/APCO

By:  \_\_\_\_\_  
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GEORGE MCDANIEL  
Independent Contractor

Date: 10/25/2022

Date: 10/15/2022

Approved as to form:  
District Counsel

By:  10/21/2022  
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Alexander Crockett  
District Counsel

## **ATTACHMENT A**

### **SCOPE OF WORK**

CONTRACTOR shall provide financial development support services for DISTRICT's Climate Tech Finance (CTF) program by accelerating access to capital or financial support to developers and adopters of technologies that reduce greenhouse gases. CONTRACTOR shall work with the DISTRICT's CTF team for ongoing deal sourcing, deal development, and project management of CTF loan guarantees.

CONTRACTOR will support climate technology entrepreneurs in their financial planning, advocate for their success and connect them with identified financial institutions. CONTRACTOR will review financial documents and provide technical assistance in preparing financing packages for potential lenders. CONTRACTOR will support the CTF team in helping to secure debt funding needed for entrepreneurs to successfully make the transition from early-stage to high-growth companies.

CONTRACTOR will conduct the assessment of profitability and viability of startups by reviewing their financial statements, such as balance sheets, income statements, tax returns and projected sources and uses of funds. CONTRACTOR will evaluate and provide feedback to technology entrepreneurs on the proposed business plan. CONTRACTOR will report the gaps and potential concerns to the team and if feasible provide solutions to entrepreneurs.

CONTRACTOR will identify financial institutions (commercial banks, CDFIs, credit unions) that are ready to offer debt financing to climate technology entrepreneurs and introduce the key features of the program. CONTRACTOR will explain how these technology projects fit banks' portfolios and how the loan guarantee works. Increase the network of lenders who participate in the loan guarantee program and are willing to fund climate technology ventures.

CONTRACTOR will introduce shovel-ready projects to financial institutions and the CTF team to shorten the time between introduction and loan execution. This could mean faster identification of potential users and their decision cycles. CONTRACTOR will ensure that communications are reaching the right people at the right point in their decision cycles.

As appropriate and upon DISTRICT's request, CONTRACTOR will develop additional objectives and strategies to enhance the broad strategic impact of the CTF program. CONTRACTOR will advise on potential partnerships and recommend additional changes to the existing program to make CTF more attractive to regulated lenders and broaden the potential participant pool.

**ATTACHMENT B**

**COST SCHEDULE**

DISTRICT will pay CONTRACTOR a monthly retainer fee of \$8,000 per month, up to maximum amount of \$96,000, to provide the consulting services outlined in Attachment A, Scope of Work.

**Total cost of Contract not to exceed \$96,000.**

**AMENDMENT NO. 1 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2022.254**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, June 12, 2023, and consists of 3 pages.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **George McDaniel** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract for financial development support services for DISTRICT's Climate Tech Finance (CTF) program by accelerating access to capital or financial support to developers and adopters of technologies that reduce greenhouse gases (the "Contract"), which Contract was executed on behalf of CONTRACTOR on October 15, 2022, and on behalf of DISTRICT on October 25, 2022.
2. The PARTIES seek to amend the term and total maximum cost of, and recovery under, the Contract, and to replace Attachment B with Attachment B-1, because DISTRICT seeks to have CONTRACTOR continue to provide the services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new term and total maximum cost.
3. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 4, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now September 30, 2024.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph D of Section 8, "Payment," of the Contract to replace "\$96,000" with "\$192,000."
3. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph F of Section 9, "Dispute Resolution," of the Contract to replace "\$96,000" with "\$192,000."
4. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment B, "Cost Schedule," with the attached Attachment B-1, "Cost Schedule," and agree that all

references in the Contract to Attachment B shall be deemed to refer to Attachment B-1, "Cost Schedule."

- 5. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the PARTIES have caused this Contract Amendment to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

GEORGE MCDANIEL

By: DocuSigned by:  
Philip M. Fine  
7314B577922A46A...  
Philip M. Fine  
Executive Officer/APCO \_\_\_\_\_

By:  \_\_\_\_\_  
George McDaniel  
Independent Contractor

Date: 9/13/2023

Date: 09/05/2023

Approved as to form:  
District Counsel

By: DocuSigned by:  
Alexander Crockett  
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Alexander Crockett  
District Counsel \_\_\_\_\_

**ATTACHMENT B-1**

**COST SCHEDULE**

DISTRICT will pay CONTRACTOR a monthly retainer fee of \$8,000 per month, up to a maximum amount of \$192,000, to provide the consulting services outlined in Attachment A, Scope of Work.

**Total cost of Contract not to exceed \$192,000.**

**AMENDMENT NO. 2 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2022.254**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, April 25, 2024, and consists of 3 pages.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **George McDaniel** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract for financial development support services for DISTRICT's Climate Tech Finance (CTF) program by accelerating access to capital or financial support to developers and adopters of technologies that reduce greenhouse gases (the "Contract"), which Contract was executed on behalf of CONTRACTOR on October 15, 2022, and on behalf of DISTRICT on October 25, 2022.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated June 12, 2023, for reference purposes only, to amend the term, to increase the total maximum cost of the contract, and update the Cost Schedule.
3. The PARTIES seek to amend the term and total maximum cost of, and recovery under, the Contract, and to replace Attachment B-1 with Attachment B-2, because DISTRICT seeks to have CONTRACTOR continue to provide the services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new term and total maximum cost.
4. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 4, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now September 30, 2025.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph D of Section 8, "Payment," of the Contract to replace "\$192,000" with "\$288,000."

3. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph F of Section 9, "Dispute Resolution," of the Contract to replace "\$192,000" with "\$288,000."
4. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment B-1, "Cost Schedule," with the attached Attachment B-2, "Cost Schedule," and agree that all references in the Contract to Attachment B shall be deemed to refer to Attachment B-2, "Cost Schedule."
5. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the PARTIES have caused this Contract Amendment to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

GEORGE MCDANIEL

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_  
George McDaniel  
Independent Contractor

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel



## ATTACHMENT B-2

### COST SCHEDULE

DISTRICT will pay CONTRACTOR a monthly retainer fee of \$8,000 per month, up to a maximum amount of \$288,000, to provide the consulting services outlined in Attachment A, Scope of Work.

**Total cost of Contract not to exceed \$288,000.**

DRAFT

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute a Contract Amendment with InterEthnica, Inc. for Meeting  
Facilitation Services to Support the Community Engagement Office

RECOMMENDED ACTION

Recommend the Board of Directors authorize the Executive Officer/APCO to extend the end date of the Master Services Agreement (MSA) with InterEthnica, Inc. from June 30, 2024 to December 31, 2024, and increase the MSA limit by \$75,000 from \$265,000 to \$340,000 to provide continued meeting support for the Community Engagement Office.

BACKGROUND

InterEthnica provides the Air District with meeting technical support to the James Cary Smith (JCS) Community Grant Program, as well as translation, live meeting interpretation, and meeting logistical support for the Community Advisory Council. InterEthnica also supports the Air District's community engagement team in a variety of settings, from focus groups and meetings with small groups to larger public meetings, interactive workshops, and advisory bodies to the Board of Directors. InterEthnica's current MSA to provide technical and community engagement support expires on June 30, 2024.

InterEthnica was selected for the Facilitation Bench 2021, when the Air District released a Request for Quotation (RFQ) 2021-014, in an effort to develop a facilitator bench that would provide staff with the ability to select specialized and qualified consultants to support the Air District in engaging overburdened communities throughout the Bay Area. InterEthnica applied and was selected amongst eleven (11) applicants (out of 23 firms) to provide facilitation services to the Air District, as well as conduct multi-stakeholder group coordination, stakeholder outreach, event promotion, logistics for public meetings and workshops, and neutral meeting facilitation. These services became particularly important during the COVID-19 pandemic, which forced the Air District to pivot and utilize new methods in engaging community members in key Air District programs, planning, and decision-making.

The current MSA contract with InterEthnica supported continued meeting facilitation, engagement support, and technical assistance, as well as ensuring the success of the JCS Community Grant Program and Community Advisory Council. Specifically, the current MSA contract encompassed the following services:

- Providing culturally relevant information in appropriate languages (arrange for interpretation and translation of materials as needed);
- Identifying and sharing local stakeholder contacts with the Air District;
- Designing meeting flyers and promoting meetings, workshops, and events;
- Identifying and securing ADA accessible community-friendly meeting facilities with low to zero facility rental costs – prioritizing venues that are transit accessible;
- For virtual and hybrid meetings, hosting virtual platform, ensuring accessibility needs meet the requirements of the Air District and providing technical assistance to the Air District and public, as requested;
- Identifying and securing appropriate child watch as requested;
- Providing healthy refreshments – prioritizing local vendors;
- Providing stipends/grants to participants (individuals/organizations);
- Ensuring audiovisual needs are met and virtual participation tools are supplied as requested;
- Working with Air District staff and identified partners or community groups to consult on meeting design and how to convene and run successful in-person, virtual, and hybrid meetings;
- Providing technical assistance to Air District staff on various tools and techniques to support engagement efforts as requested;
- Providing follow-up between meetings as needed; and
- Providing post meeting recap summaries, recordings and transcripts, survey data as needed to Air District staff and identified partners and community groups to document meeting outcomes.

## DISCUSSION

The amended MSA will ensure the JCS Community Grant Program, Community Advisory Council, and the Air District’s community engagement efforts have sufficient technical and logistical support through the end of 2024. The JCS Community Grant Program’s Grantee Coalition is anticipated to hold meetings quarterly through 2024. The JCS Community Grant Program also anticipates holding office hours to provide JCS grantees with grant reporting support and general technical assistance. The Community Advisory Council holds bimonthly meetings, and its ad hoc committees are scheduled to hold meetings regularly every month through the end of 2024.

This contract increase and extension supports the Air District to respond to an increase in requests for workshop and meeting support in 2024, including meetings to support discussions with community members and organizations about new rule development and specific facilities in impacted communities. The Air District continues to need meeting facilitation support, especially as we move to hybrid and in-person meetings, as these can often require more staffing support. Access to InterEthnica’s unique expertise in technical aspects of conducting workshops and facilitating meetings with a wide range of stakeholders, like overburdened communities and technical and policy advocates, is necessary given the Air District's ongoing community engagement efforts.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Funds for this \$75,000 contract increase are in the approved budget for Program 302 for fiscal year ending 2024.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Brian Butler  
Reviewed by: Miriam Torres

ATTACHMENTS:

1. Original Executed Master Services Contract No. 2022.147 - InterEthnica, Inc.
2. Draft Contract No. 2022.147 - Amendment 1 - InterEthnica, Inc.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**MASTER SERVICES CONTRACT**

**CONTRACT NO. 2022.147**

1. **PARTIES** – The parties to this Contract (“Contract”) are the Bay Area Air Quality Management District (“DISTRICT”) whose address is 375 Beale Street, Suite 600, San Francisco, CA 94105, and **InterEthnica, Inc.** (“CONTRACTOR”) whose address is 60 Rausch Street, Suite 307, San Francisco, CA 94103.
  
2. **RECITALS**
  - A. DISTRICT is the local agency with primary responsibility for regulating stationary source air pollution in the Bay Area Air Quality Management District in the State of California. DISTRICT is authorized to enter into this Contract under California Health and Safety Code Section 40701. DISTRICT desires to contract with CONTRACTOR for Services as defined herein. DISTRICT is entering into this Contract based on CONTRACTOR’s stated qualifications to perform the Services.
  - B. All parties to this Contract have had the opportunity to have this contract reviewed by their attorney.
  
3. **DEFINITIONS**
  - A. “Purchase Order” shall mean the written or electronic document used by DISTRICT to track payments to CONTRACTOR under this Contract.
  - B. “Services” shall mean the services to be provided by CONTRACTOR hereunder as generally described in the General Description of Services, attached hereto as Attachment A and made a part hereof by this reference, and as specifically described in Task Orders issued pursuant to this Contract.
  - C. “Task Order” shall mean a written request by DISTRICT for specific services to be performed by CONTRACTOR.
  
4. **PERFORMANCE REQUIREMENTS**
  - A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
  - B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and pay all applicable fees.
  - C. CONTRACTOR shall comply with all laws and regulations that apply to its performance under this Contract, including any requirements to disclose potential conflicts of interest under DISTRICT’s Conflict of Interest Code.
  - D. CONTRACTOR shall not engage in any performance of work during the term of this contract that is in direct or indirect conflict with duties and responsibilities set forth in the Scope of Work.
  - E. CONTRACTOR shall exercise the degree of skill and care customarily required by accepted professional practices and procedures.
  - F. CONTRACTOR shall ensure that any subcontractors, employees and agents performing under this Contract comply with the performance standards set forth in paragraph D above.

5. TERM – The term of this Contract is from August 1, 2022 to June 30, 2024, unless further extended by amendment of this Contract in writing, or terminated earlier. CONTRACTOR shall not submit any invoice for services performed under this Contract until the Contract is fully executed.

6. TERMINATION

A. The DISTRICT may terminate this Contract at any time, at will, and without specifying any reason, by notifying CONTRACTOR in writing. The notice of termination shall specify the effective date of termination, which shall be no less than thirty (30) calendar days from the date of delivery of the notice of termination, and shall be delivered in accordance with the provisions of section 13 below. Immediately upon receipt of the notice of termination, CONTRACTOR shall cease all services under this Contract, except such services as are specified in the notice of termination. CONTRACTOR shall deliver a final invoice for all remaining services performed but not billed, including any services specified in the termination notice, on or before ten (10) business days following the termination date.

B. Either party may terminate this Contract for breach by the other party.

i) Failure to perform any agreement or obligation contained in this Contract or failure to complete the services in a satisfactory manner shall constitute a breach of the Contract.

ii) The non-breaching party may terminate the Contract by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and the date by which such breach must be cured.

iii) If CONTRACTOR fails to perform any obligation under this Contract, DISTRICT at its sole discretion, may perform, or cause the performance, of the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the payment otherwise due to CONTRACTOR for work performed under this Contract. DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, CONTRACTOR under this Contract.

iv) The notice of breach shall be provided in accordance with the notice requirements set forth in section 13.

v) The non-breaching party reserves all rights under law and equity to enforce this Contract and recover any damages.

7. INSURANCE

A. CONTRACTOR shall maintain the following insurance:

i) Workers' compensation and employers' liability insurance as required by California law or other applicable statutory requirements.

ii) Occurrence-based commercial general liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each occurrence. Such insurance shall include DISTRICT and its officers, agents, and employees as additional insureds and shall be primary with respect to any insurance maintained by DISTRICT.

iii) Business automobile liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each accident. Such insurance shall include coverage for owned, hired, and non-owned vehicles. If CONTRACTOR is a sole proprietor, CONTRACTOR may meet this insurance requirement with personal automobile liability insurance carrying a

business use endorsement or by demonstrating to the satisfaction of DISTRICT that business use is covered under the CONTRACTOR's personal automobile liability insurance. A CONTRACTOR using only rental vehicles in performing work under this Contract may meet this insurance requirement by purchasing automobile liability insurance in the required coverage amount from the rental agency.

- iv) Professional liability insurance with limits not less than one million dollars (\$1,000,000) each claim.
- B. All insurance shall be placed with insurers acceptable to DISTRICT.
- C. Prior to commencement of work under this Contract, CONTRACTOR shall furnish properly-executed certificates of insurance for all required insurance. Upon request by DISTRICT, CONTRACTOR shall provide a complete copy of any required insurance policy. CONTRACTOR shall notify DISTRICT in writing thirty (30) days prior to cancellation or modification of any required insurance policy. Any such modifications are subject to pre-approval by DISTRICT.
- D. If CONTRACTOR fails to maintain the required insurance coverage set forth above, DISTRICT reserves the right either to purchase such additional insurance and to deduct the cost thereof from any payments owed to CONTRACTOR or to terminate this Contract for breach.

#### 8. INDEMNIFICATION

- A. CONTRACTOR shall indemnify and hold DISTRICT, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fees, or claims for injury or damages arising out of the performance of this Contract but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of CONTRACTOR, its officers, agents, or employees.
- B. DISTRICT shall indemnify and hold CONTRACTOR, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fee, or claims for injury or damages arising out of the performance of this Contract but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of DISTRICT, its officers, agents, or employees.

#### 9. AGREEMENT TO PROVIDE SERVICES

- A. CONTRACTOR hereby agrees to provide to DISTRICT, as DISTRICT may from time to time designate, such services as DISTRICT may order by Task Order, all in accordance with and subject to the terms, covenants and conditions of this Contract. DISTRICT agrees to pay for these services ordered by DISTRICT in accordance with and subject to the terms, covenants and conditions of this Contract.
- B. All Task Orders issued by DISTRICT to CONTRACTOR for services during the term of this Contract are subject to the provisions of this Contract as though fully set forth in such Task Order. In the event that the provisions of this Contract conflict with any Task Order issued by DISTRICT to CONTRACTOR, the provisions of this Contract shall govern. No other terms and conditions, including, but not limited to, those contained in CONTRACTOR's standard printed terms and conditions, on CONTRACTOR's order acknowledgment, invoices or otherwise, shall have any application to or effect upon or be deemed to constitute an amendment to or to be incorporated into this Contract, any Task Order, or any transactions occurring pursuant hereto or thereto, unless this Contract shall be specifically amended to adopt such other terms and conditions in writing by the parties.

- C. Notwithstanding any other provision of this Contract to the contrary, DISTRICT shall have no obligation to order or purchase any services hereunder and the placement of any Task Order shall be in the sole discretion of DISTRICT. Without limiting the generality of the foregoing, the actual quantity of services to be purchased hereunder shall be determined by DISTRICT in its sole discretion and shall not exceed \$265,000. This Contract is not exclusive. CONTRACTOR expressly acknowledges and agrees that DISTRICT may purchase at its sole discretion, services that are identical or similar to the services described in this Contract from any third party.
10. TASK ORDERS – Each Task Order will specify the following items, as relevant: specific services requested, schedule for services, location where services are to be performed (with contact person), and cost or estimated cost of services. Each Task Order issued under this Contract shall be made part of, and be incorporated into this Contract, and shall reference this Contract on the face of each Task Order. Should any Task Order not conform to or satisfy the terms of this Contract, CONTRACTOR shall have five (5) business days after receipt to reject the Task Order. By not rejecting the Task Order within five (5) business days, CONTRACTOR will have accepted the Task Order. Acceptance by CONTRACTOR is limited to the provisions of this Contract and the Task Order. No additional or different provisions proposed by CONTRACTOR or DISTRICT shall apply. In addition, the parties agree that this Contract and accepted Task Orders constitute a contract for services and satisfy all statutory and legal formalities of a contract.
11. PRICING, INVOICES, AND PAYMENT
- A. DISTRICT shall pay CONTRACTOR for all services ordered and provided in compliance with the terms and conditions of this Contract and with Task Orders issued under this Contract.
- B. CONTRACTOR shall submit original invoices to DISTRICT in form and substance and format reasonably acceptable to DISTRICT. Each invoice, including supporting documentation, must be prepared in duplicate on CONTRACTOR's letterhead; must list DISTRICT's contract number, Purchase Order Number, and the CONTRACTOR's Social Security Number or Federal Employer Identification Number; and must be submitted to: Bay Area Air Quality Management District, 375 Beale Street, Suite 600, San Francisco, CA 94105, Attn: Contracts Manager.
- C. Except as specifically set forth in Attachment A or in Task Orders under this Contract, DISTRICT shall not be responsible for any additional costs or expenses of any nature incurred by CONTRACTOR in connection with the provision of the services, including without limitation travel expenses, clerical or administrative personnel, long distance telephone charges, etc.
- D. CONTRACTOR represents, warrants and covenants that the prices, charges and fees for services set forth in this Contract (on the whole) are at least as favorable as the prices, charges and fees CONTRACTOR charges (on the whole) to other of its customers or clients for the same or substantially similar services provided under the same or substantially similar circumstances, terms, and conditions. If CONTRACTOR agrees or contracts with other clients or customers similarly situated during the Term of this Contract, and offers or agrees to financial terms more favorable than those set forth herein (on the whole), CONTRACTOR hereby agrees that it will reduce the prices, charges and/or fees charged to DISTRICT in respect of the services hereunder to the most favorable rates received by those other clients or customers.
12. DISPUTE RESOLUTION – A party that disputes a notice of breach must first seek mediation to resolve the dispute in accordance with the provisions set forth below.



- A. Upon receipt of a notice of breach of contract, the party may submit a demand for mediation to resolve whether or not a breach occurred. The party must state the basis of the dispute and deliver the demand within ten (10) business days of the date of receipt of the notice of breach.
- B. The mediation shall take place at DISTRICT's office at 375 Beale Street, Suite 600, San Francisco, or at such other place as may be mutually agreed upon by the parties and the mediator.
- C. The parties shall make good faith efforts to hold the mediation within thirty (30) days after receipt of the demand for mediation.
- D. Each party shall bear its own mediation costs.
- E. In the event the parties are unable to resolve the dispute, either party may file an action in a court of competent jurisdiction to enforce the Contract.
- F. Maximum recovery under this section shall be limited to the total value of all Task Orders issued under this Contract. The mediation costs shall not reduce the maximum amount recoverable under this section.

13. NOTICES – All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail, facsimile, or regular first class mail. In the case of e-mail and facsimile communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail and facsimile communications shall be deemed to have been received on the date of such transmission, provided such date was a business day and delivered prior to 4:00 p.m. PST. Otherwise, receipt of e-mail and facsimile communications shall be deemed to have occurred on the following business day. In the case of regular mail notice, notice shall be deemed to have been delivered on the mailing date and received five (5) business days after the date of mailing.

DISTRICT: Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
Attn: Anna Lee

CONTRACTOR: InterEthnica, Inc.  
60 Rausch Street, Suite 307  
San Francisco, CA 94103  
Attn: Lisa Abboud

14. ADDITIONAL PROVISIONS – All attachment(s) to this Contract are expressly incorporated herein by this reference and made a part hereof as though fully set forth.

15. EMPLOYEES OF CONTRACTOR

- A. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation, vacation replacements, sick leave, severance pay, and pay for legal holidays.
- B. CONTRACTOR, its officers, employees, agents, or representatives shall not be considered employees or agents of DISTRICT, nor shall CONTRACTOR, its officers, employees, agents, or representatives be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by DISTRICT to its employees.

- C. CONTRACTOR shall assign the employees listed under the Task Orders to perform services under this Contract. CONTRACTOR shall not assign different employees to perform these services without the express written permission of DISTRICT, which DISTRICT will not unreasonably withhold.
  - D. DISTRICT reserves the right to review the credentials to perform the services for any of CONTRACTOR's employees assigned herein and to disapprove CONTRACTOR's assignments. CONTRACTOR warrants that it will not employ any subcontractor(s) without prior written approval from DISTRICT.
16. CONFIDENTIALITY – In order to carry out the purposes of this Contract, CONTRACTOR may require access to certain of DISTRICT's confidential information (including trade secrets, inventions, confidential know-how, confidential business information, and other information that DISTRICT considers confidential) (collectively, "Confidential Information"). It is expressly understood and agreed that DISTRICT may designate in a conspicuous manner Confidential Information that CONTRACTOR obtains from DISTRICT, and CONTRACTOR agrees to:
- A. Observe complete confidentiality with respect to such information, including without limitation, agreeing not to disclose or otherwise permit access to such information by any other person or entity in any manner whatsoever, except that such disclosure or access shall be permitted to employees of CONTRACTOR requiring access in fulfillment of the services provided under this Contract.
  - B. Ensure that CONTRACTOR's officers, employees, agents, representatives, and independent contractors are informed of the confidential nature of such information and to assure by agreement or otherwise that they are prohibited from copying or revealing, for any purpose whatsoever, the contents of such information or any part thereof, or from taking any action otherwise prohibited under this section.
  - C. Not use such information or any part thereof in the performance of services to others or for the benefit of others in any form whatsoever whether gratuitously or for valuable consideration, except as permitted under this Contract.
  - D. Notify DISTRICT promptly and in writing of the circumstances surrounding any possession, use, or knowledge of such information or any part thereof by any person or entity other than those authorized by this section. Take at CONTRACTOR's expense, but at DISTRICT's option and in any event under DISTRICT's control, any legal action necessary to prevent unauthorized use of such information by any third party or entity which has gained access to such information at least in part due to the fault of CONTRACTOR.
  - E. Take any and all other actions necessary or desirable to assure such continued confidentiality and protection of such information during the term of this Contract and following expiration or termination of the Contract.
  - F. Prevent access to such materials by a person or entity not authorized under this Contract.
  - G. Establish specific procedures in order to fulfill the obligations of this section.
17. INTELLECTUAL PROPERTY RIGHTS – Title and full ownership rights to all intellectual property developed under this Contract shall at all times remain with DISTRICT, unless otherwise agreed to in writing.
18. PUBLICATION
- A. DISTRICT shall approve in writing any report or other document prepared by CONTRACTOR in connection with performance under this Contract prior to dissemination or publication of such

report or document to a third party. DISTRICT may waive in writing its requirement for prior approval.

- B. Until approved by DISTRICT, any report or other document prepared by CONTRACTOR shall include on each page a conspicuous header, footer, or watermark stating "DRAFT – Not Reviewed or Approved by BAAQMD," unless DISTRICT has waived its requirement for prior approval pursuant to paragraph A of this section.
- C. Information, data, documents, or reports developed by CONTRACTOR for DISTRICT, pursuant to this Contract, shall be part of DISTRICT's public record, unless otherwise indicated. CONTRACTOR may use or publish, at its own expense, such information, provided DISTRICT approves use of such information in advance. The following acknowledgment of support and disclaimer must appear in each publication of materials, whether copyrighted or not, based upon or developed under this Contract.

"This report was prepared as a result of work sponsored, paid for, in whole or in part, by the Bay Area Air Quality Management District (District). The opinions, findings, conclusions, and recommendations are those of the author and do not necessarily represent the views of the District. The District, its officers, employees, contractors, and subcontractors make no warranty, expressed or implied, and assume no legal liability for the information in this report."

- D. CONTRACTOR shall inform its officers, employees, and subcontractors involved in the performance of this Contract of the restrictions contained herein and shall require compliance with the above.
19. NON-DISCRIMINATION – In the performance of this Contract, CONTRACTOR shall not discriminate in its recruitment, hiring, promotion, demotion, and termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, marital status, sexual orientation, medical condition, or physical or mental disability and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, and all administrative rules and regulations issued pursuant to said Acts. CONTRACTOR shall also require each subcontractor performing services in connection with this Contract to comply with this section and shall include in each contract with such subcontractor provisions to accomplish the requirements of this section.
  20. PROPERTY AND SECURITY – Without limiting CONTRACTOR'S obligations with regard to security, CONTRACTOR shall comply with all the rules and regulations established by DISTRICT for access to and activity in and around DISTRICT's premises.
  21. ASSIGNMENT – No party shall assign, sell, license, or otherwise transfer any rights or obligations under this Contract to a third party without the prior written consent of the other party, and any attempt to do so shall be void upon inception.
  22. WAIVER – No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Contract shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies. Further, the failure of a party to

enforce performance by the other party of any term, covenant, or condition of this Contract, and the failure of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.

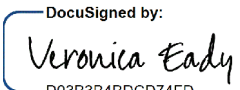
23. ATTORNEYS' FEES – In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys' fees and costs.
24. FORCE MAJEURE – Neither DISTRICT nor CONTRACTOR shall be liable for or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, judicial orders, governmental controls, regulations or restrictions, inability to obtain labor or materials or reasonable substitutes for labor or materials necessary for performance of the services, or other causes, except financial, that are beyond the reasonable control of DISTRICT or CONTRACTOR, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if the cause of the force majeure event is due to party's own action or inaction, then such cause shall not excuse that party from performance under this Contract.
25. SEVERABILITY – If a court of competent jurisdiction holds any provision of this Contract to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them will not be affected.
26. HEADINGS – Headings on the sections and paragraphs of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
27. COUNTERPARTS/FACSIMILES/SCANS – This Contract may be executed and delivered in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same contract. The parties may rely upon a facsimile copy or scanned copy of any party's signature as an original for all purposes.
28. GOVERNING LAW – Any dispute that arises under or relates to this Contract shall be governed by California law, excluding any laws that direct the application of another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Contract, including mediation, shall be San Francisco, California.
29. ENTIRE CONTRACT AND MODIFICATION – This Contract represents the final, complete, and exclusive statement of the agreement between the parties related to CONTRACTOR providing services to DISTRICT and supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Contract by, nor is any party relying upon, any representation or warranty outside those expressly set forth herein. This Contract may only be amended by mutual agreement of the parties in writing and signed by both parties.

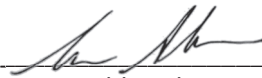
30. SURVIVAL OF TERMS – The provisions of sections 8 (Indemnification), 16 (Confidentiality), 17 (Intellectual Property Rights), and 18 (Publication) shall survive the expiration or termination of this Contract.

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

INTERETHNICA, INC.

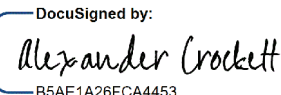
By:  \_\_\_\_\_  
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Veronica Eady  
Acting Executive Officer/APCO

By:  \_\_\_\_\_  
Lisa Abboud  
Principal

Date: 8/15/2022

Date: July 29, 2022

Approved as to form:  
District Counsel

By:  8/15/2022  
B5AE1A26FCA4453...  
Alexander Crockett  
District Counsel

## **Attachment A General Description of Services**

CONTRACTOR shall provide community engagement support and facilitation services to DISTRICT. DISTRICT regularly convenes meetings with community groups and public forums to inform the community about DISTRICT activities and to provide the public the opportunity to engage with DISTRICT staff, provide comments, ask questions, and shape new policy, planning processes and decision-making. Community engagement activities at the DISTRICT range in level of engagement from focus groups and meetings with small groups of community members to larger public meetings, open houses, interactive workshops on specific topics of interest, and ongoing stakeholder workgroups and advisory bodies to the Board of Directors. Activities may be in-person, virtual, or hybrid, throughout the Bay Area and may include a single event or a series of workshops or meetings and may include logistics to support accessibility and reduce barriers to participation by communities directly affected by a high burden of air pollution. Meetings may be during typical business hours (before 5pm) as well as in the evenings and, less often, on weekends. Upon request, CONTRACTOR shall provide written estimates or proposals to DISTRICT for community engagement and facilitation services.

CONTRACTOR services may include but are not limited to:

- a) Provide culturally relevant information in appropriate languages (arrange for interpretation and translation of materials as needed);
- b) Identify and share local stakeholder contacts with DISTRICT;
- c) When relevant, design meeting flyers, promote meetings, workshops, events, and program progress. Advertise and send targeted invitations, track responses;
- d) Identify and secure ADA accessible community-friendly meeting facilities with low to zero facility rental costs - prefer venues that are transit accessible;
- e) For virtual and hybrid meetings, host virtual platform, ensure accessibility needs meet the requirements of the DISTRICT and provide technical assistance to DISTRICT and public, as requested;
- f) Identify and secure appropriate child watch as requested;
- g) Provide healthy refreshments - prefer local vendors;
- h) When relevant and appropriate, provide stipends/grants to participants (individuals/organizations);
- i) Ensure audiovisual needs are met and virtual participation tools are supplied as requested;
- j) Work with DISTRICT and identified partners or community groups to consult on meeting design and how to convene and run successful in-person, virtual, and hybrid meetings;
- k) Provide technical assistance to DISTRICT staff on various tools and techniques to support engagement efforts as requested;
- l) Provide follow-up between meetings as needed; and
- m) Provide post meeting recap summaries, recordings and transcripts, survey data as needed to DISTRICT staff and identified partners and community groups to document meeting outcomes.

**AMENDMENT NO. 1 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2022.147**

This amendment to the above-entitled contract (“Contract Amendment”) is dated, for reference purposes only, April 17, 2024

**RECITALS:**

1. The Bay Area Air Quality Management District (“DISTRICT”) and **InterEthnica, Inc.** (“CONTRACTOR”) (hereinafter referred to as the “PARTIES”) entered into the above-entitled contract for community engagement support and facilitation services (the “Contract”), which Contract was executed on behalf of CONTRACTOR on July 29, 2022, and on behalf of DISTRICT on August 15, 2022.
2. The PARTIES seek to amend the term and the total cost of the Contract because DISTRICT seeks additional services from CONTRACTOR, and CONTRACTOR desires to provide those services.
3. In accordance with Section 29 of the Contract, DISTRICT and CONTRACTOR amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 5, “Term.” The term of the Contract shall be extended so that the termination date of the Contract is now December 31, 2024.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph C of Section 9, “Agreement to Provide Services,” of the Contract to replace “\$265,000” with “\$340,000.”
3. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the PARTIES have caused this Contract Amendment to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

INTERETHNICA, INC.

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_  
Lisa Abboud  
Principal

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel

DRAFT



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute Contracts for the Modernization of Information Technology  
Infrastructure and Related Installation and Configuration Services

RECOMMENDED ACTION

The Board of Directors will consider approving the Finance and Administration Committee's recommendation to take the following actions to reallocate and expend Capital funds to modernize the Air District's information technology infrastructure, which is at the end of its useful life:

- Authorize the Executive Officer/APCO to execute contracts with qualified Information Technology (IT) fulfillment partner ePlus Technologies, Inc., for information technology (IT) equipment and installation services for a total amount not to exceed \$1.3 million (M);
- Authorize the transfer of funds not to exceed \$450,000 for this effort from multiple program budgets where actual expenditures are below projected expenditures in their Fiscal Year Ending (FYE) 2024 services supply and capital budgets; and
- Authorize the Executive Officer/APCO to amend the competitively bid Contract with Dell, Inc to increase the annual expenditure on Microsoft Software Licensing and Cloud Services by \$250,000 per year to a total amount not to exceed \$1.2 M per year.

BACKGROUND

Since 2004 the Air District has executed projects to refresh its information technology infrastructure every 6 years. The design phase of this project includes a business needs projection, cloud migration assessment and an evaluation of on-premises needs for computer server, storage, network, and security infrastructure. A period of 6 years has been selected because that is the generally accepted maximum useful life for this type of information technology infrastructure.

The Air District was due to refresh its information technology infrastructure in 2022 but elected to defer the project for two years because the existing infrastructure was assessed to be sufficient to operate for that extended period. During this two-year period, the deferred replacement of the equipment provided for a savings of approximately \$1 M. Now, after nearly nine years of operation, the current infrastructure is in need of modernization.

In January of this year, the aging IT infrastructure was impacted by a cyberattack that highlighted the need to expedite infrastructure modernization and security enhancement. The Air District conducted a competitive procurement for IT Infrastructure Design and Prototyping Services, and a panel of reviewers selected ePlus Technology, Inc (ePlus) as the most responsive of the eight competitive bids that were received.

On April 3, 2024, the Board of Directors authorized the Executive Officer/APCO to enter into contracts with ePlus for design services to upgrade the Air District's information technology infrastructure, and to amend the existing contract with CipherEx to provide design review and prototyping services for the ePlus design.

The Air District has maintained two separate geographically separated data centers equipped with computer infrastructure that has been purchased as capital equipment. One data center is located at the Air District headquarters and the other at a remote collocation facility in Sacramento, California. The Sacramento facility is located outside of Bay Area earthquake zones, and has been utilized for disaster recovery and business continuity. Due to the maturing technical improvements and progressive cost reductions associated with cloud-based infrastructure, the new design associated with this request has focused on migration of on-premises computer infrastructure to cloud-based infrastructure.

## DISCUSSION

Because of the risk associated with the existing aging infrastructure, the design project has been accelerated and the equipment and installation specifications have been completed. The design focuses on a migration to cloud infrastructure where possible, and a reduction of physical on-premises equipment and maintenance. The proposed design calls for the modernization of the San Francisco Beale Street infrastructure and the decommissioning of the Sacramento disaster recovery and business continuity data center with the migration of those functions into cloud services.

Multiple fulfillment partners including ePlus Technologies, Inc., CDWG, Inc, SSP Data, Inc. and SHI Inc have been qualified through the use of competitively bid leveraged procurement agreements (LPA), and have bid on components of this project. ePlus Technologies, Inc has submitted the lowest bid for each equipment type for the San Francisco data center. Prices for the equipment categories quoted by each vendor are shown in Table 1 along with the LPA pricing from the National Association of State Procurement Officials (NASPO), and the Interlocal Purchasing System (TIPS-USA). ePlus is highlighted as the vendor with the lowest bid in each category.

Table 1 Quotes received for Information Technology Equipment by Category (not including sales tax)

<b>Vendor</b>	<b>Network + Servers Equipment</b>	<b>Security Equipment</b>	<b>Storage Equipment</b>
SHI, Inc.	\$536,125	\$590,040	\$148,855
SSP, Inc.	\$522,334	\$604,167	N/A
CDWG, Inc.	\$524,134	N/A	N/A
<b>ePlus Tech. Inc.</b>	<b>\$451,899</b>	<b>\$574,089</b>	<b>\$125,127</b>
NASPO Price (LPA)	\$554,321	\$574,089	N/A
TIPS-USA Price (LPA)	N/A	N/A	\$195,440
LIST Price	\$809,497	\$677,040	\$319,967

The total one-time authorization request for this project includes \$1,255,000 for equipment and \$120,000 for equipment configuration and installation services from ePlus technologies Inc. for a total, including sales tax, not to exceed the amount of \$1.3 M. The proposed professional services agreement for the equipment configuration and installation is included in this item as Attachment 1. In order to protect the Air District from Cybersecurity threats, the scope of work associated with the agreement, which contains sensitive technical information, is not attached to this item.

The Air District's prior technology infrastructure projects have been limited to on-premises computing and not involved migration to cloud services. These previous projects required an upfront expenditure of approximately \$3 M for equipment and installation services and an additional \$250,000 per year in licensing and operational costs. This current proposed design calls for an upfront capital outlay of \$1.3 M and ongoing cloud expenses of \$250,000, resulting in a reduction in ongoing costs of the Air District's IT infrastructure by approximately \$1.5 M over 6 years.

Every five years, the Air District conducts a competitive review of Microsoft cloud services and software licensing to ensure procurement at the lowest possible price. The current contract for cloud services and software licensing was awarded to Dell as a Microsoft reseller in 2022. To achieve this cost reduction proposed in this item, the Air District's annual Microsoft Azure cloud services contract with Dell and Microsoft would be increased by \$250,000 per year. Added to the existing Microsoft Licensing and Cloud Services contract, would result in an annual expenditure not to exceed \$1.2 M. The current Microsoft Licensing and Cloud Services contract is included in this item as Attachment 2.

## BUDGET CONSIDERATION/FINANCIAL IMPACT

\$850,000 of the required \$1.3 M is budgeted for this project and is available in the IT Engineering and Operations Fiscal Year Ending 2024 capital budget. The remaining \$450,000 required for this item would be transferred from the Administrative Resources; Planning & Climate Protection; and Assessment, Inventory & Modeling Divisions where actual expenditures are below projected expenditures in their FYE 2024 services, supply and capital budgets. This project is projected to reduce the ongoing cost of the Air District's IT infrastructure by approximately \$1.5 M over 6 years.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: John Chiladakis

## ATTACHMENTS:

1. Attachment 1: Dell Marketing Contract No. 2023.196 Vendor EA SignForm District - Signed
2. Attachment 2: Dell Marketing Contract No. 2023.196 Vendor EA Enrollment Form District - Signed
3. BAAQMD -ePLUS Installation and Configuration Draft

# ATTACHMENT 1



Volume Licensing

## Program Signature Form

MBA/MBSA number

Agreement number

8084445

**Note:** Enter the applicable active numbers associated with the documents below. Microsoft requires the associated active number be indicated here, or listed below as new.

For the purposes of this form, "Customer" can mean the signing entity, Enrolled Affiliate, Government Partner, Institution, or other party entering into a volume licensing program agreement.

This signature form and all contract documents identified in the table below are entered into between the Customer and the Microsoft Affiliate signing, as of the effective date identified below.

Contract Document	Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
Enterprise Enrollment	X20-10635
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
Product Selection Form	1340744.001 (New)
Document Description	Document Number or Code
Document Description	Document Number or Code
Document Description	Document Number or Code

By signing below, Customer and the Microsoft Affiliate agree that both parties (1) have received, read and understand the above contract documents, including any websites or documents incorporated by reference and any amendments and (2) agree to be bound by the terms of all such documents.

**Customer**

**Name of Entity** DocuSigned by: **gal entity name)\* Bay Area Air Quality Management District**

**Signature\*** \_\_\_\_\_

**Printed First and Last Name\*** Philip Fine

**Printed Title** Executive Officer/APCO

**Signature Date\*** 10/17/2023

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**Tax ID**

\* indicates required field

**ATTACHMENT 1**

<b>Microsoft Affiliate</b>
<b>Microsoft Corporation</b>
<b>Signature</b> _____ <b>Printed First and Last Name</b> <b>Printed Title</b> <b>Signature Date</b> (date Microsoft Affiliate countersigns)
<b>Agreement Effective Date</b> (may be different than Microsoft's signature date)

**Optional 2<sup>nd</sup> Customer signature or Outsourcer signature (if applicable)**

<b>Customer</b>
<b>Name of Entity (must be legal entity name)*</b> <b>Signature*</b> _____ <b>Printed First and Last Name*</b> <b>Printed Title</b> <b>Signature Date*</b>

*\* indicates required field*

<b>Outsourcer</b>
<b>Name of Entity (must be legal entity name)*</b> <b>Signature*</b> _____ <b>Printed First and Last Name*</b> <b>Printed Title</b> <b>Signature Date*</b>

*\* indicates required field*

If Customer requires additional contacts or is reporting multiple previous Enrollments, include the appropriate form(s) with this signature form.

After this signature form is signed by the Customer, send it and the Contract Documents to Customer's channel partner or Microsoft account manager, who must submit them to the following address. When the signature form is fully executed by Microsoft, Customer will receive a confirmation copy.

**Microsoft Corporation**  
 Dept. 551, Volume Licensing  
 6880 Sierra Center Parkway  
 Reno, Nevada 89511  
 USA

**ATTACHMENT 2**

Volume Licensing

**Enterprise Enrollment****State and Local**Enterprise Enrollment number  
(Microsoft to complete)

7580509

Previous Enrollment number  
(Reseller to complete)Framework ID  
(if applicable)

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**This Enrollment must be attached to a signature form to be valid.**

This Microsoft Enterprise Enrollment is entered into between the entities as identified in the signature form as of the effective date. Enrolled Affiliate represents and warrants it is the same Customer, or an Affiliate of the Customer, that entered into the Enterprise Agreement identified on the program signature form.

This Enrollment consists of: (1) these terms and conditions, (2) the terms of the Enterprise Agreement identified on the signature form, (3) the Product Selection Form, (4) the Product Terms, (5) the Online Services Terms, (6) any Supplemental Contact Information Form, Previous Agreement/Enrollment form, and other forms that may be required, and (7) any order submitted under this Enrollment. This Enrollment may only be entered into under a 2011 or later Enterprise Agreement. By entering into this Enrollment, Enrolled Affiliate agrees to be bound by the terms and conditions of the Enterprise Agreement.

All terms used but not defined are located at <http://www.microsoft.com/licensing/contracts>. In the event of any conflict the terms of this Agreement control.

**Effective date.** If Enrolled Affiliate is renewing Software Assurance or Subscription Licenses from one or more previous Enrollments or agreements, then the effective date will be the day after the first prior Enrollment or agreement expires or terminates. If this Enrollment is renewed, the effective date of the renewal term will be the day after the Expiration Date of the initial term. Otherwise, the effective date will be the date this Enrollment is accepted by Microsoft. Any reference to “anniversary date” refers to the anniversary of the effective date of the applicable initial or renewal term for each year this Enrollment is in effect.

**Term.** The initial term of this Enrollment will expire on the last day of the month, 36 full calendar months from the effective date of the initial term. The renewal term will expire 36 full calendar months after the effective date of the renewal term.

**Terms and Conditions****1. Definitions.**

Terms used but not defined in this Enrollment will have the definition in the Enterprise Agreement. The following definitions are used in this Enrollment:

“Additional Product” means any Product identified as such in the Product Terms and chosen by Enrolled Affiliate under this Enrollment.

“Community” means the community consisting of one or more of the following: (1) a Government, (2) an Enrolled Affiliate using eligible Government Community Cloud Services to provide solutions to a Government or a qualified member of the Community, or (3) a Customer with Customer Data that is subject to Government regulations for which Customer determines and Microsoft agrees that the use of Government Community Cloud Services is appropriate to meet Customer’s regulatory requirements.

## ATTACHMENT 2

Membership in the Community is ultimately at Microsoft's discretion, which may vary by Government Community Cloud Service.

"Enterprise Online Service" means any Online Service designated as an Enterprise Online Service in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Online Services are treated as Online Services, except as noted.

"Enterprise Product" means any Desktop Platform Product that Microsoft designates as an Enterprise Product in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Products must be licensed for all Qualified Devices and Qualified Users on an Enterprise-wide basis under this program.

"Expiration Date" means the date upon which the Enrollment expires.

"Federal Agency" means a bureau, office, agency, department or other entity of the United States Government.

"Government" means a Federal Agency, State/Local Entity, or Tribal Entity acting in its governmental capacity.

"Government Community Cloud Services" means Microsoft Online Services that are provisioned in Microsoft's multi-tenant data centers for exclusive use by or for the Community and offered in accordance with the National Institute of Standards and Technology (NIST) Special Publication 800-145. Microsoft Online Services that are Government Community Cloud Services are designated as such in the Use Rights and Product Terms.

"Industry Device" (also known as line of business device) means any device that: (1) is not useable in its deployed configuration as a general purpose personal computing device (such as a personal computer), a multi-function server, or a commercially viable substitute for one of these systems; and (2) only employs an industry or task-specific software program (e.g. a computer-aided design program used by an architect or a point of sale program) ("Industry Program"). The device may include features and functions derived from Microsoft software or third-party software. If the device performs desktop functions (such as email, word processing, spreadsheets, database, network or Internet browsing, or scheduling, or personal finance), then the desktop functions: (1) may only be used for the purpose of supporting the Industry Program functionality; and (2) must be technically integrated with the Industry Program or employ technically enforced policies or architecture to operate only when used with the Industry Program functionality.

"Managed Device" means any device on which any Affiliate in the Enterprise directly or indirectly controls one or more operating system environments. Examples of Managed Devices can be found in the Product Terms.

"Qualified Device" means any device that is used by or for the benefit of Enrolled Affiliate's Enterprise and is: (1) a personal desktop computer, portable computer, workstation, or similar device capable of running Windows Pro locally (in a physical or virtual operating system environment), or (2) a device used to access a virtual desktop infrastructure ("VDI"). Qualified Devices do not include any device that is: (1) designated as a server and not used as a personal computer, (2) an Industry Device, or (3) not a Managed Device. At its option, the Enrolled Affiliate may designate any device excluded above (e.g., Industry Device) that is used by or for the benefit of the Enrolled Affiliate's Enterprise as a Qualified Device for all or a subset of Enterprise Products or Online Services the Enrolled Affiliate has selected.

"Qualified User" means a person (e.g., employee, consultant, contingent staff) who: (1) is a user of a Qualified Device, or (2) accesses any server software requiring an Enterprise Product Client Access License or any Enterprise Online Service. It does not include a person who accesses server software or an Online Service solely under a License identified in the Qualified User exemptions in the Product Terms.

"Reseller" means an entity authorized by Microsoft to resell Licenses under this program and engaged by an Enrolled Affiliate to provide pre- and post-transaction assistance related to this agreement;

"Reserved License" means for an Online Service identified as eligible for true-ups in the Product Terms, the License reserved by Enrolled Affiliate prior to use and for which Microsoft will make the Online Service available for activation.



## ATTACHMENT 2

"State/Local Entity" means (1) any agency of a state or local government in the United States, or (2) any United States county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality established by the laws of Customer's state and located within Customer's state's jurisdiction and geographic boundaries.

"Tribal Entity" means a federally-recognized tribal entity performing tribal governmental functions and eligible for funding and services from the U.S. Department of Interior by virtue of its status as an Indian tribe.

"Use Rights" means, with respect to any licensing program, the use rights or terms of service for each Product and version published for that licensing program at the Volume Licensing Site and updated from time to time. The Use Rights include the Product-Specific License Terms, the License Model terms, the Universal License Terms, the Data Protection Terms, and the Other Legal Terms. The Use Rights supersede the terms of any end user license agreement (on-screen or otherwise) that accompanies a Product.

"Volume Licensing Site" means <http://www.microsoft.com/licensing/contracts> or a successor site.

### 2. **Order requirements.**

- a. **Minimum order requirements.** Enrolled Affiliate's Enterprise must have a minimum of 250 Qualified Users or Qualified Devices. The initial order must include at least 250 Licenses for Enterprise Products or Enterprise Online Services.
  - (i) **Enterprise commitment.** Enrolled Affiliate must order enough Licenses to cover all Qualified Users or Qualified Devices, depending on the License Type, with one or more Enterprise Products or a mix of Enterprise Products and the corresponding Enterprise Online Services (as long as all Qualified Devices not covered by a License are only used by users covered with a user License).
  - (ii) **Enterprise Online Services only.** If no Enterprise Product is ordered, then Enrolled Affiliate need only maintain at least 250 Subscription Licenses for Enterprise Online Services.
- b. **Additional Products.** Upon satisfying the minimum order requirements above, Enrolled Affiliate may order Additional Products.
- c. **Use Rights for Enterprise Products.** For Enterprise Products, if a new Product version has more restrictive use rights than the version that is current at the start of the applicable initial or renewal term of the Enrollment, those more restrictive use rights will not apply to Enrolled Affiliate's use of that Product during that term.
- d. **Country of usage.** Enrolled Affiliate must specify the countries where Licenses will be used on its initial order and on any additional orders.
- e. **Resellers.** Enrolled Affiliate must choose and maintain a Reseller authorized in the United States. Enrolled Affiliate will acquire its Licenses through its chosen Reseller. Orders must be submitted to the Reseller who will transmit the order to Microsoft. The Reseller and Enrolled Affiliate determine pricing and payment terms as between them, and Microsoft will invoice the Reseller based on those terms. Throughout this Agreement the term "price" refers to reference price. Resellers and other third parties do not have authority to bind or impose any obligation or liability on Microsoft.
- f. **Adding Products.**
  - (i) **Adding new Products not previously ordered.** New Enterprise Products or Enterprise Online Services may be added at any time by contacting a Microsoft Account Manager or Reseller. New Additional Products, other than Online Services, may be used if an order is placed in the month the Product is first used. For Additional Products that are Online Services, an initial order for the Online Service is required prior to use.

## ATTACHMENT 2

(ii) **Adding Licenses for previously ordered Products.** Additional Licenses for previously ordered Products other than Online Services may be added at any time but must be included in the next true-up order. Additional Licenses for Online Services must be ordered prior to use, unless the Online Services are (1) identified as eligible for true-up in the Product Terms or (2) included as part of other Licenses.

**g. True-up requirements.** Enrolled Affiliate must submit an annual true-up order that accounts for any changes since the initial order or last order. If there are no changes, then an update statement must be submitted instead of a true-up order.

(i) **Enterprise Products.** For Enterprise Products, Enrolled Affiliate must determine the number of Qualified Devices and Qualified Users (if ordering user-based Licenses) at the time the true-up order is placed and must order additional Licenses for all Qualified Devices and Qualified Users that are not already covered by existing Licenses, including any Enterprise Online Services.

(ii) **Additional Products.** For Additional Products that have been previously ordered under this Enrollment, Enrolled Affiliate must determine the maximum number of Additional Products used since the latter of the initial order, the last true-up order, or the prior anniversary date and submit a true-up order that accounts for any increase.

(iii) **Online Services.** For Online Services identified as eligible for true-up in the Product Terms, Enrolled Affiliate may place a reservation order for the additional Licenses prior to use and payment may be deferred until the next true-up order. Microsoft will provide a report of Reserved Licenses ordered but not yet invoiced to Enrolled Affiliate and its Reseller. Reserved Licenses will be invoiced retrospectively to the month in which they were ordered.

(iv) **Subscription License reductions.** Enrolled Affiliate may reduce the quantity of Subscription Licenses at the Enrollment anniversary date on a prospective basis if permitted in the Product Terms, as follows:

- 1) For Subscription Licenses that are part of an Enterprise-wide purchase, Licenses may be reduced if the total quantity of Licenses and Software Assurance for an applicable group meets or exceeds the quantity of Qualified Devices and Qualified Users (if ordering user-based Licenses) identified on the Product Selection Form, and includes any additional Qualified Devices and Qualified Users added in any prior true-up orders. Step-up Licenses do not count towards this total count.
- 2) For Enterprise Online Services that are not a part of an Enterprise-wide purchase, Licenses can be reduced as long as the initial order minimum requirements are maintained.
- 3) For Additional Products available as Subscription Licenses, Enrolled Affiliate may reduce the Licenses. If the License count is reduced to zero, then Enrolled Affiliate's use of the applicable Subscription License will be cancelled.

Invoices will be adjusted to reflect any reductions in Subscription Licenses at the true-up order Enrollment anniversary date and effective as of such date.

(v) **Update statement.** An update statement must be submitted instead of a true-up order if, since the initial order or last true-up order, Enrolled Affiliate's Enterprise: (1) has not changed the number of Qualified Devices and Qualified Users licensed with Enterprise Products or Enterprise Online Services; and (2) has not increased its usage of Additional Products. This update statement must be signed by Enrolled Affiliate's authorized representative.

(vi) **True-up order period.** The true-up order or update statement must be received by Microsoft between 60 and 30 days prior to each Enrollment anniversary date. The third-year true-up order or update statement is due within 30 days prior to the Expiration Date, and any license reservations within this 30 day period will not be accepted. Enrolled Affiliate

## ATTACHMENT 2

may submit true-up orders more often to account for increases in Product usage, but an annual true-up order or update statement must still be submitted during the annual order period.

- (vii) **Late true-up order.** If the true-up order or update statement is not received when due, Microsoft will invoice Reseller for all Reserved Licenses not previously invoiced and Subscription License reductions cannot be reported until the following Enrollment anniversary date (or at Enrollment renewal, as applicable).
- h. Step-up Licenses.** For Licenses eligible for a step-up under this Enrollment, Enrolled Affiliate may step-up to a higher edition or suite as follows:
- (i) For step-up Licenses included on an initial order, Enrolled Affiliate may order according to the true-up process.
  - (ii) If step-up Licenses are not included on an initial order, Enrolled Affiliate may step-up initially by following the process described in the Section titled “Adding new Products not previously ordered,” then for additional step-up Licenses, by following the true-up order process.
- i. Clerical errors.** Microsoft may correct clerical errors in this Enrollment, and any documents submitted with or under this Enrollment, by providing notice by email and a reasonable opportunity for Enrolled Affiliate to object to the correction. Clerical errors include minor mistakes, unintentional additions and omissions. This provision does not apply to material terms, such as the identity, quantity or price of a Product ordered.
- j. Verifying compliance.** Microsoft may, in its discretion and at its expense, verify compliance with this Enrollment as set forth in the Enterprise Agreement.

### 3. **Pricing.**

- a. Price Levels.** For both the initial and any renewal term Enrolled Affiliate’s Price Level for all Products ordered under this Enrollment will be Level “D” throughout the term of the Enrollment.
- b. Setting Prices.** Enrolled Affiliate’s prices for each Product or Service will be established by its Reseller. Except for Online Services designated in the Product Terms as being exempt from fixed pricing, As long as Enrolled Affiliate continues to qualify for the same price level, Microsoft’s prices for Resellers for each Product or Service ordered will be fixed throughout the applicable initial or renewal Enrollment term. Microsoft’s prices to Resellers are reestablished at the beginning of the renewal term.

### 4. **Payment terms.**

For the initial or renewal order, Microsoft will invoice Enrolled Affiliate’s Reseller in three equal annual installments. . The first installment will be invoiced upon Microsoft’s acceptance of this Enrollment and remaining installments will be invoiced on each subsequent Enrollment anniversary date. Subsequent orders are invoiced upon acceptance of the order and Enrolled Affiliate may elect to pay annually or upfront for Online Services and upfront for all other Licenses.

### 5. **End of Enrollment term and termination.**

- a. General.** At the Expiration Date, Enrolled Affiliate must immediately order and pay for Licenses for Products it has used but has not previously submitted an order, except as otherwise provided in this Enrollment.
- b. Renewal option.** At the Expiration Date of the initial term, Enrolled Affiliate can renew Products by renewing this Enrollment for one additional 36-month term or by signing a new Enrollment. Microsoft must receive a Renewal Form, Product Selection Form, and renewal order prior to or at the Expiration Date. Microsoft will not unreasonably reject any renewal.

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Microsoft may make changes to this program that will make it necessary for Customer and its Enrolled Affiliates to enter into new agreements and Enrollments at renewal.

**c. If Enrolled Affiliate elects not to renew.**

(i) **Software Assurance.** If Enrolled Affiliate elects not to renew Software Assurance for any Product under its Enrollment, then Enrolled Affiliate will not be permitted to order Software Assurance later without first acquiring a new License with Software Assurance.

(ii) **Online Services eligible for an Extended Term.** For Online Services identified as eligible for an Extended Term in the Product Terms, the following options are available at the end of the Enrollment initial or renewal term.

1) **Extended Term.** Licenses for Online Services will automatically expire in accordance with the terms of the Enrollment. An extended term feature that allows Online Services to continue month-to-month (“Extended Term”) is available. During the Extended Term, Online Services will be invoiced monthly at the then-current published price as of the Expiration Date plus a 3% administrative fee for up to one year. If Enrolled Affiliate wants an Extended Term, Enrolled Affiliate must submit a request to Microsoft at least 30 days prior to the Expiration Date.

2) **Cancellation during Extended Term.** At any time during the first year of the Extended Term, Enrolled Affiliate may terminate the Extended Term by submitting a notice of cancellation to Microsoft for each Online Service. Thereafter, either party may terminate the Extended Term by providing the other with a notice of cancellation for each Online Service. Cancellation will be effective at the end of the month following 30 days after Microsoft has received or issued the notice.

(iii) **Subscription Licenses and Online Services not eligible for an Extended Term.** If Enrolled Affiliate elects not to renew, the Licenses will be cancelled and will terminate as of the Expiration Date. Any associated media must be uninstalled and destroyed and Enrolled Affiliate’s Enterprise must discontinue use. Microsoft may request written certification to verify compliance.

**d. Termination for cause.** Any termination for cause of this Enrollment will be subject to the “Termination for cause” section of the Agreement. In addition, it shall be a breach of this Enrollment if Enrolled Affiliate or any Affiliate in the Enterprise that uses Government Community Cloud Services fails to meet and maintain the conditions of membership in the definition of Community.

**e. Early termination.** Any early termination of this Enrollment will be subject to the “Early Termination” Section of the Enterprise Agreement.

For Subscription Licenses, in the event of a breach by Microsoft, or if Microsoft terminates an Online Service for regulatory reasons, Microsoft will issue Reseller a credit for any amount paid in advance for the period after termination.

## 6. **Government Community Cloud.**

**a. Community requirements.** If Enrolled Affiliate purchases Government Community Cloud Services, Enrolled Affiliate certifies that it is a member of the Community and agrees to use Government Community Cloud Services solely in its capacity as a member of the Community and, for eligible Government Community Cloud Services, for the benefit of end users that are members of the Community. Use of Government Community Cloud Services by an entity that is not a member of the Community or to provide services to non-Community members is strictly prohibited and could result in termination of Enrolled Affiliate’s license(s) for Government Community Cloud Services without notice. Enrolled Affiliate acknowledges that only Community members may use Government Community Cloud Services.

**b.** All terms and conditions applicable to non-Government Community Cloud Services also apply

## ATTACHMENT 2

to their corresponding Government Community Cloud Services, except as otherwise noted in the Use Rights, Product Terms, and this Enrollment.

- c. Enrolled Affiliate may not deploy or use Government Community Cloud Services and corresponding non-Government Community Cloud Services in the same domain.
- d. **Use Rights for Government Community Cloud Services.** For Government Community Cloud Services, notwithstanding anything to the contrary in the Use Rights:
  - (i) Government Community Cloud Services will be offered only within the United States.
  - (ii) Additional European Terms, as set forth in the Use Rights, will not apply.
  - (iii) References to geographic areas in the Use Rights with respect to the location of Customer Data at rest, as set forth in the Use Rights, refer only to the United States.



**ATTACHMENT 2*****Enrollment Details*****1. Enrolled Affiliate's Enterprise.**

- a. Identify which Agency Affiliates are included in the Enterprise. (Required) Enrolled Affiliate's Enterprise must consist of entire offices, bureaus, agencies, departments or other entities of Enrolled Affiliate, not partial offices, bureaus, agencies, or departments, or other partial entities. Check only one box in this section. If no boxes are checked, Microsoft will deem the Enterprise to include the Enrolled Affiliate only. If more than one box is checked, Microsoft will deem the Enterprise to include the largest number of Affiliates:

Enrolled Affiliate only

Enrolled Affiliate and all Affiliates

Enrolled Affiliate and the following Affiliate(s) (Only identify specific affiliates to be included if fewer than all Affiliates are to be included in the Enterprise):

Enrolled Affiliate and all Affiliates, with following Affiliate(s) excluded:

- b. Please indicate whether the Enrolled Affiliate's Enterprise will include all new Affiliates acquired after the start of this Enrollment: Exclude future Affiliates

**2. Contact information.**

Each party will notify the other in writing if any of the information in the following contact information page(s) changes. The asterisks (\*) indicate required fields. By providing contact information, Enrolled Affiliate consents to its use for purposes of administering this Enrollment by Microsoft, its Affiliates, and other parties that help administer this Enrollment. The personal information provided in connection with this Enrollment will be used and protected in accordance with the privacy statement available at <https://www.microsoft.com/licensing/servicecenter>.

- a. **Primary contact.** This contact is the primary contact for the Enrollment from within Enrolled Affiliate's Enterprise. This contact is also an Online Administrator for the Volume Licensing Service Center and may grant online access to others. The primary contact will be the default contact for all purposes unless separate contacts are identified for specific purposes

**Name of entity (must be legal entity name)\*** Bay Area Air Quality Management District

**Contact name\* First** John **Last** Chiladakis

**Contact email address\*** jchiladakis@baaqmd.gov

**Street address\*** 939 Ellis St.

**City\*** San Francisco

**ATTACHMENT 2**

**State\*** CA  
**Postal code\*** 94109-7714  
 (Please provide the zip + 4, e.g. xxxxx-xxxx)  
**Country\*** United States  
**Phone\*** 415-749-4750  
**Tax ID**  
*\* indicates required fields*

- b. Notices contact and Online Administrator.** This contact (1) receives the contractual notices, (2) is the Online Administrator for the Volume Licensing Service Center and may grant online access to others, and (3) is authorized to order Reserved Licenses for eligible Online Services, including adding or reassigning Licenses and stepping-up prior to a true-up order.

Same as primary contact (default if no information is provided below, even if the box is not checked).

**Contact name\* First Last**  
**Contact email address\***  
**Street address\***  
**City\***  
**State\***  
**Postal code\*** -  
 (Please provide the zip + 4, e.g. xxxxx-xxxx)  
**Country\***  
**Phone\***  
**Language preference.** Choose the language for notices. English  
 This contact is a third party (not the Enrolled Affiliate). Warning: This contact receives personally identifiable information of the Customer and its Affiliates.  
*\* indicates required fields*

- c. Online Services Manager.** This contact is authorized to manage the Online Services ordered under the Enrollment and (for applicable Online Services) to add or reassign Licenses and step-up prior to a true-up order.

Same as notices contact and Online Administrator (default if no information is provided below, even if box is not checked)


**Contact name\*: First Last**  
**Contact email address\***  
**Phone\***  
 This contact is from a third party organization (not the entity). Warning: This contact receives personally identifiable information of the entity.  
*\* indicates required fields*

- d. Reseller information.** Reseller contact for this Enrollment is:

**Reseller company name\*** Dell Inc.  
**Street address (PO boxes will not be accepted)\*** One Dell Way  
**City\*** Round Rock  
**State\*** TX  
**Postal code\*** 78682  
**Country\*** United States  
**Contact name\*** Government Contract Admin  
**Phone\*** 847-465-3700  
**Contact email address\*** US\_MS\_VL\_Admin@Dell.com  
*\* indicates required fields*

# ATTACHMENT 2

By signing below, the Reseller identified above confirms that all information provided in this Enrollment is correct.

<b>Signature*</b>	<small>DocuSigned by:</small>	
		<small>7314B577922A46A...</small>
<b>Printed name*</b>	Philip Fine	
<b>Printed title*</b>	Executive Officer/APCO	
<b>Date*</b>	10/17/2023	

\* indicates required fields

**Changing a Reseller.** If Microsoft or the Reseller chooses to discontinue doing business with each other, Enrolled Affiliate must choose a replacement Reseller. If Enrolled Affiliate or the Reseller intends to terminate their relationship, the initiating party must notify Microsoft and the other party using a form provided by Microsoft at least 90 days prior to the date on which the change is to take effect.

- e. If Enrolled Affiliate requires a separate contact for any of the following, attach the Supplemental Contact Information form. *Otherwise, the notices contact and Online Administrator remains the default.*
  - (i) Additional notices contact
  - (ii) Software Assurance manager
  - (iii) Subscriptions manager
  - (iv) Customer Support Manager (CSM) contact

### 3. **Financing elections.**

Is a purchase under this Enrollment being financed through MS Financing?  Yes,  No.

If a purchase under this Enrollment is financed through MS Financing, and Enrolled Affiliate chooses not to finance any associated taxes, it must pay these taxes directly to Microsoft.



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**PROFESSIONAL SERVICES CONTRACT**

**CONTRACT NO. 2024.XXX**

**Bay Area Air Quality Management District-IT Infrastructure Installation and Configuration**

1. **PARTIES** – The parties to this Contract (“Contract”) are the Bay Area Air Quality Management District (“DISTRICT”) whose address is 375 Beale Street, Suite 600, San Francisco, CA 94105, and ePlus Technology, inc. (“CONTRACTOR”) whose address is 13595 Dulles Technology Drive, Herndon, VA 20171-3413.
2. **RECITALS**
  - A. DISTRICT is the local agency with primary responsibility for regulating stationary source air pollution in the Bay Area Air Quality Management District in the State of California. DISTRICT is authorized to enter into this Contract under California Health and Safety Code Section 40701. DISTRICT desires to contract with CONTRACTOR for services described in the Scope of Work, attached hereto as Attachment A and made a part hereof by this reference. DISTRICT is entering into this Contract based on CONTRACTOR’s stated qualifications to perform the services.
  - B. All parties to this Contract have had the opportunity to have this contract reviewed by their attorney.
3. **PERFORMANCE REQUIREMENTS**
  - A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
  - B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and to pay all applicable fees.
  - C. CONTRACTOR shall comply with all laws and regulations that apply to its performance under this Contract, including any requirements to disclose potential conflicts of interest under DISTRICT’s Conflict of Interest Code.
  - D. CONTRACTOR shall not engage in any performance of work during the term of this contract that is in direct or indirect conflict with duties and responsibilities set forth in the Scope of Work. CONTRACTOR shall exercise the degree of skill and care customarily required by accepted professional practices and procedures.
  - E. CONTRACTOR shall ensure that any subcontractors, employees and agents performing under this Contract comply with the performance standards set forth in paragraphs A-E above.
4. **TERM** – The term of this Contract is from the date of execution of the Contract to July 31, 2025, unless further extended by amendment of this Contract in writing and signed by both parties, or terminated earlier. CONTRACTOR shall not submit any invoice for services performed under this Contract until the Contract is fully executed.

5. TERMINATION

- A. The DISTRICT may terminate this Contract at any time, at will, and without specifying any reason, by notifying CONTRACTOR in writing. The notice of termination shall specify the effective date of termination, which shall be no less than thirty (30) calendar days from the date of delivery of the notice of termination, as set forth in section 10, below, and shall be delivered in accordance with the provisions of section 10 below. Immediately upon receipt of the notice of termination, CONTRACTOR shall cease all work under this Contract, except such work as is specified in the notice of termination. CONTRACTOR shall deliver a final invoice for all remaining work performed but not billed, including any work specified in the termination notice, on or before ten (10) business days following the effective date of termination.
- B. Either party may terminate this Contract for breach by the other party.
- i) Failure to perform any agreement or obligation contained in this Contract or failure to perform the services in a satisfactory manner shall constitute a breach of the Contract.
  - ii) The non-breaching party may terminate the Contract by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and the date by which such breach must be cured.
  - iii) If CONTRACTOR fails to perform any obligation under this Contract, DISTRICT, at its sole discretion, may perform, or cause the performance of, the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the payment otherwise due to CONTRACTOR for work performed under this Contract. DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, CONTRACTOR under this Contract.
  - iv) The notice of breach shall be provided in accordance with the notice requirements set forth in section 10.
  - v) The non-breaching party reserves all rights under law and equity to enforce this Contract and recover any damages.

6. INSURANCE

- A. CONTRACTOR shall maintain the following insurance:
- i) Workers' compensation and employers' liability insurance as required by California law or other applicable statutory requirements.
  - ii) Occurrence-based commercial general liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each occurrence. Such insurance shall include DISTRICT and its officers, agents, and employees as additional insureds and shall be primary with respect to any insurance maintained by DISTRICT.
  - iii) Business automobile liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each accident. Such insurance shall include coverage for owned, hired, and non-owned vehicles. If CONTRACTOR is a sole proprietor, CONTRACTOR may meet this insurance requirement with personal automobile liability insurance carrying a business use endorsement or by demonstrating to the satisfaction of DISTRICT that business use is covered under the CONTRACTOR's personal automobile liability insurance. A CONTRACTOR using only rental vehicles in performing work under this Contract may meet this insurance requirement by purchasing automobile liability

insurance in the required coverage amount from the rental agency.

- B. All insurance shall be placed with insurers acceptable to DISTRICT.
- C. Prior to commencement of work under this Contract, CONTRACTOR shall furnish properly-executed certificates of insurance for all required insurance. Upon request by DISTRICT, CONTRACTOR shall provide a complete copy of any required insurance policy. CONTRACTOR shall notify DISTRICT in writing thirty (30) days prior to cancellation or modification of any required insurance policy. Any such modifications are subject to pre-approval by DISTRICT.
- D. If CONTRACTOR fails to maintain the required insurance coverage set forth above, DISTRICT reserves the right either to purchase such additional insurance and deduct the cost thereof from any payments owed to CONTRACTOR or to terminate this Contract for breach.

#### 7. INDEMNIFICATION

- A. CONTRACTOR shall indemnify and hold DISTRICT, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fees, or claims for injury or damages arising out of the performance of this Contract, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of CONTRACTOR, its officers, agents, or employees.
- B. DISTRICT shall indemnify and hold CONTRACTOR, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fee, or claims for injury or damages arising out of the performance of this Contract, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of DISTRICT, its officers, agents, or employees.

#### 8. PAYMENT

- A. DISTRICT shall pay CONTRACTOR for services in accordance with the terms set forth in the Cost Schedule, which is attached hereto as Attachment B and incorporated herein by this reference.
- B. CONTRACTOR shall submit invoice(s) to DISTRICT for services performed. Each invoice shall specify the total cost of the services for which the invoice is submitted, shall reference tasks shown in the Scope of Work, the hours associated with same, or percentage completion thereof, and the amount of charge claimed, and, as appropriate, shall list any charges for equipment, material, supplies, travel, and subcontractors' services.
- C. DISTRICT's payment of invoices shall be subject to the following limitations and requirements:
  - i) Each invoice, including supporting documentation, shall be prepared in duplicate on CONTRACTOR's letterhead; shall list DISTRICT's contract number, the period covered by the invoice, and the CONTRACTOR's Social Security Number or Federal Employer Identification Number; and shall be submitted to: Bay Area Air Quality Management District, 375 Beale Street, Suite 600, San Francisco, CA 94105, Attn: Contracts Manager.
  - ii) DISTRICT shall not pay interest, fees, handling charges, or the cost of money on the Contract.
  - iii) DISTRICT shall pay CONTRACTOR within thirty (30) calendar days after approval by DISTRICT of an itemized invoice.
- D. The total amount for which DISTRICT may be held liable for the performance of services specified in this Contract shall not exceed \$120,000.

9. DISPUTE RESOLUTION – A party that disputes a notice of breach must first seek mediation to resolve the dispute in accordance with the provisions set forth below.
- A. Upon receipt of a notice of breach of contract, the party may submit a demand for mediation to resolve whether or not a breach occurred. The party must state the basis of the dispute and deliver the demand within ten (10) business days of the date of receipt of the notice of breach.
  - B. The mediation shall take place at DISTRICT’s office at 375 Beale Street, Suite 600, San Francisco, or at such other place as may be mutually agreed upon by the parties and the mediator.
  - C. The parties shall make good faith efforts to hold the mediation within thirty (30) days after receipt of the demand for mediation.
  - D. Each party shall bear its own mediation costs.
  - E. In the event the parties are unable to resolve the dispute, either party may file an action in a court of competent jurisdiction to enforce the Contract.
  - F. Maximum recovery under this section shall be limited to \$120,000. The mediation costs shall not reduce the maximum amount recoverable under this section.
10. NOTICES – All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail, facsimile, or regular first class mail. In the case of e-mail and facsimile communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail and facsimile communications shall be deemed to have been received on the date of such transmission, provided such date was a business day and delivered prior to 4:00 p.m. pacific time. Otherwise, receipt of e-mail and facsimile communications shall be deemed to have occurred on the following business day. In the case of regular mail notice, notice shall be deemed to have been delivered on the mailing date and received five (5) business days after the date of mailing.

DISTRICT: Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
Attn: John Chiladakis

CONTRACTOR: ePlus Technology, inc.  
13595 Dulles Technology Drive  
Herndon, VA 20171-3413  
Attn: General Counsel, with copies to VP, Contracts

11. ADDITIONAL PROVISIONS – All attachment(s) to this Contract are expressly incorporated herein by this reference and made a part hereof as though fully set forth.

12. EMPLOYEES OF CONTRACTOR

- A. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation leave, vacation replacements, sick leave, severance pay, and pay for legal holidays.
- B. CONTRACTOR, its officers, employees, agents, or representatives shall not be considered employees or agents of DISTRICT, nor shall CONTRACTOR, its officers, employees, agents, or representatives be entitled to or eligible to participate in any benefits, privileges, or plans given or extended by DISTRICT to its employees.
- C. DISTRICT reserves the right to review the credentials to perform the work of any of CONTRACTOR's employees assigned herein and to disapprove CONTRACTOR's assignments. CONTRACTOR warrants that it will not employ any subcontractor(s) without prior written approval from DISTRICT.

13. CONFIDENTIALITY – In order to carry out the purposes of this Contract, CONTRACTOR may require access to certain of DISTRICT's confidential information (including trade secrets, inventions, confidential know-how, confidential business information, and other information that DISTRICT considers confidential) (collectively, "Confidential Information"). It is expressly understood and agreed that DISTRICT may designate in a conspicuous manner Confidential Information that CONTRACTOR obtains from DISTRICT, and CONTRACTOR agrees to:

- A. Observe complete confidentiality with respect to such information, including, without limitation, agreeing not to disclose or otherwise permit access to such information by any other person or entity in any manner whatsoever, except that such disclosure or access shall be permitted to employees of CONTRACTOR requiring access in fulfillment of the services provided under this Contract.
- B. Ensure that CONTRACTOR's officers, employees, agents, representatives, and independent contractors are informed of the confidential nature of such information, and to assure by agreement or otherwise, that they are prohibited from copying or revealing, for any purpose whatsoever, the contents of such information or any part thereof, or from taking any action otherwise prohibited under this section.
- C. Not use such information or any part thereof in the performance of services to others or for the benefit of others in any form whatsoever, whether gratuitously or for valuable consideration, except as permitted under this Contract.
- D. Notify DISTRICT promptly and in writing of the circumstances surrounding any possession, use, or knowledge of such information, or any part thereof, by any person or entity other than those authorized by this section. Take, at CONTRACTOR's expense but at DISTRICT's option, and in any event under DISTRICT's control, any legal action necessary to prevent unauthorized use of such information by any third party or entity which has gained access to such information at least in part due to the fault of CONTRACTOR.
- E. Take any and all other actions necessary or desirable to assure such continued confidentiality and protection of such information during the term of this Contract and following expiration or termination of the Contract.
- F. Prevent access to such materials by a person or entity not authorized under this Contract.
- G. Establish specific procedures in order to fulfill the obligations of this section.

14. INTELLECTUAL PROPERTY RIGHTS – Title and full ownership rights to all intellectual property developed under this Contract shall at all times remain with DISTRICT, unless otherwise agreed to in writing.

15. PUBLICATION

- A. DISTRICT shall approve in writing any report or other document prepared by CONTRACTOR in connection with performance under this Contract prior to dissemination or publication of such report or document to a third party. DISTRICT may waive in writing its requirement for prior approval.
- B. Until approved by DISTRICT, any report or other document prepared by CONTRACTOR shall include on each page a conspicuous header, footer, or watermark stating "DRAFT – Not Reviewed or Approved by BAAQMD," unless DISTRICT has waived its requirement for prior approval pursuant to paragraph A of this section.
- C. Information, data, documents, or reports developed by CONTRACTOR for DISTRICT pursuant to this Contract shall be part of DISTRICT's public record, unless otherwise indicated. CONTRACTOR may use or publish, at its own expense, such information, provided DISTRICT approves use of such information in advance. The following acknowledgment of support and disclaimer must appear in each publication of materials, whether copyrighted or not, based upon or developed under this Contract:

"This report was prepared as a result of work sponsored, paid for, in whole or in part, by the Bay Area Air Quality Management District (District). The opinions, findings, conclusions, and recommendations are those of the author and do not necessarily represent the views of the District. The District, its officers, employees, contractors, and subcontractors make no warranty, expressed or implied, and assume no legal liability for the information in this report."

- D. CONTRACTOR shall inform its officers, employees, and subcontractors involved in the performance of this Contract of the restrictions contained herein and shall require compliance with this section.

16. AUDIT / INSPECTION OF RECORDS – If this Contract exceeds \$10,000, pursuant to California Government Code Section 8546.7, all records, documents, conditions and activities of CONTRACTOR, and its subcontractors, related to the services provided hereunder, shall be subject to the examination and audit of the California State Auditor and other duly authorized agents of the State of California for a period of three (3) years after final payment under this Contract. CONTRACTOR hereby agrees to make such records available during normal business hours for inspection, audit, and reproduction by any duly authorized agents of the State of California or DISTRICT. CONTRACTOR further agrees to allow interviews of any of its employees who might reasonably have information related to such records by any duly authorized agents of the State of California or DISTRICT. All examinations and audits conducted under this section shall be strictly confined to those matters connected with the performance of this Contract, including, but not limited to, the costs of administering this Contract.

17. NON-DISCRIMINATION – In the performance of this Contract, CONTRACTOR shall not discriminate in its recruitment, hiring, promotion, demotion, and termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, marital status, sexual orientation, medical condition, or physical or mental disability, and shall comply with the provisions of the California Fair Employment & Housing Act (Gov. Code, §§12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, and all administrative rules and regulations issued pursuant to said Acts. CONTRACTOR shall also require each

subcontractor performing work in connection with this Contract to comply with this section, and shall include in each contract with such subcontractor provisions to accomplish the requirements of this section.

18. PROPERTY AND SECURITY – Without limiting CONTRACTOR’S obligations with regard to security, CONTRACTOR shall comply with all the rules and regulations established by DISTRICT for access to and activity in and around DISTRICT’S premises.
19. ASSIGNMENT – No party shall assign, sell, license, or otherwise transfer any rights or obligations under this Contract to a third party without the prior written consent of the other party, and any attempt to do so shall be void upon inception.
20. WAIVER – No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Contract shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies. Further, the failure of a party to enforce performance by the other party of any term, covenant, or condition of this Contract, and the failure of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.
21. ATTORNEYS’ FEES – In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys’ fees and costs.
22. FORCE MAJEURE – Neither DISTRICT nor CONTRACTOR shall be liable for or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, judicial orders, governmental controls, regulations or restrictions, inability to obtain labor or materials or reasonable substitutes for labor or materials necessary for performance of the services, or other causes, except financial, that are beyond the reasonable control of DISTRICT or CONTRACTOR, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if the cause of the force majeure event is due to a party’s own action or inaction, then such cause shall not excuse that party from performance under this Contract.
23. SEVERABILITY – If a court of competent jurisdiction holds any provision of this Contract to be illegal, unenforceable or invalid, in whole or in part, for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected.
24. HEADINGS – Headings on the sections and paragraphs of this Contract are for convenience and reference only, and the words contained therein, shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.

- 25. COUNTERPARTS/FACSIMILES/SCANS – This Contract may be executed and delivered in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same contract. The parties may rely upon a facsimile copy or scanned copy of any party’s signature as an original for all purposes.
- 26. GOVERNING LAW – Any dispute that arises under or relates to this Contract shall be governed by California law, excluding any laws that direct the application of another jurisdiction’s laws. Venue for resolution of any dispute that arises under or relates to this Contract, including mediation, shall be San Francisco, California.
- 27. ENTIRE CONTRACT AND MODIFICATION – This Contract represents the final, complete, and exclusive statement of the agreement between the parties related to CONTRACTOR providing services to DISTRICT, and supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Contract by, nor is any party relying upon, any representation or warranty outside those expressly set forth herein. This Contract may only be amended by mutual agreement of the parties in writing and signed by both parties.
- 28. SURVIVAL OF TERMS – The provisions of sections 7 (Indemnification), 13 (Confidentiality), 14 (Intellectual Property Rights), and 15 (Publication) shall survive the expiration or termination of this Contract.

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

EPLUS TECHNOLOGY, INC.

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:  
General Counsel

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute a Contract Amendment with Direct Mail Center for Public  
Notice Expenses and General Mailing Services

RECOMMENDED ACTION

Recommend the Board of Directors authorize the Executive Officer/APCO to execute an amendment to an existing professional services contract with Direct Mail Center for public notice expenses and other general mailing services which increases the maximum cost of the contract by \$340,000 from \$340,000 to \$680,000 with a contract expiration date of November 30, 2025.

BACKGROUND

As part of the Air District's permit program, Federal, State, and local laws require preparation and distribution of notices for certain projects. In addition, periodic mailouts are needed to communicate and administer permit programs. Public notices for applicable permit applications and permit rule development notifications are the most common mailouts.

DISCUSSION

The Air District previously issued an RFP (No. 2022-021) and received two bids that were evaluated by three (3) staff members. Direct Mail Center was the selected vendor and awarded the initial contract in March 2023. The Air District is requesting an amendment to the contract with Direct Mail Center to continue preparing and distributing notices for certain projects, as required by Federal, State and local laws. Public notice requirements include:

*Public Notices for Permit Applications*

Before issuing a permit for a new or modified stationary source of hazardous air emissions that is located within 1,000 feet from a K-12 school, the Air District mails public comment period notices to all residents within 1,000 feet of that emissions source. The Air District also works with the impacted school(s) to distribute notices to the parents of the student body.

Before issuing a permit for a new or modified stationary source that requires a health risk assessment in an overburdened community, the Air District mails public comment period notices to all residents within 1,000 feet of that emissions source. Notices are distributed in additional languages, as needed. The public has a 30-day period to submit public comment regarding the permit. Residents can submit public comments to the Air District via postal mail, email or phone. Costs from permit application public notices are recovered through permit application fees, which account for over 90% of the contract.

*Permit Rule Development Notifications*

The Air District's rule development process notifies interested parties and entities that would potentially be impacted by proposed rules or rule amendments. When electronic means are unavailable, direct mail is used to distribute information to stakeholders' homes and businesses and to inform them about how to get involved in the process. Rules that are frequently updated by the Engineering Division include Regulation 2 rules (Permits) and Regulation 3 (Fees).

*Other*

Other work that requires mailing services includes but not limited to projects for new projects with significant emissions or a significant increase in emissions and special mailouts. Examples of special mailouts include advisories, surveys, or informational packets.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding for the contract was encumbered from Fiscal Year Ending 2024 budget for Program 501. For permit application public notices, these costs are reimbursed to the Air District by the applicant through permit application fees.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Fred Tanaka  
Reviewed by: Pamela J. Leong

ATTACHMENTS:

1. Direct Mail Center 2023.028 Executed
2. Direct Mail Center 2023.028 Amendment 1 - DRAFT

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**PROFESSIONAL SERVICES CONTRACT**

**CONTRACT NO. 2023.028**

1. PARTIES – The parties to this Contract (“Contract”) are the Bay Area Air Quality Management District (“DISTRICT”) whose address is 375 Beale Street, Suite 600, San Francisco, CA 94105, and **Direct Mail Center** (“CONTRACTOR”) whose address is 1099 Mariposa St., San Francisco, CA 94107.
  
2. RECITALS
  - A. DISTRICT is the local agency with primary responsibility for regulating stationary source air pollution in the Bay Area Air Quality Management District in the State of California. DISTRICT is authorized to enter into this Contract under California Health and Safety Code Section 40701. DISTRICT desires to contract with CONTRACTOR for services described in the Scope of Work, attached hereto as Attachment A and made a part hereof by this reference. DISTRICT is entering into this Contract based on CONTRACTOR’s stated qualifications to perform the services.
  - B. All parties to this Contract have had the opportunity to have this contract reviewed by their attorney.
  
3. PERFORMANCE REQUIREMENTS
  - A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
  - B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and pay all applicable fees.
  - C. CONTRACTOR shall comply with all laws and regulations that apply to its performance under this Contract, including any requirements to disclose potential conflicts of interest under DISTRICT’s Conflict of Interest Code.
  - D. CONTRACTOR shall not engage in any performance of work during the term of this contract that is in direct or indirect conflict with duties and responsibilities set forth in the Scope of Work.
  - E. CONTRACTOR shall exercise the degree of skill and care customarily required by accepted professional practices and procedures.
  - F. CONTRACTOR shall ensure that any subcontractors, employees and agents performing under this Contract comply with the performance standards set forth in paragraphs A-E above.
  
4. TERM – The term of this Contract is from date of Contract execution to June 30, 2024, unless further extended by amendment of this Contract in writing, or terminated earlier. CONTRACTOR shall not submit any invoice for services performed under this Contract until the Contract is fully executed.
  
5. TERMINATION

- A. The DISTRICT may terminate this Contract at any time, at will, and without specifying any reason, by notifying CONTRACTOR in writing. The notice of termination shall specify the effective date of termination, which shall be no less than thirty (30) calendar days from the date of delivery of the notice of termination, and shall be delivered in accordance with the provisions of section 10 below. Immediately upon receipt of the notice of termination, CONTRACTOR shall cease all work under this Contract, except such work as is specified in the notice of termination. CONTRACTOR shall deliver a final invoice for all remaining work performed but not billed, including any work specified in the termination notice, on or before ten (10) business days following the termination date.
- B. Either party may terminate this Contract for breach by the other party.
  - i) Failure to perform any agreement or obligation contained in this Contract or failure to perform the services in a satisfactory manner shall constitute a breach of the Contract.
  - ii) The non-breaching party may terminate the Contract by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and the date by which such breach must be cured.
  - iii) If CONTRACTOR fails to perform any obligation under this Contract, DISTRICT at its sole discretion, may perform, or cause the performance, of the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the payment otherwise due to CONTRACTOR for work performed under this Contract. DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, CONTRACTOR under this Contract.
  - iv) The notice of breach shall be provided in accordance with the notice requirements set forth in section 10.
  - v) The non-breaching party reserves all rights under law and equity to enforce this Contract and recover any damages.

6. INSURANCE

- A. CONTRACTOR shall maintain the following insurance:
  - i) Workers' compensation and employers' liability insurance as required by California law or other applicable statutory requirements.
  - ii) Occurrence-based commercial general liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each occurrence. Such insurance shall include DISTRICT and its officers, agents, and employees as additional insureds and shall be primary with respect to any insurance maintained by DISTRICT.
  - iii) Business automobile liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each accident. Such insurance shall include coverage for owned, hired, and non-owned vehicles. If CONTRACTOR is a sole proprietor, CONTRACTOR may meet this insurance requirement with personal automobile liability insurance carrying a business use endorsement or by demonstrating to the satisfaction of DISTRICT that business use is covered under the CONTRACTOR's personal automobile liability insurance. A CONTRACTOR using only rental vehicles in performing work under this Contract may meet this insurance requirement by purchasing automobile liability insurance in the required coverage amount from the rental

agency.

- B. All insurance shall be placed with insurers acceptable to DISTRICT.
- C. Prior to commencement of work under this Contract, CONTRACTOR shall furnish properly-executed certificates of insurance for all required insurance. Upon request by DISTRICT, CONTRACTOR shall provide a complete copy of any required insurance policy. CONTRACTOR shall notify DISTRICT in writing thirty (30) days prior to cancellation or modification of any required insurance policy. Any such modifications are subject to pre-approval by DISTRICT.
- D. If CONTRACTOR fails to maintain the required insurance coverage set forth above, DISTRICT reserves the right either to purchase such additional insurance and to deduct the cost thereof from any payments owed to CONTRACTOR or to terminate this Contract for breach.

7. INDEMNIFICATION

- A. CONTRACTOR shall indemnify and hold DISTRICT, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fees, or claims for injury or damages arising out of the performance of this Contract but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of CONTRACTOR, its officers, agents, or employees.
- B. DISTRICT shall indemnify and hold CONTRACTOR, its officers, employees and agents harmless from and against any and all liability, loss, expense, including reasonable attorneys' fee, or claims for injury or damages arising out of the performance of this Contract but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of DISTRICT, its officers, agents, or employees.

8. PAYMENT

- A. DISTRICT shall pay CONTRACTOR for services in accordance with the terms set forth in the Cost Schedule, which is attached hereto as Attachment B and incorporated herein by this reference.
- B. CONTRACTOR shall submit invoice(s) to DISTRICT for services performed. Each invoice shall specify the total cost of the services for which the invoice is submitted, shall reference tasks shown in the Scope of Work, the hours associated with same, or percentage completion thereof, and the amount of charge claimed, and, as appropriate, shall list any charges for equipment, material, supplies, travel, and subcontractors' services.
- C. DISTRICT's payment of invoices shall be subject to the following limitations and requirements:
  - i) Each invoice, including supporting documentation, shall be prepared in duplicate on CONTRACTOR's letterhead; shall list DISTRICT's contract number, the period covered by the invoice, and the CONTRACTOR's Social Security Number or Federal Employer Identification Number; and shall be submitted to: Bay Area Air Quality Management District, 375 Beale Street, Suite 600, San Francisco, CA 94105, Attn: Contracts Manager.
  - ii) DISTRICT shall not pay interest, fees, handling charges, or the cost of money on the Contract.
  - iii) DISTRICT shall pay CONTRACTOR within thirty (30) calendar days after approval by

DISTRICT of an itemized invoice.

- D. The total amount for which DISTRICT may be held liable for the performance of services specified in this Contract shall not exceed \$340,000.
9. DISPUTE RESOLUTION – A party that disputes a notice of breach must first seek mediation to resolve the dispute in accordance with the provisions set forth below.
- A. Upon receipt of a notice of breach of contract, the party may submit a demand for mediation to resolve whether or not a breach occurred. The party must state the basis of the dispute and deliver the demand within ten (10) business days of the date of receipt of the notice of breach.
  - B. The mediation shall take place at DISTRICT’s office at 375 Beale Street, Suite 600, San Francisco, or at such other place as may be mutually agreed upon by the parties and the mediator.
  - C. The parties shall make good faith efforts to hold the mediation within thirty (30) days after receipt of the demand for mediation.
  - D. Each party shall bear its own mediation costs.
  - E. In the event the parties are unable to resolve the dispute, either party may file an action in a court of competent jurisdiction to enforce the Contract.
  - F. Maximum recovery under this section shall be limited to \$340,000. The mediation costs shall not reduce the maximum amount recoverable under this section.
10. NOTICES – All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail, facsimile, or regular first class mail. In the case of e-mail and facsimile communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail and facsimile communications shall be deemed to have been received on the date of such transmission, provided such date was a business day and delivered prior to 4:00 p.m. PST. Otherwise, receipt of e-mail and facsimile communications shall be deemed to have occurred on the following business day. In the case of regular mail notice, notice shall be deemed to have been delivered on the mailing date and received five (5) business days after the date of mailing.

DISTRICT: Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
Attn: Fred Tanaka

CONTRACTOR: Direct Mail Center  
1099 Mariposa St.  
San Francisco, CA 94107  
Attn: Ray Leung

11. ADDITIONAL PROVISIONS – All attachment(s) to this Contract are expressly incorporated herein by this reference and made a part hereof as though fully set forth.

12. EMPLOYEES OF CONTRACTOR

- A. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation leave, vacation replacements, sick leave, severance pay, and pay for legal holidays.
- B. CONTRACTOR, its officers, employees, agents, or representatives shall not be considered employees or agents of DISTRICT, nor shall CONTRACTOR, its officers, employees, agents, or representatives be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by DISTRICT to its employees.

13. CONFIDENTIALITY – In order to carry out the purposes of this Contract, CONTRACTOR may require access to certain of DISTRICT’s confidential information (including trade secrets, inventions, confidential know-how, confidential business information, and other information that DISTRICT considers confidential) (collectively, “Confidential Information”). It is expressly understood and agreed that DISTRICT may designate in a conspicuous manner Confidential Information that CONTRACTOR obtains from DISTRICT, and CONTRACTOR agrees to:

- A. Observe complete confidentiality with respect to such information, including without limitation, agreeing not to disclose or otherwise permit access to such information by any other person or entity in any manner whatsoever, except that such disclosure or access shall be permitted to employees of CONTRACTOR requiring access in fulfillment of the services provided under this Contract.
- B. Ensure that CONTRACTOR’s officers, employees, agents, representatives, and independent contractors are informed of the confidential nature of such information and to assure by agreement or otherwise that they are prohibited from copying or revealing, for any purpose whatsoever, the contents of such information or any part thereof, or from taking any action otherwise prohibited under this section.
- C. Not use such information or any part thereof in the performance of services to others or for the benefit of others in any form whatsoever whether gratuitously or for valuable consideration, except as permitted under this Contract.
- D. Notify DISTRICT promptly and in writing of the circumstances surrounding any possession, use, or knowledge of such information or any part thereof by any person or entity other than those authorized by this section. Take at CONTRACTOR’s expense, but at DISTRICT’s option and in any event under DISTRICT’s control, any legal action necessary to prevent unauthorized use of such information by any third party or entity which has gained access to such information at least in part due to the fault of CONTRACTOR.
- E. Take any and all other actions necessary or desirable to assure such continued confidentiality and protection of such information during the term of this Contract and following expiration or termination of the Contract.
- F. Prevent access to such materials by a person or entity not authorized under this Contract.
- G. Establish specific procedures in order to fulfill the obligations of this section.

14. INTELLECTUAL PROPERTY RIGHTS – Title and full ownership rights to all intellectual property developed under this Contract shall at all times remain with DISTRICT, unless otherwise agreed to in writing.

15. PUBLICATION

- A. DISTRICT shall approve in writing any report or other document prepared by CONTRACTOR in connection with performance under this Contract prior to dissemination or publication

of such report or document to a third party. DISTRICT may waive in writing its requirement for prior approval.

- B. Until approved by DISTRICT, any report or other document prepared by CONTRACTOR shall include on each page a conspicuous header, footer, or watermark stating "DRAFT – Not Reviewed or Approved by BAAQMD," unless DISTRICT has waived its requirement for prior approval pursuant to paragraph A of this section.
- C. Information, data, documents, or reports developed by CONTRACTOR for DISTRICT, pursuant to this Contract, shall be part of DISTRICT's public record, unless otherwise indicated. CONTRACTOR may use or publish, at its own expense, such information, provided DISTRICT approves use of such information in advance. The following acknowledgment of support and disclaimer must appear in each publication of materials, whether copyrighted or not, based upon or developed under this Contract.

"This report was prepared as a result of work sponsored, paid for, in whole or in part, by the Bay Area Air Quality Management District (District). The opinions, findings, conclusions, and recommendations are those of the author and do not necessarily represent the views of the District. The District, its officers, employees, contractors, and subcontractors make no warranty, expressed or implied, and assume no legal liability for the information in this report."

- D. CONTRACTOR shall inform its officers, employees, and subcontractors involved in the performance of this Contract of the restrictions contained herein and shall require compliance with the above.
16. NON-DISCRIMINATION – In the performance of this Contract, CONTRACTOR shall not discriminate in its recruitment, hiring, promotion, demotion, and termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, marital status, sexual orientation, medical condition, or physical or mental disability and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, and all administrative rules and regulations issued pursuant to said Acts. CONTRACTOR shall also require each subcontractor performing work in connection with this Contract to comply with this section and shall include in each contract with such subcontractor provisions to accomplish the requirements of this section.
17. PROPERTY AND SECURITY – Without limiting CONTRACTOR'S obligations with regard to security, CONTRACTOR shall comply with all the rules and regulations established by DISTRICT for access to and activity in and around DISTRICT's premises.
18. ASSIGNMENT – No party shall assign, sell, license, or otherwise transfer any rights or obligations under this Contract to a third party without the prior written consent of the other party, and any attempt to do so shall be void upon inception.
19. WAIVER – No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Contract shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.



Further, the failure of a party to enforce performance by the other party of any term, covenant, or condition of this Contract, and the failure of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.

20. ATTORNEYS' FEES – In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys' fees and costs.
21. FORCE MAJEURE – Neither DISTRICT nor CONTRACTOR shall be liable for or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, judicial orders, governmental controls, regulations or restrictions, inability to obtain labor or materials or reasonable substitutes for labor or materials necessary for performance of the services, or other causes, except financial, that are beyond the reasonable control of DISTRICT or CONTRACTOR, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if the cause of the force majeure event is due to party's own action or inaction, then such cause shall not excuse that party from performance under this Contract.
22. SEVERABILITY – If a court of competent jurisdiction holds any provision of this Contract to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them will not be affected.
23. HEADINGS – Headings on the sections and paragraphs of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
24. COUNTERPARTS/FACSIMILES/SCANS – This Contract may be executed and delivered in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same contract. The parties may rely upon a facsimile copy or scanned copy of any party's signature as an original for all purposes.
25. GOVERNING LAW – Any dispute that arises under or relates to this Contract shall be governed by California law, excluding any laws that direct the application of another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Contract, including mediation, shall be San Francisco, California.
26. ENTIRE CONTRACT AND MODIFICATION – This Contract represents the final, complete, and exclusive statement of the agreement between the parties related to CONTRACTOR providing services to DISTRICT and supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Contract by, nor is any party relying upon, any representation or warranty outside those expressly set forth herein.

This Contract may only be amended by mutual agreement of the parties in writing and signed by both parties.

27. **SURVIVAL OF TERMS** – The provisions of sections 7 (Indemnification), 13 (Confidentiality), 14 (Intellectual Property Rights), and 15 (Publication) shall survive the expiration or termination of this Contract.

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

DIRECT MAIL CENTER

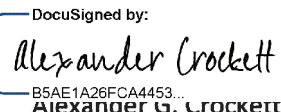
By:  \_\_\_\_\_  
Philip W. Fine  
Executive Officer/APCO

By:  \_\_\_\_\_  
Ray Leung  
Account Manager

Date: 3/8/2023

Date: 3-2-2023

Approved as to form:  
District Counsel

By:  3/7/2023  
Alexander G. Crockett  
District Counsel

## ATTACHMENT A

### SCOPE OF WORK

CONTRACTOR will assist DISTRICT with the reproduction and distribution of notices prepared pursuant to applicable Overburdened Community projects from Regulation 2, Rule 1, California Health and Safety Code Section 42301.6, which provides for the distribution of a public notice for proposed projects to construct or modify a source that emits hazardous air emissions within 1,000 feet of a school site and other general notifications.

The CONTRACTOR will provide the DISTRICT with the following services:

- Merge/purge remove duplicate addresses;
- Reformat/Standardize Data file structure;
- Set up and check for incomplete addresses;
- Select/delete specific addresses within 1000 ft radius of the proposed project;
- Export report of addresses via email to the Air District in PDF format;
- Radius map/courier route select within 1000 ft. of center point of the proposed project;
- Set up for automation discounted postage;
- Presort address using postal software, append address barcodes;
- Print out CASS report and certificates including tray tags;
- Typeset, print samples for approval, make changes to artwork;
- Set up Inkjet machine for addressing on mail pieces Inkjet address directly onto envelopes or mail piece;
- Print 2-sided document in black and white on 20lbs 8.5x11 paper;
- Purchase residential address list /one-time-use only;
- Manually presort addressed mail pieces;
- Set up folding machine for folding tri fold letters for #10 envelopes;
- Set up insert machine to insert letters into #10 envelopes include sealing envelopes;
- Insert letters into #10 envelopes include sealing envelopes;
- Apply meter postage onto envelopes;
- Draw postage from a postage account established and funded by District;
- Affix mailing labels by hand;
- Place mail in tray per USPS instruction for presorted mail;
- Deliver mail to Main U.S. Post Office in San Francisco;
- Standard pick up in San Francisco; and
- Standard delivery in San Francisco.

**ATTACHMENT B****COST SCHEDULE**

<b>List of services available</b>	<b>1- 999 units per mailing, \$</b>	<b>1000-4999 units per mailing, \$</b>
Duplication elimination	150/hour	150/hour
File reformat	150/hour	150/hour
Additional File	13	13
File transfer via email	34	35
Programming record selection	150/hour	150/hour
Mapping	150/hour	150/hour
Export file	32	32
Prepare artwork	150/hour	150/hour
Inkjet addressing setup	75	75
Machine Folding setup	50	50
Stamp machine setup	65	65
Mailsmarter setup	43	43
Insert Machine setup	75	75
Resident List	195	200
List change	51	51
File Format	44	44
FedEx packaging	25	25
Deliver to Post Office	60	60
Pickup within SF	60	60
Delivery within SF	60	60
CASS certificate	15	15
NOCA setup	84	84
Run NCOA	82	82
Tray strap/letter size	1.3000	1.3000
Affix label by hand	0.2000	0.2000
Staple	0.1500	0.1500
Run Mailsmarter	0.0160	0.0160
Inkjet address	0.0450	0.0400
Digital Printing 20#, 1/1 black - 8.5x11	0.1800	0.1500
Digital Printing 20#, 1/0 black - 8.5x11	0.1300	0.1000
Presort	0.0700	0.0500
Machine Folding	0.0260	0.0230
Insert by machine 1 piece	0.0340	0.0310
Insert by machine 2 pieces	0.0400	0.0380
Insert by machine 3 pieces	0.0500	0.0450
Seal and Meter	0.0720	0.0720
Insert by hand 1 piece	0.1500	0.1500
Seal by hand	0.1750	0.1750
Affix stamp by machine	0.0570	0.0400
Affix stamp by hand	0.2500	0.2500

**Total Cost of Contract not to exceed \$340,000.**

**AMENDMENT NO. 1 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2023.028**

This amendment to the above-entitled contract (“Contract Amendment”) is dated, for reference purposes only, April 24, 2024.

**RECITALS:**

1. The Bay Area Air Quality Management District (“DISTRICT”) and **Direct Mail Center** (“CONTRACTOR”) (hereinafter referred to as the “PARTIES”) entered into the above-entitled contract for reproduction and distribution of public notices (the “Contract”), which Contract was executed on behalf of CONTRACTOR on March 2, 2023, and on behalf of DISTRICT on March 8, 2023.
2. The PARTIES seek to amend the term, add funds, and Cost Schedule to the Contract because the DISTRICT seeks to continue receiving services from CONTRACTOR prescribed in the Contract and CONTRACTOR desires to provide those services.
3. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 4, “Term.” The term of the Contract shall be extended so that the termination date of the Contract is now November 30, 2025.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph D of Section 8, “Payment,” of the Contract to replace “\$340,000” with “\$680,000.”
3. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph F of Section 9, “Dispute Resolution,” of the Contract to replace “\$340,000” with “\$680,000.”
4. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment B, Cost Schedule, with the attached “Attachment B-1, Cost Schedule” and agree that all references in the Contract to Attachment B shall be deemed refer to Attachment B-1, Cost Schedule.
5. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the PARTIES have caused this Contract Amendment to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

DIRECT MAIL CENTER

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_  
Ray Leung  
Account Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel

DRAFT

**ATTACHMENT B-1**

**COST SCHEDULE**

**Rates from date of Contract execution to June 30, 2024**

<b>List of services available</b>	<b>1- 999 units per mailing, \$</b>	<b>1000-4999 units per mailing, \$</b>
Duplication elimination	150/hour	150/hour
File reformat	150/hour	150/hour
Additional File	13	13
File transfer via email	34	35
Programming record selection	150/hour	150/hour
Mapping	150/hour	150/hour
Export file	32	32
Prepare artwork	150/hour	150/hour
Inkjet addressing setup	75	75
Machine Folding setup	50	50
Stamp machine setup	65	65
Mailsmarter setup	43	43
Insert Machine setup	75	75
Resident List	195	200
List change	51	51
File Format	44	44
FedEx packaging	25	25
Deliver to Post Office	60	60
Pickup within SF	60	60
Delivery within SF	60	60
CASS certificate	15	15
NOCA setup	84	84
Run NCOA	82	82
Tray strap/letter size	1.3000	1.3000
Affix label by hand	0.2000	0.2000
Staple	0.1500	0.1500
Run Mailsmarter	0.0160	0.0160
Inkjet address	0.0450	0.0400
Digital Printing 20#, 1/1 black - 8.5x11	0.1800	0.1500
Digital Printing 20#, 1/0 black - 8.5x11	0.1300	0.1000
Presort	0.0700	0.0500
Machine Folding	0.0260	0.0230
Insert by machine 1 piece	0.0340	0.0310
Insert by machine 2 pieces	0.0400	0.0380
Insert by machine 3 pieces	0.0500	0.0450
Seal and Meter	0.0720	0.0720
Insert by hand 1 piece	0.1500	0.1500
Seal by hand	0.1750	0.1750
Affix stamp by machine	0.0570	0.0400
Affix stamp by hand	0.2500	0.2500

**Rates from July 1, 2024 to February 28, 2025**

<b>List of services available</b>	<b>1- 999 units per mailing, \$</b>	<b>1000-4999 units per mailing, \$</b>
Duplication elimination	158/hour	158/hour
File reformat	158/hour	158/hour
Additional File	14	14
File transfer via email	36	36
Programming record selection	158/hour	158/hour
Mapping	158/hour	158/hour
Export file	34	34
Prepare artwork	158/hour	158/hour
Inkjet addressing setup	79	79
Machine Folding setup	53	53
Stamp machine setup	68	68
Mailsmarter setup	45	45
Insert Machine setup	79	79
Resident List	205	210
List change	54	54
File Format	46	46
Fedex packaging	26	26
Deliver to Post Office	63	63
Pickup within SF	63	63
Delivery within SF	63	63
CASS certificate	16	16
NOCA setup	88	88
Run NCOA	86	86
Additional postal form	25	25
Tray strap/letter size	1.4000	1.4000
Affix label by hand	0.2100	0.2100
Staple	0.1600	0.1600
Run Mailsmarter	0.0170	0.0170
Inkjet address	0.0500	0.0450
Digital Printing 20#, 1/1 black - 8.5x11	0.1900	0.1600
Digital Printing 20#, 1/0 black - 8.5x11	0.1400	0.1200
Presort	0.0750	0.0600
Machine Folding	0.0270	0.0240
Insert by machine 1 piece	0.0360	0.0340
Insert by machine 2 pieces	0.0500	0.0400



Insert by machine 3 pieces	0.0550	0.0470
Seal and Meter	0.0800	0.0800
Insert by hand 1 piece	0.1600	0.1600
Seal by hand	0.1850	0.1850
Affix stamp by machine	0.0600	0.0500
Affix stamp by hand	0.2600	0.2600

**Rates from March 1, 2025 to November 30, 2025**

List of services available	1- 999 units per mailing, \$	1000-4999 units per mailing, \$
Duplication elimination	166/hour	166/hour
File reformat	166/hour	166/hour
Additional File	14.5	14.5
File transfer via email	38	38
Programming record selection	1661hour	166/hour
Mapping	166/hour	166/hour
Export file	36	36
Prepare artwork	166/hour	166/hour
Inkjet addressing setup	83	83
Machine Folding setup	56	56
Stamp machine setup	71	71
Mailsmarter setup	47	47
Insert Machine setup	83	83
Resident List	215	220
List change	57	57
File Format	48	48
FedEx packaging	27	27
Deliver to Post Office	66	66
Pickup within SF	66	66
Delivery within SF	66	66
CASS certificate	17	17
NOCA setup	92	92
Run NCOA	90	90
Additional postal form	26	26
Tray strap/letter size	1.4500	1.4500
Affix label by hand	0.2205	0.2205
Staple	0.1680	0.1680
Run Mailsmarter	0.0180	0.0180
Inkjet address	0.0525	0.0473

Digital Printing 20#, 1/1 black - 8.5x11	0.2000	0.1680
Digital Printing 20#, 1/0 black - 8.5x11	0.1470	0.1260
Presort	0.0790	0.0630
Machine Folding	0.0280	0.0250
Insert by machine 1 piece	0.0380	0.0360
Insert by machine 2 pieces	0.0525	0.0420
Insert by machine 3 pieces	0.0578	0.0490
Seal and Meter	0.0840	0.0840
Insert by hand 1 piece	0.1680	0.1680
Seal by hand	0.1940	0.1940
Affix stamp by machine	0.0630	0.0525
Affix stamp by hand	0.2700	0.2700

**Total Cost of Contract not to exceed \$680,000.**

DRAFT

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute a Contract with the Metropolitan Transportation  
Commission for the Spare the Air Youth Program

RECOMMENDED ACTION

Recommend the Board of Directors authorize the Executive Officer/APCO to execute a sponsorship contract with the Metropolitan Transportation Commission for the Spare the Air Youth program to provide bicycle repair and safety clinics/workshops to youth and families in AB617 communities and throughout the Bay Area in an amount not to exceed \$150,000.

BACKGROUND

The Air District and Metropolitan Transportation Commission (MTC) have partnered since 2011 on the Spare the Air Youth program. The Spare the Air Youth program seeks to reduce pollution and greenhouse gas emissions from vehicles by encouraging youth and their families to choose active and alternative modes of transportation (taking transit, carpooling, walking, biking and rolling) as an alternative to driving to school, as well as for other day-to-day trips.

DISCUSSION

In 2016, MTC conducted an evaluation of the Spare the Air Youth program to identify the program components most effective in reducing greenhouse gas emissions. The evaluation identified the Bay Area Bike Mobile and the Family Biking Workshops as the most effective and decided to continue funding and delivering these Spare the Air Youth program elements. The Bay Area Bike Mobile and Family Biking Workshops have since reached over 26,000 people — including youth and families in-need in the Bay Area — which translates into nearly 20,000 bike repairs and/or tune-ups, education for nearly 6,000 people who did not have bikes (to raise their awareness of the benefits of biking), as well as family bike safety education programs reaching over 6,500 people.

The Bay Area Bike Mobile provides free mobile bike repair services to communities in need around the Bay Area — hosting events at schools, community centers and local events in Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma counties. In addition to repairing bikes, the program teaches youth how to repair their bikes and provides tips on bike safety.

The San Francisco Bicycle Coalition, in partnership with all the other bicycle coalitions in the region, hosts Family Biking Workshops around the Bay Area. The Family Biking Workshops train families in the essential skills of competent, safe, on-street bicycling.

Through this Spare the Air Youth program sponsorship, the Air District will provide funding to MTC to increase the number of youth and families participating in these two effective programs to youth, schools and communities in and around AB 617 communities around the Bay Area.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding for this sponsorship contract is included in the Fiscal Year Ending 2024 budget.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Kristina Chu  
Reviewed by: Kristine Roselius

ATTACHMENTS:

1. MTC for the Spare the Air Youth Program Draft Contract

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**SPONSORSHIP AGREEMENT**

**CONTRACT NO. 2024.084**

1. PARTIES - The parties to this Sponsorship Agreement (Agreement) are the Bay Area Air Quality Management District (DISTRICT), whose address is 375 Beale Street, Suite 600, San Francisco, CA, 94105; and **Metropolitan Transportation Commission** (MTC), whose address is 375 Beale Street, Suite 800, San Francisco, CA 94105.
2. RECITALS
  - A. DISTRICT is the regional agency with primary responsibility for regulating stationary source air pollution in the San Francisco Bay Area in the State of California. DISTRICT is authorized to enter into this Agreement under California Health and Safety Code Section 40701.
  - B. MTC is the regional government agency responsible for planning, financing, and coordinating transportation for the nine-county San Francisco Bay Area. MTC and DISTRICT have partnered for over a decade on the Spare the Air Youth Program, a regional program that aims to educate, inspire, and empower youth and families in the San Francisco Bay Area to walk, bicycle, carpool, and take transit. MTC seeks DISTRICT sponsorship of two key programs of the Spare the Air Youth Program: Bay Area BikeMobile and Family Biking Workshops (Programs).
  - C. DISTRICT seeks to enhance awareness of its commitment to achieving clean air to protect the public's health and the environment. As such, DISTRICT desires to acquire from MTC certain advertising and promotional benefits as described herein, and MTC desires to provide such benefits to DISTRICT in exchange for DISTRICT sponsorship of the Programs in accordance with the terms and provisions of this Agreement.
3. TERM - The term of this Agreement shall be June 1, 2024 to May 31, 2025 (Term), unless terminated earlier as provided herewith.
4. TERMINATION - Either party may terminate this Agreement upon cancellation of the Programs. In the event of such termination, MTC shall refund to DISTRICT any and all payments made by DISTRICT pursuant to this Agreement.
5. ADVERTISING AND PROMOTION – MTC will DISTRICT the advertising and promotional benefits relating to the Programs as described in Attachment A attached hereto.
6. FEES AND PAYMENT SCHEDULE - In consideration for MTC providing to DISTRICT the advertising and promotional benefits as described in Attachment A, DISTRICT shall sponsor the Programs by paying MTC the amounts described in Attachment B hereto according to the payment schedule described in Attachment B hereto.
7. NON-EXCLUSIVITY - DISTRICT expressly acknowledges that MTC may have other sponsors whose advertising or brands are displayed in connection with MTC activities sponsored by DISTRICT. DISTRICT expressly agrees that it is not granted any exclusive rights that would in any manner limit the rights of MTC to seek other sponsors and to display advertising or

brands of those sponsors, except as may be expressly set forth in Attachment A hereto. To the extent that any right of exclusivity has been granted, the express terms of that right are described in Attachment A hereto.

8. DELIVERY OF PROMOTIONAL MATERIALS - DISTRICT shall be responsible for delivering its promotional materials to MTC prior to the publication deadline for each MTC publication in which such materials will be published, as long as MTC has provided written notice of the publication deadline to DISTRICT.
9. PARTIES' TRADEMARKS - Each party shall be entitled, from time to time, to make reasonable use of the other party's name, trade name, trademarks and logos in connection with advertising or promotional materials; provided, however, that a party shall do so only with the prior written approval of the other party, which approval shall not be unreasonably withheld.
10. INDEMNIFICATION
  - A. MTC shall indemnify and hold harmless DISTRICT, and DISTRICT's officers, employees and agents, from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages, arising out of the performance of this Agreement; but only in proportion to and to the extent such liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of MTC or its officers, agents, or employees. This provision shall survive the expiration or termination of this Agreement.
11. INSURANCE
  - A. MTC shall maintain the following Insurance:
    - i) Workers' compensation and employers' liability insurance as required by California law or other applicable statutory requirements for any persons employed by MTC for the Programs.
    - ii) Occurrence-based commercial general liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each occurrence. Such insurance shall include DISTRICT and its officers, agents, and employees as additional insureds for the Programs and shall be primary with respect to any insurance maintained by DISTRICT.
    - iii) Business automobile liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each accident covering each automobile used by MTC in connection with the Programs. Such insurance shall include coverage for owned, hired, and non-owned vehicles.
  - B. Prior to the Programs, MTC shall furnish properly-executed certificates of insurance for all required insurance. MTC shall notify DISTRICT in writing fifteen (15) days prior to cancellation or modification of any required insurance policy. Any such modifications are subject to pre-approval by DISTRICT.
12. NOTICES - All notices that are required under this Agreement shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail,

facsimile, or regular first class mail. In the case of e-mail and facsimile communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail and facsimile communications shall be deemed to have been received on the date of such transmission, provided such date was a business day and delivered prior to 4:00 p.m. Pacific Time. Otherwise, receipt of e-mail and facsimile communications shall be deemed to have occurred on the following business day. In the case of regular mail notice, notice shall be deemed to have been delivered on the mailing date and received five (5) business days after the date of mailing.

DISTRICT: Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
Attn: Kristina Chu

MTC: Metropolitan Transportation Commission  
375 Beale Street, Suite 800  
San Francisco, CA 94105  
Attn: Leslie Lara-Enriquez

13. ADDITIONAL PROVISIONS - All attachment(s) to this Agreement are expressly incorporated herein by this reference and made a part hereof as though fully set forth.
14. AUDIT / INSPECTION OF RECORDS – If this Agreement exceeds \$10,000, pursuant to California Government Code Section 8546.7, all records, documents, conditions and activities of MTC, and its subcontractors, related to the services provided hereunder, shall be subject to the examination and audit of the California State Auditor and other duly authorized agents of the State of California for a period of three (3) years after final payment under this Agreement. MTC hereby agrees to make such records available during normal business hours for inspection, audit, and reproduction by any duly authorized agents of the State of California or DISTRICT. MTC further agrees to allow interviews of any of its employees who might reasonably have information related to such records by any duly authorized agents of the State of California or DISTRICT. All examinations and audits conducted under this section shall be strictly confined to those matters connected with the performance of this Contract, including, but not limited to, the costs of administering this Agreement.
15. RELATIONSHIP OF THE PARTIES - Nothing contained herein shall imply any partnership, joint venture or agency relationship between the parties and neither party shall have the power to obligate or bind the other in any manner whatsoever, except to the extent herein provided.
16. ASSIGNMENT - No party shall assign, sell, license, or otherwise transfer any rights or obligations under this Agreement to a third party without the prior written consent of the other party, and any attempt to do so shall be void upon inception.
17. WAIVER - No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of

any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies. Further, the failure of a party to enforce performance by the other party of any term, covenant, or condition of this Agreement, and the failure of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.

18. FORCE MAJEURE - Neither DISTRICT nor MTC shall be liable for or deemed to be in default for any delay or failure in performance under this Agreement or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, judicial orders, governmental controls, regulations or restrictions, inability to obtain labor or materials or reasonable substitutes for labor or materials necessary for performance of the services, or other causes, except financial, that are beyond the reasonable control of DISTRICT or MTC, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if the cause of the force majeure event is due to party's own action or inaction, then such cause shall not excuse that party from performance under this Agreement.
19. SEVERABILITY - If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them will not be affected.
20. HEADINGS - Headings on the sections and paragraphs of this Agreement are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of, the provisions of this Agreement.
21. DUPLICATE EXECUTION - This Agreement may be executed in separate, duplicate counterparts. Each signed counterpart shall have the force and effect of an original, and all such counterparts together shall constitute one and the same instrument.
22. GOVERNING LAW - Any dispute that arises under or relates to this Agreement shall be governed by California law, excluding any laws that direct the application to another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Agreement, including mediation, shall be San Francisco, California.
23. ATTORNEYS' FEES - In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys' fees and costs.
24. ENTIRE AGREEMENT AND MODIFICATION - This Agreement represents the final, complete, and exclusive statement of the agreement between the parties, and it supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Agreement by, nor is any party relying upon, any representation



or warranty outside those expressly set forth herein. This Agreement may be amended only by mutual agreement of the parties in writing and signed by both parties.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

METROPOLITAN TRANSPORTATION  
COMMISSION

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_  
Andrew B. Fremier  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel

## ATTACHMENT A

### DISTRICT'S ADVERTISING AND PROMOTIONAL BENEFITS

In exchange for DISTRICT'S sponsorship of the Programs, MTC will provide DISTRICT the following benefits:

1. DISTRICT recognition for its contribution in all program collateral and on the BikeMobile website.
2. Spare the Air Youth Program will continue to be recognized as a sponsor in all BikeMobile outreach materials, with logo placement on both vehicles and recognition on the BikeMobile website.
3. The Bicycle Coalition partners will recognize DISTRICT on their current statement at the bottom of each event listing reading "Presented by the Spare the Air Youth Program with funding from MTC and the Air District."

DRAFT

**ATTACHMENT B**

**SPONSORSHIP FEE AND PAYMENT SCHEDULE**

DISTRICT shall pay MTC the amount of \$150,000 to sponsor the Programs. Payment shall be made upon execution of this Agreement and submission of an invoice.

DRAFT

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute a Memorandum of Agreement with the Association of Bay Area Governments for Implementation of Bay Area Clean Homes Initiative

RECOMMENDED ACTION

Authorize the Executive Officer/APCO to execute a Memorandum of Agreement with the Association of Bay Area Governments to collaborate on implementing the Bay Area Clean Homes Initiative, through a funding proposal to the United States Environmental Protection Agency’s Climate Protection Reduction Program.

BACKGROUND

On July 31, 2023, the Air District received a notice from the United States Environmental Protection Agency (US EPA) awarding a \$1 million Climate Pollution Reduction Grant (CPRG) to lead the development of a regional Priority Climate Action Plan (PCAP). The PCAP covers the counties of Alameda, Contra Costa, Marin, San Francisco, Napa, and the portions of Solano and Sonoma counties that fall within the Air District’s jurisdiction (the US EPA awarded a separate planning grant to Santa Clara County). The Air District led this planning effort in close collaboration with a regional Advisory Work Group, consisting of staff representatives from the Air District, the Metropolitan Transportation Commission, the Association of Bay Area Governments (specifically, the Bay Area Regional Energy Network (BayREN)), the Bay Area Regional Collaborative, the included counties, and the Cities of Oakland and Berkeley.

The PCAP focuses on the transportation and residential buildings sectors and includes two measures identified as high priority: 1) Safe, Accessible, Clean and Equitable Multimodal Transportation, and 2) Holistic Building Decarbonization for Clean, Healthy and Secure Housing. The focus on these sectors and development of these two priority measures were the result of engagement with and active participation of local government staff from throughout the planning area and community-serving organizations.

As part of the CPRG funding program, the US EPA has set aside \$4.3 billion in nationally competitive funds to provide grants to support the implementation of measures included in PCAPs. The Air District has partnered with the Association of Bay Area Governments (ABAG), on an application to the US EPA to support the implementation of the Holistic Building Decarbonization for Clean, Healthy and Secure Housing measure.

More information on the PCAP can be found on the Air District's website at <https://www.baaqmd.gov/plans-and-climate/climate-protection/bay-area-regional-climate-action-planning-initiative>.

## DISCUSSION

On March 31, 2024, ABAG submitted a proposal for approximately \$98 million to the US EPA for the Bay Area Clean Homes Initiative (BACHI). BACHI is designed to support implementation of the Holistic Building Decarbonization for Clean, Healthy and Secure Housing measure in the PCAP. The proposed budget includes \$4.5 million for ABAG to retrofit 1,500 existing homes in targeted communities, and the Air District to lead an effort to develop and deploy key policy interventions aimed at removing systemic barriers to scaling decarbonization across the region. This effort will include conducting inclusive engagement with community organizations, local governments and other stakeholders to develop strategic interventions including permitting, code enforcement practices and housing policies. The Air District will oversee a portion of these funds to support research by the University of California on barriers to achieving decarbonization in rental housing.

The US EPA has not yet awarded any funds, but is requiring grant application partners to sign and submit a Memorandum of Agreement (MOA) in order for their grant application to be considered for funding. The Air District and ABAG must submit a signed MOA, demonstrating that the agencies will work in partnership to implement the BACHI program, should the joint proposal receive a grant. MOAs are due to the US EPA by July 1, 2024. Attached is a draft MOA between the Air District and ABAG, describing the roles and responsibilities of each agency in implementing BACHI. A final MOA with a detailed scope of work will be executed if the BACHI proposal is funded. US EPA expects to announce funding awards in July 2024.

## BUDGET CONSIDERATION/FINANCIAL IMPACT

Of the requested \$4.5 million, approximately \$2.9 of the grant funds are designated for Air District staff salary, fringe and administrative costs and will augment the revenue of the Air District's FYE 2024 and FYE 2025 budgets. The remaining approximately \$1.6 million will "pass through" to contractors and sub-awardees.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Abby Young  
Reviewed by: Wendy Goodfriend

ATTACHMENTS:

1. BayREN BAAQMD Letter of Intent
2. ATTACHMENT A - ABAG Air District MOA
3. MOA Attachment B EPA - Solicitation
4. MOA Attachment C EPA - General Terms



**BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT**

March 26, 2024

U.S. Environmental Protection Agency (EPA)  
Office of Air and Radiation  
Climate Pollution Reduction Grant  
Washington, DC 20460

**Re: U.S. Environmental Protection Agency - Climate Pollution Reduction Grants Program: Implementation Grant Coalition Member Letter of Intent - EPA-R-OAR-CPRGI-23-07 for the Bay Area Clean Homes Initiative**

Dear US EPA Office of Air and Radiation,

By applying as a coalition member for the Bay Area Clean Homes Initiative (BACHI), the Bay Area Air Quality Management District (BAAQMD) is committed to implementing the BACHI, an innovative project that will deliver short- and long-term greenhouse gas (GHG) reductions through a replicable model that combines shovel-ready home retrofits with strategic interventions to unlock the region’s ability to scale residential decarbonization.

BACHI’s synergy of both short- and long-term strategies enables on-the-ground project implementation to directly inform effective and transformational systemic interventions. BACHI proposes two interconnected Implementing Actions to achieve these goals:

- **Implementing Action 1: Decarbonize up to 1,500 homes in disadvantaged communities through holistic retrofits.**
- **Implementing Action 2: Develop and deploy key interventions to remove systemic barriers to scaling decarbonization.**

This coalition model ensures that each action will be completed simultaneously and therefore will inform the other, creating opportunities to test and evaluate new solutions while providing direct benefits to Low Income/Disadvantaged Communities (LIDAC). Both coalition members, and all project partners, are committed to documenting and disseminating lessons learned to also ensure that the BACHI model can be replicated in other regions to further scale impact.

As a coalition member, BAAQMD commits to overseeing the successful implementation of all tasks included in Implementation Action 2 including conducting research, engaging, and integrating stakeholder input, developing recommendations, facilitating discussions with research partners and summarizing solutions into an accessible policy toolkit for local governments. As the lead coalition member, ABAG will oversee Implementing Action 1 including partnering with all Bay Area affiliates of Rebuilding Together and Habitat for Humanity, the Association for Energy Affordability (AEA) and GRID Alternatives to carry out holistic retrofits in LIDAC communities, convening the Bay Area Community Choice Aggregators (CCAs) to explore mechanisms to address utility bill impacts of electrification and supporting the work of the nine Bay Area counties to advance neighborhood decarbonization.

**ALAMEDA COUNTY**  
John J. Bauters  
Juan González  
David Haubert  
Nate Miley

**CONTRA COSTA COUNTY**  
Ken Carlson  
John Gioia  
David Hudson  
Mark Ross

**MARIN COUNTY**  
Katie Rice

**NAPA COUNTY**  
Joelle Gallagher

**SAN FRANCISCO COUNTY**  
Tyrone Jue  
(SF Mayor’s Appointee)  
Shamann Walton

**SAN MATEO COUNTY**  
Noelia Corzo  
Davina Hurt  
(Chairperson)  
Ray Mueller

**SANTA CLARA COUNTY**  
Margaret Abe-Koga  
Otto Lee  
Sergio Lopez  
Vicki Veenker

**SOLANO COUNTY**  
Erin Hannigan  
Steve Young

**SONOMA COUNTY**  
Brian Barnacle  
Lynda Hopkins  
(Vice Chairperson)

Dr. Philip M. Fine  
**EXECUTIVE OFFICER/APCO**

Connect with the  
Bay Area Air District:



In 2023, the Air District amended Rules 9-4 and 9-6 to prohibit the sale and installation of NO<sub>x</sub>-emitting appliances for indoor space and water heating in the nine county Bay Area. While the purpose of the rules is to reduce NO<sub>x</sub> emissions, it will also likely deliver important greenhouse gas emission reduction co-benefits, as currently the only compliant technologies are electric appliances. The NO<sub>x</sub> rules are a key enabler to scale that need to be supported by a diverse coalition of partners removing compliance barriers. By bringing together these partners and supplementing the Air District's existing efforts to develop market readiness, BACHI will contribute to the rules' timely implementation.

BAAQMD intends to sign a Memorandum of Agreement (MOA) with the Association of Bay Area Governments (ABAG) before July 1, 2024. ABAG will oversee all work completed by BAAQMD and BAAQMD will coordinate with ABAG to ensure consistent and clear reporting of progress on all tasks included in Implementing Action 2.

This Letter of Intent indicates BAAQMD's intent to enter into a Memorandum of Agreement with the following terms and conditions:

- As a Coalition Member, BAAQMD will be accountable to ABAG for the proper use of EPA funding and successful implementation of Implementing Action 2.
- BAAQMD will participate in the Advisory Group convened by ABAG comprised of BAAQMD and other project partners to coordinate efforts and ensure timely reporting to EPA.
- BAAQMD will be responsible for managing all tasks and partners contributing to Implementing Action 2. BAAQMD will focus on Implementing Action 2 including carrying out community engagement, facilitation, research, and policy development and analysis.
- BAAQMD agrees to comply with the terms and conditions of the EPA grant and any applicable laws and regulations governing the expenditures of EPA grant funds.

By signing onto this Letter of Intent to sign a Memorandum of Agreement for the BACHI Coalition, the Bay Area Air Quality Management District agrees to fulfill its roles and accountabilities as a member of the Coalition.

Sincerely,



Dr. Philip M. Fine  
Executive Officer/APCO  
Bay Area Air Quality Management District



**Memorandum of Agreement  
for the  
Bay Area Clean Homes Initiative Coalition**

This Memorandum of Agreement (“MOA”), effective as of June 19, 2024, (“Effective Date”) is the agreement between the Bay Area Air Quality Management District (“AIR DISTRICT”) and the Association of Bay Area Governments (“ABAG”) for the performance of professional services in connection with activities to assist the Bay Area Regional Energy Network (“BayREN”) in the Bay Area Clean Homes Initiative.

WHEREAS, ABAG has applied for the grant funding provided by the United States Environmental Protection Agency (“EPA”) via Funding Opportunity Number EPA-R-OAR-CPRGI-23-07 “Climate Pollution Reduction Grants Program: Implementation Grants General Competition”, attached hereto and incorporated herein as Attachment B, US EPA Funding Opportunity Number: EPA-R-OAR-CPRGI-23-07; and

WHEREAS, ABAG, as the lead coalition member and applicant for Climate Pollution Reduction Grants Program (“CPRG”) funds, will be accountable to EPA and accepts responsibility for effectively carrying out the full scope of work and the proper management of the grant; and

WHEREAS, ABAG intends to use these funds to accelerate regional residential single family and small, multi-family building decarbonization in low-income and disadvantaged communities throughout the Bay Area, with the assistance of AIR DISTRICT, who will be responsible for identifying strategic interventions to unlock the region’s ability to scale residential decarbonization (“Project”); and

WHEREAS, ABAG will be responsible for overall management of the Project, managing grant administration, and effectively carrying out the scope of work related to Implementing Action 1: Decarbonize 1,500 homes in disadvantaged communities through holistic retrofits; and

WHEREAS, AIR DISTRICT, as a coalition member and grant subrecipient, will be accountable to ABAG, the lead applicant, for proper use of EPA funding, and will be responsible for effectively carrying out the scope of work related to Implementing Action 2: Develop and deploy interventions to remove systemic barriers to scaling decarbonization and

successful Project implementation; and

WHEREAS, Project will be funded with federal funds provided by the EPA, the EPA General Terms and Conditions Effective October 1, 2023, are attached hereto and incorporated herein as Attachment C. Any project funded, in whole or in part, by EPA funds may include these terms and conditions; and

WHEREAS, ABAG and the Metropolitan Transportation Commission (MTC) entered into a Contract for Services under which MTC provides administrative and program services to ABAG. Effective July 1, 2017, the staffs of ABAG and MTC were consolidated. MTC staff now serve both the Association of Bay Area Governments and the Metropolitan Transportation Commission. As such, all interactions between ABAG and AIR DISTRICT contained within this MOA shall be conducted by MTC staff on behalf of ABAG; and

WHEREAS, AIR DISTRICT is the local agency with primary responsibility for regulating stationary source air pollution in the Bay Area Air Quality Management District in the State of California and is authorized to enter into this MOA under California Health and Safety Code Section 40701; and

WHEREAS, ABAG, as the lead applicant for this coalition application is required to submit a Memorandum of Agreement (MOA) signed by all coalition members prior to receiving an award. The MOA signed by all members of a coalition must be provided to EPA by July 1, 2024, and before EPA will award any grant. Pursuant to the successful award of the U.S. EPA Climate Pollution Reduction Grant opportunity, ABAG and AIR DISTRICT will execute a revised agreement that includes the full scope of work details;

IT IS NOW THEREFORE AGREED:

1. If ABAG receives CPRG funds, ABAG and AIR DISTRICT will work together to perform the services as described in Attachment A, Scope of Work, incorporated herein by this reference.
2. ABAG and the AIR DISTRICT will perform the services described in Attachment A under the direction of Jane Elias, or a designated representative, (herein "ABAG Project Manager"). The ABAG Project Manager must approve a work plan prior to AIR DISTRICT



SO AGREED AND ACCEPTED:

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

ASSOCIATION OF BAY AREA  
GOVERNMENTS

\_\_\_\_\_  
By: Philip M. Fine  
Executive Officer/APCO

\_\_\_\_\_  
By: Andrew B. Fremier  
Metropolitan Transportation Commission  
Executive Director  
(acting pursuant to the Contract for Services  
dated May 30, 2017.)

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form by:

\_\_\_\_\_  
Alexander G. Crockett  
General Counsel

## **ATTACHMENT A** **SCOPE OF WORK**

### **Overview:**

Applicants for CPRG implementation grants are competing with all the 46 states and over 80 Metropolitan Statistical Areas (MSAs) that were awarded CPRG planning grants in Phase I. ABAG, as an eligible lead applicant and in coalition with AIR DISTRICT, applied for the U.S. EPA CPRG Phase II opportunity on April 1, 2024. The grant proposal, the Bay Area Clean Homes Initiative (BACHI), requested an amount of \$98,195,472, to catalyze regional residential single family and small multi-family building decarbonization in low-income and disadvantaged communities (LIDACs) throughout the Bay Area.

The BACHI coalition uniquely positions the Bay Area to advance residential decarbonization and create replicable models for other regions due to key assets of its two coalition members:

- 1) ABAG leads a nine-county regional partnership through the Bay Area Regional Energy Network (BayREN) which has been administering residential energy efficiency programs since 2013.
- 2) AIR DISTRICT will be implementing a precedent-setting appliance rule that will affect all residential water and space heating appliances in the region.

To leverage the core competencies of these two agencies, BACHI combined shovel-ready home retrofits (led by ABAG) with strategic interventions to unlock the region's ability to scale residential decarbonization (led by AIR DISTRICT). This pairing will enable on-the-ground project implementation to directly inform effective and transformational systemic interventions.

The lead applicant for any coalition application selected for award is required to submit a Memorandum of Agreement (MOA) signed by all coalition members prior to receiving the award. The MOA signed by all members of a coalition must be provided to EPA by July 1, 2024, and before EPA will award any grant. Pursuant to the successful award of the U.S. EPA Climate Pollution Reduction Grant opportunity, ABAG and AIR DISTRICT will execute a revised agreement that includes the full scope of work details.

It is expected the EPA will notify Phase II applicants in July 2024. If successful, the five-year grant period extends through September 30, 2029.

This coalition model ensures that each action will be completed simultaneously and therefore will inform the other, creating opportunities to test and evaluate new solutions while providing direct benefits to Low-Income Disadvantaged Communities (LIDACs). Both coalition members, and all project partners, are committed to documenting and disseminating lessons learned to also ensure that the BACHI model can be replicated in other regions to further scale impact.

As the lead coalition member, ABAG will oversee Implementing Action 1 including partnering with all Bay Area affiliates of Rebuilding Together and Habitat for Humanity, the Association for Energy Affordability (AEA) and GRID Alternatives to carry out holistic retrofits in LIDACs,

convening the Bay Area Community Choice Aggregators (CCAs) to explore mechanisms to address bill impacts of electrification and supporting the work of the nine Bay Area counties to advance neighborhood decarbonization.

ABAG will oversee all work completed by AIR DISTRICT and will coordinate with AIR DISTRICT to ensure consistent and clear reporting of progress on all tasks outlined in Implementing Action 2.

This agreement commits the signing parties to the following Scope of Work:

- As the Lead Coalition applicant, ABAG will be accountable to EPA and accepts full responsibility for effectively carrying out the full scope of work of the project and the proper financial management of the grant.
- As a Coalition Member, AIR DISTRICT will be accountable to ABAG for the proper use of EPA funding and successful implementation of Implementing Action 2.
- ABAG will be responsible for overall project management, managing grant administration, and coordinating with partners to complete all tasks in Implementing Action 1. ABAG will lead and regularly convene an Advisory Group throughout the project made up of AIR DISTRICT and other project partners to coordinate efforts and ensure timely reporting to EPA.
- AIR DISTRICT will be responsible for managing all tasks and partners contributing to Implementing Action 2. AIR DISTRICT will focus on Implementing Action 2 including carrying out community engagement, facilitation, research, and policy development and analysis.

**BACHI Implementing Action Tasks and Responsible Coalition Members**

<b>Implementing Action 1: Decarbonize 1,500 homes in disadvantaged communities through holistic retrofits</b>		
<b>Task</b>	<b>Key Implementing Partners</b>	<b>Responsible Coalition Member</b>
<b>Implementing Action 1 Administration</b>	ABAG	ABAG
<b>Task 1.1.</b> Retrofit 1,500 homes in Bay Area LIDACs	Habitat for Humanity, ABAG, AEA, Rebuilding Together, Grid Alternatives	ABAG
<b>Task 1.2.</b> Build capacity of home rehab nonprofits	Rebuilding Together	ABAG
<b>Task 1.3.</b> Advance neighborhood decarbonization	Nine Bay Area counties	ABAG

<b>Task 1.4.</b> Stability utility bills for residents	Seven Bay Area CCAs	ABAG
<b>Implementing Action 2: Develop and deploy interventions to remove systemic barriers to scaling decarbonization</b>		
<b>Task</b>	<b>Key Implementing Partners</b>	<b>Responsible Coalition Member</b>
<b>Implementing Action 2 Administration</b>	DISTRICT	DISTRICT
<b>Task 2.1.</b> Engage LIDACs	Roundtable Partners	DISTRICT
<b>Task 2.2.</b> Improve permitting processes	Bay Area Governments	DISTRICT
<b>Task 2.3.</b> Address rental housing dynamics	UCB, UCSF	DISTRICT
<b>Task 2.4.</b> Leverage non-energy sources of funding	UCB, UCSF, Habitat for Humanity, Rebuilding Together	
<b>Task 2.5.</b> Develop resources for replicability	DISTRICT	DISTRICT

**ATTACHMENT B**

**CLIMATE POLLUTION REDUCTION GRANTS PROGRAM: IMPLEMENTATION**  
**GRANTS GENERAL COMPETITION**  
**US EPA FUNDING OPPORTUNITY NUMBER: EPA-R-OAR-CPRGI-23-07**



**ATTACHMENT C**

**EPA GENERAL TERMS AND CONDITIONS EFFECTIVE OCTOBER 1, 2023**

**AGENCY:** ENVIRONMENTAL PROTECTION AGENCY (EPA)

**TITLE:** Climate Pollution Reduction Grants Program: Implementation Grants Competition for Tribes and Territories

**ACTION:** **Notice of Funding Opportunity (NOFO):** Request for Applications

**FUNDING OPPORTUNITY NUMBER:** EPA-R-OAR-CPRGT-23-09

**ASSISTANCE LISTING NO:** 66.046

**FUNDING AVAILABLE:** Approximately \$300 Million

**KEY DATES**

<b>September 20, 2023</b>	NOFO: REQUEST FOR APPLICATIONS ISSUANCE
<b>March 1, 2024</b>	OPTIONAL NOTICE OF INTENT TO APPLY IS DUE
<b>April 15, 2024</b>	DEADLINE FOR SUBMITTING QUESTIONS
<b>May 1, 2024</b>	NOFO CLOSES – APPLICATIONS DUE BY 11:59 PM (ET)
<b>September 2024</b>	ANTICIPATED NOTIFICATION OF FUNDING SELECTION
<b>December 2024</b>	ANTICIPATED AWARD

**APPLICATION SUBMISSION DEADLINE:** Application packages must be submitted electronically to EPA through [Grants.gov](https://www.grants.gov) ([www.grants.gov](https://www.grants.gov)) no later than **May 1, 2024, at 11:59 p.m. (ET)** in order to be considered for funding. Questions related to this NOFO should be submitted to [CPRG@epa.gov](mailto:CPRG@epa.gov). The deadline for submitting questions is **April 15, 2024**. EPA will not respond to questions submitted after that date.

**NOTICE OF INTENT TO APPLY:** To allow for efficient management of the competitive process, EPA requests submittal of an informal Notice of Intent (NOI) to Apply by **March 1, 2024** to [CPRG@epa.gov](mailto:CPRG@epa.gov). Please include in the body of the email the dollar amount of the anticipated funding request and one to two sentences about the scope and sector(s) of the greenhouse gas (GHG) reduction measures likely to be included in the potential implementation grant application. Additionally, if intending to apply as the lead applicant representing a coalition, please list all anticipated coalition members (coalition members must also be eligible applicants; see Section III.A for more details). Submission of an NOI is optional and non-binding; it is a process management tool that will allow EPA to better anticipate the resources required for efficient evaluation of submitted applications.

**CONTRACTS AND SUBAWARDS:** If the applicant intends to name a contractor (including an individual consultant or equipment vendor) or a subrecipient as a project partner or otherwise in the application, EPA recommends that applicants carefully review and comply with the

directions contained in Section IV of this NOFO and at [EPA Solicitation Clauses](#). Refer to [EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements](#) for additional guidance. Applicants must demonstrate that named contractors (including individual consultants and equipment vendors) were selected in compliance with the competitive requirements of the Procurement Standards in 2 CFR Part 200 as interpreted in EPA guidance and/or that named subrecipients meet the eligibility requirements in [EPA's Subaward Policy](#) for EPA to consider their qualifications and role in the proposed project.

# Climate Pollution Reduction Grants Program Implementation Grants Tribes and Territories Competition

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## I. Funding Opportunity Description

### A. Background and Summary

The 2022 Inflation Reduction Act (IRA) established the Climate Pollution Reduction Grants (CPRG) program,<sup>1</sup> which provides funds in two distinct but related phases:

1. **Planning grants:** \$250 million for states, U.S. territories,<sup>2</sup> municipalities,<sup>3</sup> air pollution control agencies, tribes,<sup>4</sup> and groups thereof<sup>5</sup> to develop plans to reduce greenhouse gases (GHGs).<sup>6</sup> The Priority Climate Action Plan (PCAP) is the first deliverable due under the CPRG planning grants.
2. **Implementation grants:** \$4.6 billion for competitive grants to eligible applicants to implement GHG reduction programs, policies, projects, and measures (collectively referred to as “GHG reduction measures,” or “measures”) identified in a PCAP developed under a CPRG planning grant.

**This notice of funding opportunity (NOFO) announces the availability of up to \$300 million for the CPRG implementation grants competition exclusively for tribes and territories. Lead organizations for tribes and territories must submit their PCAPs to EPA by the deadline of April 1, 2024, in order for lead organizations and other eligible applicants under this announcement to submit grant applications to fund measures contained in those plans.** EPA anticipates awarding approximately 25 to 100 grants ranging between \$1 million and \$25 million under this tribes and territories competition. Further detail on award tiers can be found in Table 1 of Section II.B.

A separate NOFO, issued under Funding Opportunity Number EPA-R-OAR-CPRGI-23-07, announces the availability of approximately \$4.3 billion for a general competition open to states, municipalities, air pollution control agencies, tribes, and territories for CPRG implementation grants. Tribes and territories interested in the general competition should seek the CPRG implementation grant “general competition” NOFO for more information.

**Applications for this implementation grants competition for tribes and territories are due on May 1, 2024.** Entities eligible to apply for an implementation grant under this competition

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<sup>1</sup> See IRA section 60114, “Climate Pollution Reduction Grants.”

<sup>2</sup> For purposes of the CPRG program, “U.S. territories” means the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

<sup>3</sup> Clean Air Act section 302(f) defines “municipality” as a city, town, borough, county, parish, district, or other public body created by or pursuant to State law.

<sup>4</sup> EPA has determined that based on the exclusion of Alaskan Native Corporations (ANCs) from the definition of “Indian tribe” in section 302(r) of the Clean Air Act that ANCs are not eligible for direct grants from EPA under this program. ANCs may, however, receive “non-coalition member” subawards from eligible CPRG grantees.

<sup>5</sup> As of the date of publication of this announcement, CPRG planning grant funding has been or is expected to be awarded to support development of climate action plans for 46 states plus the District of Columbia and Puerto Rico, 79 of the country’s most populous MSAs, more than 200 tribes, and four U.S. territories.

<sup>6</sup> For purposes of the CPRG program, greenhouse gases, or GHGs, are defined as carbon dioxide, hydrofluorocarbons, methane, nitrous oxide, perfluorocarbons, and sulfur hexafluoride (see Clean Air Act section 137 (d)(2)).

include lead organizations that were direct recipients of CPRG planning grants and other tribal and territorial entities that seek to implement GHG reduction measures included in an applicable PCAP developed under a CPRG planning grant. Section III.A provides more detail on eligible applicants for this NOFO.

## B. Program Goals and Objectives

Recognizing the urgency to address GHG pollution contributing to climate change, the Biden-Harris Administration and Congress established the \$5 billion CPRG program as part of the 2022 IRA. EPA takes seriously its responsibility to protect human health and the environment as the United States faces the increasingly harmful impacts of climate change. Across the country, communities are experiencing more deadly wildfires and storm surges, more extreme drought and water scarcity, and dangerous levels of flooding, among other impacts. The [Fourth National Climate Assessment](#) found that intense extreme weather and climate-related events, as well as changes in average climate conditions, are expected to continue to damage infrastructure, ecosystems, and social systems that provide essential benefits to communities. If left unchecked, future climate change is expected to further disrupt many areas of life and exacerbate existing challenges to prosperity posed by aging and deteriorating infrastructure, stressed ecosystems, and long-standing inequalities. However, with this challenge comes an opportunity to invest in a cleaner economy that will spur innovation and economic growth while building more equitable, resilient communities.

Accordingly, the CPRG tribes and territories competition for implementation grants is designed to enable tribes and territories to achieve the following goals:

1. Implement ambitious measures that will achieve significant cumulative GHG reductions by 2030 and beyond;
2. Pursue measures that will achieve substantial community benefits (such as reduction of criteria air pollutants (CAPs) and hazardous air pollutants (HAPs));
3. Complement other funding sources to maximize these GHG reductions and community benefits; and,
4. Pursue innovative policies and programs that are replicable and can be “scaled up” across multiple jurisdictions.

This competition is also designed to incentivize eligible applicants to apply for funding together as a coalition to implement GHG reduction measures regionally. Details on eligible applicants and coalitions are available in Section III.A.

### **Relationship Between CPRG PCAPs and Implementation Grant Eligibility**

Applications for grants under this NOFO must seek funding to implement measures that are included in a PCAP developed with funding from a CPRG planning grant. Implementation grant applications can be submitted not just by the lead organization that received CPRG planning grant funds (“lead organization”), but also by tribes, territorial municipalities, and tribal and territorial agencies that did not directly receive planning grant funds but that seek funding to implement one or more measures included in an applicable PCAP.

The CPRG planning grant program guidance specified that when developing a PCAP, lead organizations must coordinate and collaborate with other eligible entities within their jurisdictions and ensure that priority measures are included in the plan that are implementable by those entities. In all cases, the lead organizations for CPRG planning grants are required to make their PCAPs available to other entities for their use in developing implementation grant applications, and EPA will publicly post all PCAPs received on the [CPRG website](#).

EPA strongly encourages lead organizations to make draft versions of their PCAPs available as early as possible so that entities considering whether to submit an implementation grant application can begin development of their applications well before the May 1, 2024, application deadline. EPA also encourages eligible applicants that are considering applying for a CPRG implementation grant to participate in the PCAP development process and provide input on priority measures to include in the plan, in collaboration with other participants and stakeholders. EPA will not award multiple grants to implement the same measure in the same location; therefore, communication and coordination between entities that may be considering applying to fund similar measures should occur prior to applications being submitted. See Section III of this NOFO for more details on eligible applicants.

### **GHG Reduction Measures in CPRG Implementation Grant Applications**

EPA encourages eligible applicants to seek implementation funds for GHG reduction measures that will significantly reduce cumulative GHG emissions by 2030 and beyond, and that will accelerate decarbonization across one or more major sectors responsible for GHG emissions (i.e., industry, electric power, transportation, commercial and residential buildings, agriculture/natural and working lands, and waste and materials management). EPA will score grant applications based on multiple evaluation criteria described in Section V.A of this NOFO, with an emphasis on the magnitude of GHG reductions that will be achieved by the proposed measures.

Applications may include one or more proposed GHG reduction measures. A GHG reduction measure may reduce GHG emissions or enhance carbon removal.<sup>7</sup> Documentation must be provided to support the estimated GHG emission reductions for each proposed measure. In general, EPA anticipates that applications may seek funding for the following types of measures:

- A new, stand-alone GHG reduction measure that will be implemented solely through CPRG funding;
- An expansion of a GHG reduction measure that is already being implemented, where the expansion of the measure will be funded through CPRG funding; and,
- A new GHG reduction measure for which the applicant has already secured partial funding and needs additional funding from the CPRG program to secure the total funding needed to fully implement the measure.

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<sup>7</sup> Measures that enhance “carbon removal” are those that increase the removal of carbon dioxide from the atmosphere through, for example, the uptake of carbon and storage in soils, vegetation, and forests. Such measures may include actions related to management of lands in their current use, or as lands are converted to other uses.



Applications should provide details on each measure as laid out in Section IV.B. Applications will be evaluated as a whole and will not be assessed by individual GHG reduction measures; therefore, applicants should include only those measures that are eligible and meet the requirements described in this announcement.

EPA expects to receive implementation grant applications covering a broad range of potential GHG reduction measures. Applicants have flexibility to tailor the new or expanded GHG reduction measures included in their applications to the specific plans and needs of their jurisdictions. Applications that successfully address the specific evaluation criteria in Section V will also be consistent with the following program objectives:

- Stimulate transformation toward a decarbonized economy and demonstrate approaches that are replicable to unlock opportunities for even greater emissions reductions;
- Result in benefits (and do not result in negative impacts) to low-income and disadvantaged communities, such as CAP and HAP reductions, equitable economic growth, and improved quality of life outcomes, where applicable;
- Support measures for which dedicated funding or financing from other sources (e.g., under other provisions of the 2022 IRA, the 2021 Bipartisan Infrastructure Law (BIL), the 2021 American Rescue Plan Act (ARP), and the 2021 Creating Helpful Incentives to Produce Semiconductors and Science Act (CHIPS)) is unavailable or that leverage other sources of public and private funding to the fullest extent possible prior to seeking CPRG funding;
- Achieve GHG emission reductions that are long-lasting and certain;
- Incorporate high labor standards, emphasize job quality, and support equitable workforce development; and,
- Ensure accountability by providing clear assumptions, metrics, timelines, authorities, and budget details.

EPA is partnering with other federal agencies to strategically design funding opportunities and efficiently deploy resources provided by the IRA, BIL, ARP, and CHIPS, among others. Applications for CPRG implementation grants will be evaluated on the degree to which they demonstrate a strong need for CPRG implementation funding that is unmet by other funding sources. Applicants should explain how they have explored the availability of other federal grants, tax incentives, and other funding streams to implement their GHG reduction measure(s) and why these sources are not sufficient (see Section IV.B and criterion 1.b in Section V.A).

### **GHG Reduction Measure Examples**

Drawing on a variety of information – including workplans submitted by CPRG planning grantees, measures highlighted in the CPRG [Request for Information](#), and input received during CPRG stakeholder listening sessions – EPA has prepared the following illustrative list of potential GHG reduction measures for which applicants may choose to seek CPRG implementation grant funding. This list is neither exhaustive nor definitive with respect to the measures that may be included in competitive applications under this NOFO. Applicants should

consider the evaluation criteria in Section V.A when deciding on which measure or measures to include in their applications.

### Transportation Sector

- Programs to increase the share of electric light-, medium-, and heavy-duty vehicles, and to expand electric vehicle charging infrastructure
- Electrification requirements for tribal or territorial government-owned vehicle, transit, or equipment fleets
- Transportation pricing programs that reduce vehicle miles traveled (VMT), such as parking pricing and congestion and road pricing
- Policies to support transportation management incentive programs to reduce vehicle trips or travel and expand transit use, such as van-pool programs, ridesharing, transit fare subsidies, and bicycle facilities
- New or expanded transportation infrastructure projects to facilitate public transit, micro-mobility, car sharing, bicycle, and pedestrian modes
- Incentive programs to purchase zero-emission vehicles and equipment to replace older heavy-duty diesel vehicles and equipment
- Programs to increase efficiency and reduce GHG emissions at ports and freight terminals, such as vehicle or equipment idle reduction, vessel-speed reduction, equipment electrification, and shore power
- Update building and zoning codes to encourage walkable, bikeable, and transit-oriented development
- Encourage mode shift from private vehicles to walking, biking, and public transportation (e.g., complete streets, bike share programs, bike storage facilities, low-speed electric bicycle subsidies, public transit subsidies)

### Electric Power Sector

- Renewable portfolio standards and/or clean electricity standards
- Energy efficiency portfolio standards
- Emission trading systems (e.g., cap-and-trade programs) and carbon pricing measures
- GHG performance standards for electric generating units
- Installation of renewable energy and energy storage systems on government-owned facilities
- Programs to support smart-grid and/or behind-the-meter technologies to reduce power losses, reduce peak demand, and enable consumer participation in distributed generation
- Targeted incentives for installation of renewable energy and energy storage systems on commercial and residential buildings, such as net metering, tax credits, rebates, and streamlined interconnection standards
- Policies and measures to streamline permitting for renewable energy projects
- Development of distributed or community-scale renewable energy generation, microgrids, or vehicle-to-grid infrastructure in disadvantaged communities, including remote and rural regions

## Buildings Sector

- Adoption and implementation of the most up-to-date building energy codes or stretch codes for new commercial and residential buildings
- Implementation of a clean heat standard
- Incentive programs for implementation of end-use energy efficiency measures in existing government-owned, commercial, and residential buildings
- Incentive programs for the purchase of certified energy-efficient appliances, heating and cooling equipment, lighting, and building products to replace inefficient products
- Programs and policies to promote electrification of government-owned, commercial, and residential buildings
- Programs and policies to accelerate the incorporation of efficient electric technologies and electric vehicle charging at new single-family, multi-unit, or affordable residential buildings and commercial buildings, including building codes related to electric vehicle charging
- Implementation of a building energy performance management program for government-owned buildings
- Implementation of a new benchmarking and building performance standards
- Programs to promote recovery and destruction of high-global warming potential (GWP) hydrofluorocarbons (HFCs) used in existing appliances, air conditioning systems, and commercial chillers

## Industrial Sector

- Standards addressing GHG emissions from industrial facilities and from energy production sectors, including emissions from industrial process heat and industrial processes
- Programs to support or incentivize implementation of energy efficiency measures in industry, including energy audits, strategic energy management, equipment upgrades, and waste heat utilization
- Programs to support or incentivize GHG reductions in industrial energy use and industrial processes, including use of low/no carbon fuels, electrification, renewable energy, and process improvements
- Programs to develop, expand, and support markets for low-embodied carbon materials and products, such as cement and steel

## Waste, Water, and Sustainable Materials Management Sector

- Standards and incentives to reduce methane emissions from landfills and wastewater treatment facilities, including through collection for use or destruction
- Programs and incentives to reduce or divert waste (including food and/or yard waste) through improved production practices, improved collection services, and increased reuse or recycling rates
- Programs and incentives to reduce GHG emissions associated with plastics production, use, and waste management

- Programs to expand composting and bio-digestion infrastructure to reduce GHG emissions and increase beneficial use of organic waste
- Policies and programs to reduce construction and demolition waste through building reuse, deconstruction, and material diversion and reuse
- Installation of renewable energy and energy efficiency measures at wastewater treatment facilities

### Agricultural Sector

- Incentive programs to fund electric agricultural equipment technologies
- Incentives for technologies and techniques that reduce nitrous oxide emissions from fertilizer application
- Incentives to promote anaerobic digesters to capture methane and generate renewable energy or produce renewable fuel

### Carbon Removal Measures

- Policies to promote improved forest management to enhance carbon stocks on forested land
- Urban afforestation and green infrastructure programs and projects
- Restoration of degraded lands (e.g., brownfields, mine reclamation) and forested lands to enhance carbon sequestration
- Policies to enhance carbon stocks in coastal estuaries, such as wetlands and mangroves.

### **Low-Income and Disadvantaged Communities**

As stated previously, the CPRG program is prioritizing the funding of measures that result in benefits to low-income and disadvantaged communities, such as reductions in CAPs and HAPs, equitable economic growth, and improved quality of life outcomes. EPA recognizes that these communities include communities with environmental justice concerns, traditional energy communities, and rural communities. All federally recognized tribes meet the definition of disadvantaged communities for the purposes of this program. EPA encourages applicants under this announcement to pursue GHG reduction measures that provide benefits to communities including low-income and disadvantaged communities.

EPA is committed to meeting the objectives of the Justice40 Initiative set forth in [Executive Order 14008](#), which sets the goal that 40 percent of the overall benefits of relevant federal investments flow to disadvantaged communities, which have been or are marginalized, underserved, and overburdened by pollution. Individual applicants do not have to explicitly demonstrate that 40 percent of the benefits of each measure or project will flow to disadvantaged communities. Instead, EPA will conduct an analysis of the GHG emission reduction measures and the benefits to disadvantaged communities resulting from the CPRG program as a whole.

## Environmental Justice

EPA is committed to accelerating environmental justice (EJ) in communities overburdened by pollution through its IRA investments, including through the CPRG program. This program is responsive to the Administration's call for agencies to advance EJ in [Executive Order 14096: Revitalizing Our Nation's Commitment to Environmental Justice for All](#).

### C. Environmental Results and Strategic Plan Information

Pursuant to Section 6.a of [EPA Order 5700.7A1, "Environmental Results under EPA Assistance Agreements."](#) EPA must align proposed grant programs and assistance agreements with the Agency's Strategic Plan. EPA also requires that grant applicants and recipients adequately describe environmental outputs and outcomes to be achieved under assistance agreements. Applicants must include specific statements describing the environmental results of the proposed project in terms of well-defined outputs and, to the maximum extent practicable, well-defined outcomes that will demonstrate how the project will contribute to the Strategic Plan goals listed below. EPA will evaluate "outputs and outcomes" under criterion 3 in Section V. More guidance on outputs and outcomes is provided in Section IV.B.

**(1) Linkage to EPA Strategic Plan:** The activities to be funded under this announcement must support EPA's Fiscal Year (FY) 2022-2026 Strategic Plan. Awards made under this announcement will support Goal 1, "Tackle the Climate Crisis"; Objective 1.1, "Reduce Emissions that Cause Climate Change." Under this objective, EPA will "aggressively reduce the emissions of greenhouse gases from all sectors while increasing energy and resource efficiency and the use of renewable energy." All applications must be for projects that support this goal and objective. For more information see [EPA's FY 2022 – 2026 EPA Strategic Plan](#).

**(2) Outputs:** The term "output" means an environmental activity, effort, and/or associated work product related to an environmental goal and objective that will be produced or provided over a period of time or by a specified date. Outputs may be quantitative or qualitative but must be able to be assessed during an assistance agreement funding period.

Examples of outputs from the implementation of GHG reduction measures funded under this announcement may include, but are not limited to:

- Number of: equipment or technology installations, such as zero-emission vehicles; renewable energy installations and smart meters; electrified appliances (e.g., heat pumps) installed; buildings retrofitted; industrial equipment electrified; biodigesters installed; trees planted;
- Policies and measures enacted, adopted, and/or expanded, and related procedural milestones in implementing GHG reduction measures; and/or,
- Staff hired to implement GHG reduction measures, associated low-income and disadvantaged community provisions, and associated trainings for workforce development.

Progress reports and a final report will also be required outputs, as specified in Section VI.B.

**(3) Outcomes:** The term "outcome" means the result, effect, or consequence that will occur

from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective. Outcomes may be environmental, behavioral, health-related, or programmatic in nature but must also be quantifiable. They may not necessarily be achievable within a grant funding period.

At a minimum, the application should list the following outcomes from the GHG reduction measures proposed for CPRG implementation grant funding:

- Reduction in cumulative metric tons of GHG emissions:
  - From 2025 through calendar year 2030, and
  - From 2025 through calendar year 2050.

If applicable, the application should also list the following outcomes from the GHG reduction measures proposed for CPRG grant funding:

- Reduction in annual amount of CAP and/or HAP emissions in 2030.

Other potential outcomes may include, but are not limited to:

- Lower energy demand and residential/commercial energy expenditures;
- Reduced energy bills for residents;
- Reduced exposure to hazardous air pollution or unhealthy ambient air quality;
- Increased staff capacity to implement GHG reduction measures;
- Enhanced level of community engagement, as measured by an increased number of ongoing actions to engage with organizations and residents of communities, and other interested parties;
- Number of high-quality jobs created throughout the applicant’s jurisdiction or community; and/or,
- Increased resilience to climate change impacts as measured by the number of buildings or Census tracts that meet certain resiliency standards.<sup>8</sup>

#### D. Statutory Authority

The IRA (Public Law 117-169) amended the Clean Air Act (CAA) (42 U.S.C. § 7401 *et seq.*) to include section 137 (42 U.S.C. § 7437), which authorizes EPA to make grants for greenhouse gas air pollution reduction plans and implementation activities. CAA section 137(a)(1) appropriates \$250 million to EPA to award climate pollution planning grants to eligible entities comprised of states, air pollution control agencies, municipalities, tribes, or a group of one or more of these entities. CAA sections 137(a)(2) and (c) appropriate \$4.75 billion (less three percent to EPA for administrative costs) to EPA to make competitive grants to states, air pollution control agencies, municipalities, tribes, or a group of one or more of these entities to implement the

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<sup>8</sup> The [U.S. Climate Resilience Toolkit](#) defines climate resilience as “the capacity of a community, business, or natural environment to prevent, withstand, respond to, and recover from a disruption.” To find EPA resources for local governments on climate resilience, including strategies, tools, and case studies, visit the [Climate Change Adaptation Resource Center \(ARC-X\)](#). To find tools specific to tribal nations, visit the [Tribal Nations Climate Resilience Toolkit](#).

programs, policies, measures, and projects developed under a climate pollution planning grant. CAA section 137 also requires that implementation grant applicants address the degree to which a grant application would reduce GHG emissions in total and with respect to low-income and disadvantaged communities. CAA section 137(d)(2) defines “greenhouse gas” as the air pollutants carbon dioxide, hydrofluorocarbons, methane, nitrous oxide, perfluorocarbons, and sulfur hexafluoride.

#### E. Additional Provisions for Applicants Incorporated into the Solicitation

Additional provisions that apply to Sections III, IV, V, and VI, and/or awards made under this solicitation can be found at [EPA Solicitation Clauses](#). These provisions are important for applying to this solicitation and applicants must review them when preparing applications for this solicitation. They include requirements and restrictions applicable to all EPA grant funding. If an applicant is unable to access these provisions electronically at the website above, please contact the EPA point of contact listed in Section VII of this solicitation to obtain a copy of the provisions.

## II. Federal Award Information

#### A. Amount of Funding Available

The total funding expected to be available for awards under the CPRG implementation grants competition for tribes and territories is approximately \$300 million. Funding is dependent upon Agency appropriations, funding availability, Agency priorities, and other applicable considerations. EPA has issued a separate NOFO under Funding Opportunity Number EPA-R-OAR-CPRGI-23-07 for a general competition under which tribes and territories may also apply for implementation grant funding. For more information about the general competition, applicants should seek the “general competition” NOFO.

#### B. Number and Amount of Awards

EPA anticipates awarding a total of approximately 25 to 100 grants under this announcement subject to the availability of funds, the quantity and quality of applications received, Agency priorities, and other applicable considerations. Awards are expected to range between \$1 million and \$25 million. EPA expects to award grants within three tiers described in Table 1 with funds targeted for each tier. EPA has established these tiers to provide funding opportunities for a range of potential applicants. These ranges reflect differences in the scope, scale, and cost of GHG reduction measures and are intended to help applicants structure their applications to best reflect the cost of their proposed measures and their ability to implement the grant. The total grant amount requested in an application will determine the tier within which the application will be evaluated. Applications will be evaluated against other applications within the same tier.

Table 1: Grants Ranges and Funding by Tier

Tier	Grant Ranges	Funds Targeted for Each Tier	Anticipated Number of Grants to be Awarded
Tier A	\$15,000,000 – \$25,000,000	\$125 million	5-8
Tier B	\$5,000,000 – \$14,999,999	\$100 million	7-20
Tier C	\$1,000,000 – \$4,999,999	\$75 million	15-75

The actual award amounts, total amount of funding, and number of awards made under each of the tiers described in this section may differ from the estimated amounts for many reasons including but not limited to the number of meritorious applications received in each tier, Agency priorities, and funding availability. In addition, EPA reserves the right to increase or decrease (including decreasing to zero) the total dollar amount for awards under each tier.

### C. Partial Funding

In appropriate circumstances, EPA reserves the right to partially fund applications by funding discrete portions or phases of proposed GHG reduction measures in overall applications. If EPA decides to partially fund an application, it will do so in a manner that does not prejudice any applicants or affect the basis upon which the application, or portion thereof, was evaluated and selected for award, thereby maintaining the integrity of the competition and selection process.

### D. Additional Awards

EPA reserves the right to make additional awards under this solicitation, consistent with Agency policy and guidance, if additional funding remains or becomes available after the original selections are made. EPA intends that any additional selections for awards may be made no later than six months after the original selection decisions. In addition, EPA reserves the right to reject all applications and make no awards under this announcement or to make fewer awards than anticipated.

### E. Award Funding and Incremental/Full Funding

Awards will be fully funded at the start of the grant period. EPA award recipients may incur allowable costs 90 calendar days before EPA makes the award. Pre-award expenses more than 90 calendar days prior to the date of award require prior approval by EPA. All costs incurred before EPA makes the award are at the applicant’s risk. EPA is under no obligation to reimburse such costs if for any reason the applicant does not receive a federal award, or if the federal award is less than anticipated and inadequate to cover such costs. See [2 CFR 1500.9](#).

### F. Period of Performance

The estimated period of performance for awards resulting from this solicitation will be up to five years. The estimated project start date for awards is December 1, 2024.



## G. Funding Type

Successful applicants will be awarded funding as a grant.

## III. Eligibility Information

Note: Additional provisions that apply to this section can be found at [EPA Solicitation Clauses](#).

### A. Eligible Applicants

Section 137(c)(1) of the CAA states that CPRG implementation grants shall be awarded to eligible entities to implement plans developed under CPRG planning grants. The eligible entities under this competition are consistent with assistance listing 66.046 and CAA section 137.

Table 2 describes the eligible applicants for the CPRG implementation grants competition under this NOFO. In general, entities eligible to apply for an implementation grant under this announcement are federally recognized tribes,<sup>9</sup> tribal consortia, and territories. More specifically, tribes, tribal consortia, and territories that directly received a CPRG planning grant are eligible to apply for an implementation grant. In addition, tribes, tribal agencies, tribal consortia, and territorial municipal agencies, departments, or other municipal government offices in Guam, American Samoa, Northern Mariana Islands, and U.S. Virgin Islands that did not directly receive a planning grant but that seek funding to implement one or more GHG reduction measures that are included in an applicable PCAP (submitted to EPA by April 1, 2024) are eligible to apply. An applicable PCAP is one that geographically covers the entity and contains GHG reduction measures that can be implemented by the entity.

*Table 2. Entities Eligible to Apply for CPRG Implementation Grants*

Entity	Eligible	Ineligible
<b>Tribe or Tribal Consortium</b>	A tribe or tribal consortium can apply for funding to implement measures included in an applicable tribal, state, or MSA PCAP. Eligible applicants are: <ul style="list-style-type: none"><li>• Lead organizations for tribal CPRG planning grants</li><li>• Other tribal agencies (including tribal air pollution control agencies), departments, or other tribal government offices or tribal consortia</li></ul>	<ul style="list-style-type: none"><li>• Non federally recognized tribes</li><li>• Alaska Native Corporations</li><li>• Tribes or tribal consortia not covered by a state, MSA, or tribal PCAP</li></ul>

<sup>9</sup> EPA has determined that based on the exclusion of Alaskan Native Corporations (ANCs) from the definition of “Indian tribe” in section 302(r) of the Clean Air Act that ANCs are not eligible for direct grants from EPA under this program. ANCs may, however, receive “non-coalition member” subawards from eligible CPRG grantees.

Entity	Eligible	Ineligible
<b>Territory</b>	<p>Each territory covered by CPRG (American Samoa, Northern Mariana Islands, Guam, and the U.S. Virgin Islands) can apply for funding to implement measures included in its PCAP. A territorial municipality can also apply for funding to implement measures included in an applicable territorial PCAP. Eligible applicants are:</p> <ul style="list-style-type: none"> <li>• Lead organizations for CPRG planning grants for one of the territories above</li> <li>• Other territorial agencies (including territorial air pollution control agencies), departments, or other territorial government offices</li> <li>• Territorial municipal agencies (including local air pollution control agencies), departments, or other territorial municipal government offices</li> </ul>	
<b>Coalition of Eligible Applicants</b>	<ul style="list-style-type: none"> <li>• A coalition consisting of two or more eligible applicants (including tribal agencies, tribal consortia, and territorial municipal agencies, departments, or other municipal government offices in one of the four territories listed above) can apply to jointly implement one or more measures included in an applicable PCAP</li> </ul>	

An eligible applicant may apply to this competition either as an individual applicant or as a “lead applicant” in a coalition. An *individual applicant* may make subawards to partners (subrecipients) to carry out a portion of the grant’s activities provided that the subawards are consistent with the grant’s terms and conditions and with all applicable requirements, including the [EPA Subaward Policy](#). For individual applicants that plan to make subawards to partners, EPA encourages those applicants to include letters of commitment from such partners.

A *coalition* is a special type of partnership, also subject to subaward requirements, including the EPA Subaward Policy. However, for purposes of this grant program, a coalition is a group of two

or more eligible applicants<sup>10</sup> that share a strong and substantial commitment to the proposed measures (e.g., financially, materially, or operationally) such that withdrawal by any single member from the coalition would fundamentally alter the design or expected outputs and outcomes of the proposed measures. Coalition members must demonstrate their commitment to the coalition and to fulfilling their role to ensure success of the proposed measures through a signed Memorandum of Agreement (MOA), or through another written instrument or documented arrangement. The MOA or other written instrument or documented arrangement should clarify the roles and responsibilities of all coalition members. The lead applicant for the coalition should submit the MOA or other written instrument or documented arrangement as an attachment as described in Section IV.B and Appendix E (“Guidelines for a Memorandum of Agreement for a Coalition”), as applicable. See Section IV.C for more information about partnership and coalition coverage.

Each eligible applicant is limited to submitting two grant applications: one as the individual applicant and one as the lead applicant for a coalition. Applicants may participate in more than one coalition but may only serve as lead applicant for one coalition.

#### B. Voluntary Cost Sharing or Matching Funds

No cost sharing/matching funds or leveraged resources are required as a condition of eligibility under this competition. Funds awarded under this program cannot be used to meet the matching funds requirement under another federal grant program.

#### C. Threshold Eligibility Criteria

All applications will be reviewed for eligibility and must meet the eligibility requirements described in Section III to be considered eligible. If necessary, EPA may contact applicants to clarify threshold eligibility questions prior to making an eligibility determination. Applicants deemed ineligible for funding consideration due to the threshold eligibility review or due to a lack of timely response to EPA inquiries will be notified within 15 calendar days of the ineligibility determination.

1. Applications must substantially comply with the application submission instructions and requirements set forth in Section IV or else they will be rejected. Pages in excess of the page limitations expressed in Section IV.B, including the 15-page limitation for the workplan, will not be reviewed. Applications should use a legible font type and size.
2. All applications must be submitted through [Grants.gov](https://www.grants.gov) as stated in Sections IV.A and B (except in the limited circumstances where another mode of submission is specifically allowed for as explained in Section IV) on or before the application submission deadline of May 1, 2024, 11:59 PM ET (see Section IV.A). Applicants are responsible for following the submission instructions in Section IV.A to ensure that the application is timely and properly submitted. Please note that applicants experiencing technical issues with submitting through [Grants.gov](https://www.grants.gov) should follow the instructions provided in Section IV.A,

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<sup>10</sup> For purposes of this program, a tribal consortium is an eligible applicant and as such may participate as a member and/or a lead applicant for a coalition.

which include both the requirement to contact Grants.gov and the requirement to email a full application to EPA at [CPRG@epa.gov](mailto:CPRG@epa.gov) prior to the May 1, 2024, deadline.

EPA will only consider accepting applications outside of [Grants.gov](https://www.grants.gov) from applicants that are able to demonstrate that they are unable to submit through [Grants.gov](https://www.grants.gov) due to Grants.gov or relevant SAM.gov system issues or for unforeseen exigent circumstances, such as extreme weather interfering with internet access. Failure of an applicant to submit prior to the application submission deadline because they did not properly or timely register in SAM.gov or [Grants.gov](https://www.grants.gov) is not an acceptable reason to justify acceptance of an application outside of [Grants.gov](https://www.grants.gov). **NOTE: Registering in SAM.gov or Grants.gov can take a month or more. Applicants are advised to begin their registration process early so it does not interfere with drafting the application near the deadline.**

3. Applications must support Goal 1, “Tackle the Climate Crisis;” Objective 1.1, “Reduce Emissions that Cause Climate Change” of EPA’s Strategic Plan described in Section I.C.
4. Applications must request EPA assistance funds to implement GHG reduction measures contained in a PCAP developed under a CPRG planning grant.
5. Applications must request EPA assistance funds within the range of \$1 million to \$25 million, as specified in Section II.B. Applications that request EPA assistance funds less than \$1 million or in excess of \$25 million are not eligible and will not be reviewed.
6. Applications may only be submitted by eligible applicants as described in Section III.A.
7. A group of eligible applicants applying as a coalition as defined in Section III.A may not submit multiple applications for the same set of GHG reduction measures using different lead applicants (i.e., submitting the same application under different lead applicants). In the event that EPA receives more than one such application, EPA will review the most recent application submitted and will disregard all others.
8. An eligible applicant as defined in Section III.A may submit one application as the individual applicant and one application as the lead applicant for a coalition. In the event that an applicant exceeds these limits, EPA will contact the applicant prior to review to determine which application(s) to withdraw from the competition. If the applicant does not respond to EPA within two business days of being contacted, EPA will review the last application(s) submitted and will disregard all others.

#### D. Ineligible Costs and Activities

All expenses must meet the allowability requirements in 2 CFR Part 200, Subpart E and applicable provisions of 2 CFR Part 1500. To be considered eligible, costs must be necessary and reasonable to implement the GHG reduction measures described in the application. Applications that include ineligible expenses are ineligible to receive funding for such costs, and inclusion of ineligible expenses may render the full application unsuitable for funding.

Successful applications for this program must focus on the implementation of PCAPs for tribes and territories to reduce climate pollution through GHG reduction measures and include the required elements and qualities outlined in Section IV.B. If an application is submitted that includes any ineligible tasks or activities, that portion of the application will be ineligible for funding and may, depending on the extent to which it affects the integrity of the application, render the entire application ineligible for funding. Applications that include measures not considered to be GHG reduction measures, and those that do not include elements required in the application, may be considered ineligible for funding for this reason.

Using CPRG funds to aid regulated entities (e.g., subaward from a tribe or territory to private entity) to comply with EPA regulatory requirements is not an eligible activity under this program.

Applicants may seek funding for projects outside the scope of this grant program by applying for federal grant programs better tailored to their needs. Federal BIL and IRA funding opportunities for which applicants to this program may be eligible can be found [here](#) or at [Grants.gov](#).

## IV. Application and Submission Information

Note: Additional provisions that apply to this section can be found at [EPA Solicitation Clauses](#).

### A. How to Register to Apply for Grants Under This Competition

Note: The registration process can take a month or more. EPA advises applicants to start the process as soon as possible so that it does not overlap or interfere with finalizing the application.

Applicants should visit [How to Register to Apply for Grants](#) for additional information. All EPA grant applications must be submitted online, except in limited circumstances. Organizations must be registered in two government systems to apply for EPA grants:

1. The System for Award Management (SAM.gov) registers organizations to conduct business with the U.S. Government, which includes federal grants.
2. Grants.gov is the official system for managing all federal grant applications.

These two systems share information. Together, they provide access to everything needed to identify federal grant opportunities and to complete the online application process.

Note that individuals access both systems through a single user account set up in Login.gov. Creating a Login.gov account is easy. If the applicant does not have a Login.gov account, they will be prompted to create one when they register with SAM.gov or Grants.gov. [Learn more about Login.gov](#).

If the applicant has done business with the federal government previously, they can and should check their entity status using their government issued Unique Entity Identifier (UEI) to determine if their registration is active. SAM.gov requires entities to renew their registration

every 365 days to keep it active. Organizations should ensure that their SAM.gov registration includes a current e-Business (EBiz) Point of Contact (POC) name and email address. The EBiz POC is critical for Grants.gov registration and system functionality. If the point of contact has changed, the applicant may need to contact the [Federal Service Desk](#) for help with their SAM.gov account: (866) 606-8220. The Federal Service Desk hours of operation are Monday – Friday 8am – 8pm ET.

Please note that SAM.gov registration is different than obtaining a UEI only. Obtaining a UEI only validates the applicant’s organization’s legal business name and address. Please review the Federal Service Desk’s [Frequently Asked Questions](#) document for additional details.

Follow these steps to register to apply for EPA grants. **Start the registration process early.** The process can take a month or more. Errors or inconsistencies in registration in the two systems can prolong the process. Applicants are encouraged to start the registration process **before beginning the application.** Applicants that have registered in SAM.gov in the past should check their registration status at least a month before applying under this competition.

#### [Step 1. Register the Organization in SAM.gov](#)

Organizations must register with SAM.gov to obtain a UEI, which is a 12-character alphanumeric identifier assigned to each unique organization. There is no fee for registering with SAM.gov and registration must be renewed annually.

Registration in SAM.gov requires providing assertions, representations and certifications, and other information so that the federal government can verify the existence and uniqueness of the organization. Follow these steps to get started:

1. Go to the [SAM.gov Entity Registration](#) page. Review the “Before You Get Started” section and download the Entity Registration Checklist to help prepare.
2. Click the “Get Started” button when ready. Applicants may be prompted to accept the usage terms and sign in through Login.gov. If necessary, click the “Get Started” button again after signing in.
3. Applicants will be prompted to choose what they want to do. Most grant applicants will select the option to “Register for Financial Assistance Awards Only.”
4. Select the appropriate option and click the “Next” button.
5. Proceed through the registration process by answering the questions and providing the necessary information.

Organizations will need to designate an EBiz POC. The EBiz POC is likely to be the organization’s chief financial officer or authorizing official. There can be only one EBiz POC for each unique organization. The EBiz POC will:

- Manage the SAM.gov account and login.
- Set up the Grants.gov profile for the organization (see Step 2 below).
- Oversee all activities for the organization within Grants.gov.

- Assign all roles in Grants.gov for individuals from the organization who will be involved in applying for grants, including the Authorized Organization Representative (AOR), Expanded AOR roles, Workspace Manager, and Custom roles (see Step 3 below).

Note that the EBiz POC does not submit grant proposals for the organization. Proposals are submitted by the AOR in Grants.gov. After the information submitted through the registration process is authenticated, the EBiz POC will receive an email from SAM.gov indicating that the registration is active.

Contact the [Federal Service Desk](#) for help with the applicant's SAM.gov account, to resolve technical issues, or chat with a help desk agent: (866) 606-8220. The Federal Service Desk hours of operation are Monday – Friday 8am – 8pm ET.

Once the applicant's SAM.gov account is active, the applicant must register in Grants.gov. Grants.gov will electronically receive the applicant's organization information, such as EBiz POC email address and UEI.

### [Step 2. Create a User Account and Applicant Profile in Grants.gov](#)

After obtaining a UEI, an organization must create an applicant profile in Grants.gov.

The EBiz POC will set up the applicant profile in 2 steps:

1. Create a user account in Grants.gov with the same email address used by the EBiz POC in SAM.gov. The email address is used to match the EBiz POC from SAM.gov to Grants.gov.
2. Create the applicant profile in Grants.gov using the UEI obtained from SAM.gov.

Grants.gov registration is FREE. If the applicant has never applied for a federal grant before, they should review the [Grants.gov Applicant Registration](#) instructions. As part of the Grants.gov registration process, the EBiz POC is the only person that can affiliate and assign applicant roles to members of an organization. In addition, at least one person must be assigned as an AOR. Only person(s) with the AOR role can submit applications in Grants.gov. Please review the [Intro to Grants.gov - Understanding User Roles](#) and [Learning Workspace - User Roles and Workspace Actions](#) for details on this important process. Applicants need to ensure that the AOR who submits the application through Grants.gov and whose UEI is listed on the application is an AOR for the applicant listed on the application. Additionally, the UEI listed on the application must be registered to the applicant organization's SAM.gov account. If not, the application may be deemed ineligible.

Contact [Grants.gov](#) for assistance at 1-800-518-4726 or [support@grants.gov](mailto:support@grants.gov) to resolve technical issues with Grants.gov. Applicants who are outside the U.S. at the time of submittal and are not able to access the toll-free number may reach a Grants.gov representative by calling 1-606-545-5035. The Grants.gov Support Center is available 24 hours a day, 7 days a week, excluding federal holidays.

### Step 3. Create Individual Grants.gov Accounts for Organization Members

There is no fee for registering with Grants.gov. Each member of the organization who will participate in the online grant application process needs to register an individual account on Grants.gov.

1. Go to the [Grants.gov registration](#) page.
2. Complete the form, which includes specifying a username and password. This username and password are used to create the Grants.gov account. Applicants will be prompted to link the Grants.gov account to their Login.gov account.
3. Associate the applicant's individual account with the organization's UEI. The applicant will also enter the organization's Profile Name and the applicant's Job Title.

The organization's EBiz POC can delegate administrative roles to other Grants.gov users associated with the UEI, as necessary. Learn more about [managing roles in Grants.gov](#).

### Step 4. Learn How to Use Workspace in Grants.gov

Workspace is the application in Grants.gov that an organization's grant team uses when applying for federal grants. Workspace is a role-based tool, in which the user's assigned role controls permissions to perform specific actions, such as accessing and editing application forms. As noted in Step 3 above, the EBiz POC has the initial responsibility to assign roles to individuals.

The core roles include:

- Expanded AOR: has the most privileges.
- Standard AOR: allows user to submit the final application and perform other actions.
- Workspace Manager: the minimum role required to create a workspace and begin work on an application.

Custom roles can also be created. Becoming familiar with Grants.gov Workspace roles and understanding the process will help applicants be better prepared to submit applications. The videos [on this page](#) are just two of many Grants.gov training resources to help applicants get started.

If the applicant's organization has no access to the internet or access is very limited, the applicant may request an exception by following the procedures outlined in [Exceptions to the Grants.gov Submission Requirement](#) website. Please note that the request must be received at least 15 calendar days before the application due date to allow enough time to negotiate alternative submission methods.

## B. Application Process

To begin the application process under this grant announcement, go to [Grants.gov](#) and click the "Search Grants" tab. Search the opportunity number associated with this opportunity – EPA-R-OAR-CPRGT-23-09. Once the opportunity has been selected, click the red "Apply" button at the top of the "View Grant Opportunity" page.



The electronic submission of applications to this funding opportunity must be made by an official representative of the organization who has been registered as an AOR and is authorized by the organization to sign applications for federal financial assistance. If the submit button is grayed out, it may be because an individual does not have the appropriate role to submit for their organization. Contact the organization's EBiz POC or contact [Grants.gov](https://www.grants.gov) for assistance at 1-800-518-4726 or [support@grants.gov](mailto:support@grants.gov)

Applicants need to ensure that the AOR who submits the application through Grants.gov and whose UEI is listed on the application is an AOR for the applicant listed on the application, specifically on the SF-424. Additionally, the UEI listed on the application must be registered to the applicant organization's SAM.gov account. If not, the application may be deemed ineligible. Applications submitted through Grants.gov will be time and date stamped electronically. Please note that successful submission of the application through Grants.gov does not necessarily mean the application is eligible for award. Any application submitted after the application's deadline will be deemed ineligible and not be considered.

#### Technical Issues with Submission

If applicants experience technical issues during the submission of an application that they are unable to resolve, follow these procedures **before** the application deadline of May 1, 2024 at 11:59 PM ET:

- Contact Grants.gov Support Center **before** the application deadline.
- Document the Grants.gov ticket/case number.
- Send an email with "EPA-R-OAR-CPRGT-23-09" in the subject line to [CPRG@epa.gov](mailto:CPRG@epa.gov) **before** May 1, 2024 at 11:59 PM ET and **include the following**:
  - Grants.gov ticket/case number(s)
  - Description of the issue
  - The entire application package in PDF format.

Without this information, EPA may not be able to consider applications submitted outside of Grants.gov. Any application submitted after the application deadline will be deemed ineligible and **not** be considered.

Please note that successful submission through Grants.gov or email does not necessarily mean the application is eligible for award.

EPA will make decisions concerning acceptance of each application submitted outside of Grants.gov on a case-by-case basis. EPA will only consider accepting applications that were unable to submit through Grants.gov due to [Grants.gov](https://www.grants.gov) or relevant [SAM.gov](https://www.sam.gov) system issues or for unforeseen exigent circumstances, such as extreme weather interfering with internet access. Failure of an applicant to submit prior to the application submission deadline because they did not properly or timely register in SAM.gov or Grants.gov is **not** an acceptable reason to justify acceptance of an application outside of Grants.gov.

## 1. Application Materials

The following forms and documents are required under this announcement. See Appendix D for an application checklist.

### Mandatory Documents

- Standard Form 424, *Application for Federal Assistance*. Please note that the organizational Unique Entity Identifier (UEI) must be included on the SF-424.
- Standard Form 424A, *Budget Information for Non-Construction Programs*
- EPA Form 4700-4, *Pre-Award Compliance Review Report*. See EPA's [Applicant Tips](#) for completing this form.
- EPA Form 5700-54, *Key Contacts Form*
- Project Narrative Attachment Form, *Project Narrative*, prepared as described in Section IV.B.2 below, including the following:
  - Cover page
  - Workplan (up to 15 pages)
  - Budget narrative (optional budget spreadsheet and up to 10 additional pages of descriptive budget narrative)
  - Technical appendix that explains the assumptions and methodology for determining the estimated GHG emission reductions for each measure (up to 10 additional pages). See Appendix C.
- Grants.gov Lobbying Form
- *Other Attachments* Form – Use this form to attach the following mandatory documents:
  - PDF copy of the applicable PCAP(s) serving as the basis for the application
  - For coalition applications: Memorandum of Agreement signed by all coalition members or other written instrument or documented arrangement. See Appendix E (no page limit).

### Optional Documents

- Standard Form LLL, *Disclosure of Lobbying Activities*.

(Note: To submit the optional documents listed below, use the “*Other Attachments*” form identified under the “Mandatory Documents” tab in Grants.gov.)

- Optional GHG emission reduction calculations spreadsheet that provides the GHG emission reduction calculations for each measure (no page limit). See Appendix C.
- Optional budget spreadsheet for budget narrative (no page limit)
- Team biographies. Resumes or curriculum vitae for key staff, managers, and any other key personnel. If submitted, this should be referenced under Section 6.C of the workplan.
- Letters of commitment. Letters that demonstrate strong, long-term involvement throughout the project from project partners are encouraged. Letters should specifically indicate how project partners and supporting organizations, including applicable labor organizations, will participate in or directly assist in the design and performance of the

project. Letters should also explain how obtaining support from project partners will allow the applicant to more effectively perform the project. Letters should be addressed to the applicant organization and should be included as attachments to the application. Partners **should not** submit letters directly to EPA.

When saving application files, please ensure that the following characters are **not** included in the file names: ~ " # % & \* : < > ? / \ { | }. Including these characters may cause problems with application files.

Applications submitted through [Grants.gov](https://www.grants.gov) will be time and date stamped electronically. If applicants wish to confirm receipt of their application from EPA (not from [Grants.gov](https://www.grants.gov)), please contact [CPRG@epa.gov](mailto:CPRG@epa.gov) within 30 days of the close of this solicitation.

The organization's AOR must submit the complete application electronically to EPA through [Grants.gov](https://www.grants.gov) no later than **May 1, 2024, 11:59 PM ET**.

## 2. Project Narrative Instructions, Format, and Content

The "project narrative" for the set of GHG reduction measures included in the application should substantially comply with the instructions, format, and content described below. It should also address the evaluation criteria in Section V.A of this NOFO. The project narrative should include a cover page and workplan. The workplan must not exceed a maximum of 15 pages. Pages in excess of the 15-page limit for the workplan will not be reviewed. EPA recommends applicants use the Calibri font, a font size of 11, and 1-inch margins. Applicants must submit the following documents, either in the same or different file as the cover page and workplan:

- Budget narrative (optional budget spreadsheet and up to 10 additional pages of descriptive budget narrative), and
- Technical appendix that explains the assumptions and methodology for developing the estimated GHG emissions reductions associated with the measures (up to 10 additional pages).

The budget narrative and technical appendix do not count toward the 15-page limit for the workplan.

Optional supporting materials can be submitted as attachments and are not included in the 15-page limit for the workplan. Supporting materials should be submitted using the "*Other Attachments*" form, as described in Section IV.B.1.1.

Applicants should ensure that their narratives are written clearly using understandable terms. Doing so will help ensure that EPA's evaluation team members understand the purpose, outputs, and outcomes of the overall project.

### Cover Page:

The cover page serves as an application summary and does not count toward the 15-page limit for the workplan. The cover page should include the following information:

- **Applicant Information**
  - Applicant organization
  - Primary contact name, phone number, and email address
- **Type of Application: individual application or coalition application**
  - If applying as the lead applicant for a coalition, provide list of other coalition members
- **Funding Requested:** Total CPRG implementation grant funding requested.
- **Application Title**
- **Brief Description of GHG Measures:** Describe each GHG reduction measure contained in the application (1-2 sentences each).
- **Sector(s):** Indicate the sector(s) associated with the GHG reduction measures included in the application: industry; electric power; transportation; commercial and residential buildings; agriculture/natural and working lands; waste and materials management; or, other.
- **Expected Total Cumulative GHG Emission Reductions:** Identify the total cumulative GHG emission reductions in metric tons for the measures in the application for the period 2025 through 2030, and for the period 2025 through 2050.
- **Location(s):** List the primary location(s) where the GHG reduction measures will be implemented (e.g., federally recognized tribe or city).
- **Applicable PCAP Reference(s):** Provide references to applicable PCAP(s) under which each GHG reduction measure is covered (including PCAP lead organization, PCAP title, PCAP website link, list of GHG reduction measures, and PCAP page numbers).

EPA has provided an example Cover Page on the posting for this NOFO on Grants.gov. Use of this example Cover Page is optional.

Workplan:

Applicants must ensure that the workplan addresses the evaluation criteria in Section V.A. Applicants should use the section and subsection numbers and headings below which correspond with the evaluation criteria in Section V.A. The workplan should be written clearly using understandable terms. EPA has provided an optional workplan outline on the posting for this NOFO on Grants.gov.

**Section 1: Overall Project Summary and Approach (20 possible points)**

a. Description of GHG Reduction Measures (10 possible points)

Provide a detailed description of each of the proposed GHG reduction measures to be undertaken, consistent with Section I.B. These descriptions should include the major features, tasks, and milestones for each measure. The application should also explain how these features, tasks, and milestones will ensure success of the measures. The application should also describe underlying assumptions and risks associated with those features, tasks, and milestones. At a minimum, the application should discuss risks that could reasonably lead to delays or interruptions in the development or implementation

of a GHG reduction measure or could impact its effectiveness. The application should discuss the extent to which GHG emission reductions may be affected by these risks. If the application is from a coalition of eligible applicants, it should briefly describe the role(s) and responsibilities of each coalition member in the project design and implementation. The application should also include an explanation of how each GHG reduction measure included in the application relates to a GHG reduction measure included in the relevant PCAP(s), why each measure was selected as a priority, and a description of how each measure will meet the goals of the CPRG program. Applications may include additional key information in Section 1.a of the workplan not otherwise covered in another section of the application.

b. Demonstration of Funding Need (5 possible points)

Applicants must demonstrate a strong need for CPRG implementation funding that is unmet by other funding sources. Applicants should explain if and how they have explored the availability of other grants, tax incentives, and other funding sources to implement their GHG reduction measures and why these sources are not sufficient. The application should include a list of federal and non-federal funding sources (e.g., EPA's GHG Reduction Fund Solar for All program) that the applicant has applied for, secured, and/or will secure to implement the GHG reduction measures, if applicable. For GHG reduction measures for which the applicant has secured partial funding, which may include tax incentives, the applicant should explain why CPRG funds are also needed. Applicants should review funding opportunities on the White House [BIL](#) Guidebook and [IRA](#) websites prior to applying under this announcement.

c. Transformative Impact (5 possible points)

Applicants should describe the extent to which the proposed GHG reduction measures have the potential to create transformative opportunities or impacts that can lead to significant additional GHG emission reductions. Transformative impacts could include:

- Pioneering, replicable, and scalable policies or programs to increase the deployment of existing GHG emission reduction technologies or mitigation approaches;
- GHG emission reductions from hard-to-abate sectors where GHG emission reduction measures are not widely adopted; or,
- Market transformations that accelerate the deployment and market adoption of emerging GHG emission reduction technologies or practices.

**Section 2: Impact of GHG Reduction Measures (20 possible points)**

Applications should describe the magnitude of both near-term and long-term cumulative GHG emission reductions, the relative cost-effectiveness of those reductions, and the reasonableness and quality of the assumptions and calculations used to determine the reductions and cost-effectiveness of those reductions.

Applicants should provide quantitative totals of estimated GHG emission reductions in terms of

metric tons of CO<sub>2</sub>-equivalent, calculated using the global warming potentials in the [IPCC's Fifth Assessment Report](#) (see Appendix B of this NOFO). The application should include estimated reductions for the following GHGs, as relevant, for each GHG reduction measure: carbon dioxide, hydrofluorocarbons, methane, nitrous oxide, perfluorocarbons, and sulfur hexafluoride.

For applications that include multiple GHG reduction measures, applicants should provide individual calculations, explanations, and documentation for each GHG reduction measure. Applications should also include the cumulative total amount of estimated CO<sub>2</sub>-equivalent emission reductions and overall cost-effectiveness for the entire suite of GHG reduction measures (see Appendix C).

Applications should only quantify emission reductions that will occur as a result of EPA's CPRG implementation grant funding. If CPRG funding represents a fraction of the total funding for a GHG measure, the total estimated GHG emission reductions should be scaled by the same fraction in order to quantify GHG emission reductions associated with CPRG funding. In other words:

$$\text{Quantified GHG reductions from CPRG funding} = \left[ \frac{\text{Requested CPRG funding}}{\text{Total funding to implement measure}} \right] \times (\text{Total estimated GHG reductions of measure})$$

Quantified reductions should not include those that would already occur because of federal, tribal, territorial, local and/or other regulatory requirements or other funding sources.

a. Magnitude of GHG Reductions from 2025 through 2030 (5 possible points)

Applications should describe the magnitude of cumulative GHG emission reductions and the durability of the reductions that will be achieved through implementation of each GHG reduction measure for the period 2025 through 2030. Emission reductions should be estimated for the period 2025 through 2030 on a cumulative basis. For each GHG reduction measure, applicants should provide estimated metric tons of CO<sub>2</sub>-equivalent emission reductions resulting from the measure. Applicants should also provide the sum total of GHG reductions resulting from all measures in the application. In describing the durability of the GHG emission reductions, applicants should discuss the extent to which the measures will result in a permanent reduction in cumulative GHG emissions.

b. Magnitude of GHG Reductions from 2025 through 2050 (5 possible points)

Applications should describe the magnitude of cumulative GHG emission reductions and the durability of the reductions that will be achieved through implementation of each GHG reduction measures for the period 2025 through 2050. Emission reductions should be estimated for the period 2025 through 2050 on a cumulative basis. For each GHG reduction measure, applicants should provide estimated metric tons of CO<sub>2</sub>-equivalent emission reductions resulting from the measure. Applicants should also provide the sum total of GHG reductions resulting from all measures in the application. In describing the durability of the GHG emission reductions, applicants should discuss the extent to which the measures will result in a permanent reduction in cumulative GHG emissions.

c. Cost Effectiveness of GHG Reductions (5 possible points)

Applications should include information demonstrating the cost effectiveness of the GHG reductions anticipated from the measures included in the application. Applicants should include a calculation of the requested CPRG implementation grant dollars divided by the quantified GHG emission reductions for the period 2025-2030 calculated to meet criterion 2.a for the set of measures included in the application. For applications with more than one GHG reduction measure, the quantified emission reductions of all measures should be added together before conducting the calculation. Applicants may also provide a qualitative narrative explaining any factors that affect the measures' cost-effectiveness (e.g., sector dynamics, expected beneficiaries of the measures, prevailing costs in the implementation areas, or other circumstances). In other words:

$$\text{Cost effectiveness of GHG reductions} = (\text{Requested CPRG funding}) / (\text{Sum of Quantified GHG reductions from CPRG funding from 2025-2030})$$

d. Documentation of GHG Reduction Assumptions (5 possible points)

Applicants must provide a technical appendix, along with the project narrative, demonstrating the reasonableness of their GHG emission reduction estimates. The technical appendix should explain the methodology and assumptions used by the applicant for developing the estimated GHG emission reductions associated with each measure (up to 10 additional pages). EPA will not review any technical appendix pages in excess of 10 pages. The requirements of this document are explained in Appendix C.

For each GHG reduction measure, applications should demonstrate the quality, thoroughness, reasonableness, and comprehensiveness of the methodology, assumptions, and calculations described for developing the estimated GHG emission reductions. In the technical appendix, annual GHG emission reduction estimates should also be provided for each measure, in addition to cumulative GHG emission reductions. These annual and cumulative estimates should be provided for two time periods: 2025-2030 and 2025-2050. The application should document the method for estimating GHG emission reductions, including the basis for emission scenarios, relevant assumptions, and models or methods used and any uncertainties in these calculations. Applicants should use the latest available information, whenever possible, including the latest enacted federal, tribal, territorial, local, and/or other requirements and policies, where applicable.

All applicants should provide measure-specific assumptions and data elements needed to calculate GHG emission reductions. The rigor of the methodology and assumptions used in GHG emission reduction calculations should be commensurate with the level of funding requested in the application.

Applicants may provide an optional GHG emission reduction calculations spreadsheet that includes information on the quantification used to calculate the anticipated emission reductions for each GHG reduction measure. The GHG emission reduction calculations spreadsheet does not have a page limit.

Both the technical appendix and GHG emission reduction calculations will not count toward the 15-page limit for the workplan.

**Section 3: Environmental Results – Outputs, Outcomes, and Performance Measures (15 possible points)**

a. Expected Outputs and Outcomes (5 possible points)

Applicants should identify the expected outputs and outcomes (see Section I.C) for each GHG reduction measure. Specific outputs and outcomes should be provided and may include short- and longer-term activities. At a minimum, applicants must list GHG emission reductions as outcomes. Furthermore, for measures that are reasonably expected to have direct co-pollutant (e.g., CAPs and/or HAPs) emissions changes, applicants should also list CAP and/or HAP emissions reduced as expected outcomes. While applicants are expected to quantify GHG reductions, EPA does not expect applicants to quantify CAP and/or HAP emission reductions in their application.

Grant recipients will be required to track progress toward achieving these specific outcomes, as discussed in Section VI.B.

b. Performance Measures and Plan (5 possible points)

Applicants should describe the proposed performance measures that will be the mechanism to track, measure, and report progress toward achieving the expected outputs and outcomes for each GHG reduction measure. Applicants should describe their plan for tracking and measuring progress toward achieving the expected outputs and outcomes established in Section 3.a of the workplan and explain how the results of each GHG reduction measure will be evaluated. This should include details on the approach to quantify and disclose the actual GHG emission reductions and associated CAP and HAP changes (if applicable) accomplished by each GHG measure.

c. Authorities, Implementation Timeline, and Milestones (5 possible points)

The applicant should describe the parties responsible for implementing each GHG reduction measure, including roles and responsibilities for each party, including sub-awardees (including other members of a coalition), contractors, and other entities, whose cooperation is necessary for success of the measures. Applicants should also articulate which party or parties have the authority to carry out each proposed measure or, in the case where they do not currently have authority, provide a clear plan and timeline to obtain it during the grant period. Applicants should also list all other entities whose cooperation or participation is necessary for GHG reduction measure implementation.

Applicants should include a detailed implementation timeline for each GHG reduction measure included in the application, including milestones for completing specific tasks by the end of the grant period, such as quality assurance project plans, bidding, procurement, installation, and reporting, along with estimated dates. Applicants should account for semi-annual and final report preparation in the project timeline.



#### **Section 4: Benefits and Community Engagement (15 possible points)**

Applications should include GHG measures that are designed to deliver benefits and/or avoid disbenefits to communities and should demonstrate ongoing meaningful engagement with those communities.

a. Community Benefits (10 possible points)

Applications should discuss benefits and potential disbenefits to communities, particularly those that are disadvantaged or overburdened by pollution, from their proposed GHG reduction measures.

Examples of expected direct and indirect benefits to communities from GHG reduction measures could include:

- Direct and indirect benefits from mitigating climate impacts (e.g., reduced risk of wildfires, drought, extreme weather events, and/or sea level rise);
- Increased resilience to climate change from GHG reduction measures that have both GHG reduction benefits and climate adaptation benefits (e.g., heat island mitigation strategies help reduce GHG emissions by reducing energy demand and help reduce health impacts due to extreme heat);
- Improved public health resulting from reductions in co-pollutants (e.g., CAPs, such as NO<sub>x</sub>, ozone, PM<sub>2.5</sub>, and HAPs), such as reductions in new asthma cases and reductions in hospital admissions and emergency department visits;
- Creation of high-quality jobs and new workforce training opportunities with an emphasis on expanding opportunities for individuals that face barriers to employment;
- Improved access to services and amenities;
- Decreased energy costs and improved energy resilience;
- Reduced noise pollution;
- New green space and/or community beautification;
- Increased access to transportation alternatives;
- Improved housing quality, comfort, and safety; and/or,
- Other benefits identified during consultation with community residents.

Regarding creation of high-quality jobs and training opportunities, applications may request funding to be used for high-quality workforce development activities tied to a proposed measure that benefit community individuals. Workforce development can be a community benefit through its creation of equitable career pathways and training opportunities. Specifically, this includes preparing individuals for high-quality, middle-skill career pathways that enable economic mobility, rather than short-term, low-wage jobs. This could involve using high-quality training models, such as:

- Pre-apprenticeship programs with connections to one or more [Registered Apprenticeship Programs](#);
- Registered Apprenticeship Programs;
- Joint Labor-Management Training Programs;
- Paid internships; and/or,
- Partnerships with community colleges that award an industry-recognized credential.

b. Community Engagement (5 possible points)

Community engagement through meaningful involvement means people have an opportunity to participate in decisions about activities that may affect their environment and/or health; the public's contribution can influence the regulatory agency's decision; community concerns will be considered in the decision-making process; and, decision makers will seek out and facilitate the involvement of those potentially affected. Applicants should provide a qualitative discussion of:

1. How community input has been incorporated into this application; and
2. How meaningful engagement will be continuously included in the development and implementation of the GHG reduction measures throughout the life of this grant. Applicants should specify how they plan to ensure early and consistent inclusion of various linguistic, cultural, institutional, geographic, and other perspectives throughout project development and implementation.

Letters of commitment should be included in the application as an attachment if applicable and will not count toward the 15-page workplan page limit; see Section IV.B. These letters of commitment should describe the partners' support for and/or involvement with the project.

Grant recipients will be expected to report on their community engagement and, as applicable, their strategy for mitigating environmental risks (see Section VI.B).

Examples of meaningful community involvement could include, but are not limited to:

- Developing an outreach and engagement strategy; promoting the use of a wide variety of techniques to create early, frequent, and continuing opportunities for community engagement;
- Creating a transparent planning process that also provides opportunity for early risk mitigation;
- Holding community consultations or public input meetings; and/or,
- Providing a publicly accessible list of all upcoming community engagement opportunities (e.g., listening sessions, outreach, questions and answers sessions, door-to-door visits, and community meetings);
- Creating a community work group or advisory board made up of community members;

- Having a community-elected member(s) on the planning and project team; and/or,
- Getting community feedback on local benefits and prioritizing what they value most.

### **Section 5: Programmatic Capability and Past Performance (15 possible points)**

Applicants to all EPA grants must report on programmatic capability and past performance from federally funded or non-federally funded assistance agreements. If the applicant does not have any relevant or available past performance or past reporting information, they should indicate this in the application.

#### a. Past Performance (5 possible points)

Submit a list of up to five federally funded or non-federally funded assistance agreements that the applicant is performing or has performed within the last three years. Assistance agreements include federal grants and cooperative agreements, but not federal contracts. These assistance agreements should be awards made directly to the applicant. For each of these agreements, include:

- Project title
- Assistance agreement number (if applicable)
- Federal funding agency and assistance listing number (formerly known as the CFDA number) (if applicable)
- Brief description of the agreement (no more than two sentences)
- Contact from organization that funded the assistance agreement.

Include a discussion of whether and, if so, how the applicant was able to successfully complete and manage the listed agreements.

#### b. Reporting Requirements (5 possible points)

For each of the assistance agreements listed, the applicant should describe their history of meeting the reporting requirements under the agreement(s). This should include:

- Whether the applicant submitted acceptable interim and/or final reports under those agreements;
- The extent to which the applicant adequately and timely reported on its progress toward achieving the expected outputs and outcomes under those agreements; and,
- If progress was not being made, whether the applicant adequately reported why not.

Note: In evaluating applicants under the past performance criteria in 5.a and 5.b, EPA will consider the information provided by the applicant and may also consider relevant information from other sources, including information from EPA files and from current/prior grantors (e.g., to verify and/or supplement the information provided by the applicant).

c. Staff Expertise (5 possible points)

The applicant should include information on their organization, including a description of the staff's knowledge, expertise, qualifications, and resources, and/or the ability to obtain them, to successfully achieve the proposed project's goals and GHG reduction measures. Biographical sketches, including resumes or curriculum vitae for key staff, managers, and any other key personnel can be included as an optional project team biography attachment, as listed in Section IV.B. The optional attachment does not count towards the 15-page limit of the workplan.

**Section 6: Budget (15 possible points)**

Applicants must submit a budget narrative attached to their project narrative (including an optional budget spreadsheet and up to 10 additional pages). The budget narrative is a detailed description of the budget found in the SF-424A and should include a discussion of the applicant's approach to ensuring proper management of grant funds, and itemized budget table(s) (see example below). The budget spreadsheet and additional pages for the budget narrative will not count toward the 15-page limit for the workplan. EPA will not review any additional budget documents beyond those described here, including pages of the budget narrative in excess of 10 pages. If an applicant chooses to include any federal and non-federal voluntary cost share, they must account for those funds in the budget table and budget narrative. Selected applicant(s) may need to submit a copy of their current indirect cost rate that has been negotiated with a federal cognizant agency prior to award. (Additional indirect cost guidance is available in RAIN-2018-G02, "Indirect Cost Guidance for Recipients of EPA Assistance Agreements.") Additional guidance for developing the applicant's budget is available in [RAIN-2019-G02, "Interim General Budget Development Guidance for Applicants and Recipients of EPA Financial Assistance."](#)

a. Budget Detail (5 possible points)

Applicants should provide a detailed breakout for each GHG reduction measure in their application by funding type included in the proper budget category for each activity requesting funds. Applicants should consult [EPA's "Interim General Budget Development Guidance for Applicants and Recipients of EPA Financial Assistance."](#) Costs for implementing GHG reduction measures may include:

- Staffing and contractual costs necessary to implement GHG reduction measures;
- Building, materials, equipment, and infrastructure costs to implement GHG reduction measures;
- Programs to disburse funds to consumers, businesses, and other parties, in the form of subsidies, incentives, or other mechanisms, that result in GHG emission reductions;
- Subawards to air pollution control agencies, regional planning organizations, non-governmental organizations (NGOs), academic institutions, etc.;
- Studies, assessments, data collection, etc., needed to develop and implement GHG reduction measures;

- Evaluation and metrics-tracking activities;
- Planning and implementing meetings, workshops, and convenings to foster collaboration among and between levels of government, the public, and key stakeholders;
- Outreach and education for stakeholders and members of the public;
- Modeling and analytical costs, including purchase or licensing of software, data, or tools;
- Training and staff capacity-building costs to implement GHG reduction measures;
- Supplies (e.g., office supplies, software, printing, etc.) related to implementing GHG reduction measures;
- Incidental costs related to the above activities, including but not limited to travel, membership fees, and indirect costs; and/or,
- Other allowable activities as necessary to implement the GHG reduction measures.

Applicants should use the instructions and budget object class descriptions below and may use the example table below to complete the detailed budget section of the project narrative. EPA has provided an optional budget spreadsheet to aid applicants in developing the required budget table(s) for the budget narrative. The budget spreadsheet can be found on the posting for this NOFO on Grants.gov. Applicants may submit a budget spreadsheet (no page limit) with their application, in addition to the budget narrative (up to 10 pages). Applicants should include applicable rows of costs for each budget category in their budget table(s) to accurately reflect the proposed budget for each GHG reduction measure. Applicants must itemize costs related to personnel, fringe benefits, travel, equipment, installation or labor supplies, contractual costs, other direct costs (i.e., subawards, participant support costs), indirect costs, and total costs.

**Note: Funds disbursed under the CPRG are subject to Davis Bacon Prevailing Wage requirements as explained in Section VI.C and to Build America, Buy America (BABA) as explained in Section VI.D.**

For applicants proposing to implement a participant support cost or rebate program, the rebates are appropriately listed under the “Other” budget category as “Participant Support Costs.” For more information on participant support costs, see Appendix A and [RAIN-2018-G05, “EPA Guidance on Participant Support Costs.”](#)

#### *Budget Categories*

- **Personnel - List all staff positions by title. Give annual salary, percentage of time assigned to the project, and total cost for the budget period.** This category includes only direct costs for the salaries of those individuals who will perform work directly for the project (paid employees of the applicant organization as reflected in payroll tax records). If the applicant organization is including staff time (in-kind services) as a cost-share, this should be included as Personnel costs. Personnel costs do not include: (1) costs for services of contractors (including

individual consultants), which are included in the “Contractual” category; (2) costs for employees of subrecipients under subawards or non-employee program participants (e.g., interns or volunteers), which are included in the “Other” category; or (3) effort that is not directly in support of the proposed project, which may be covered by the organization’s negotiated indirect cost rate. The budget detail must identify the personnel category type by Full Time Equivalent (FTE), including percentage of FTE for part-time employees, number of personnel proposed for each category, and the estimated funding amounts.

- **Fringe Benefits - Identify the percentage used, the basis for its computation, and the types of benefits included.** Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits may include, but are not limited to, the cost of leave, employee insurance, pensions, and unemployment benefit plans. If the applicant’s fringe rate does not include the cost of leave, and the applicant intends to charge leave to the agreement, it must provide supplemental information describing its proposed method(s) for determining and equitably distributing these costs.
- **Travel - Specify the mileage, per diem, estimated number of trips, number of travelers, and other costs for each type of travel.** Travel may be: integral to the purpose of the proposed project (e.g., inspections); related to proposed project activities (e.g., attendance at meetings); or, related to a technical training or workshop that supports effective implementation of the project activities. Only include travel costs for employees in the travel category. Travel costs do not include: (1) costs for travel of contractors (including consultants), which are included in the “Contractual” category; (2) travel costs for employees of subrecipients under subawards and non-employee program participants (e.g., trainees), which are included in the “Other” category. Further, travel does not include bus rentals for group trips, which would be covered under the “Contractual” category. EPA will not award any funds for travel outside of the U.S.
- **Equipment - Identify each item to be purchased that has an estimated acquisition cost of \$5,000 or more per unit and a useful life of more than one year.** Equipment also includes accessories necessary to make the equipment operational. Equipment does not include: (1) equipment planned to be leased/rented, including lease/purchase agreement; or (2) equipment service or maintenance contracts that are not included in the purchase price for the equipment. These types of proposed costs should be included in the “Other” category. Items with a unit cost of less than \$5,000 should be categorized as supplies, pursuant to 2 CFR § 200.1, “Equipment.” The budget detail must include an itemized listing of all equipment proposed under the project. If installation costs are included in the equipment costs, labor expenses shall be itemized with the detailed number of hours charged and the hourly wage. If the

applicant has written procurement procedures that define a threshold for equipment costs that is lower than \$5,000, then that threshold takes precedence. Projects that include the construction, alteration, maintenance, or repair of infrastructure in the United States must comply with the BABA Term and Condition if selected for award. Please refer to Section VI.D for additional information and consider this information when preparing the budget. The procurement of equipment should follow [EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements](#).

- **Supplies - "Supplies" means all tangible personal property other than "equipment."** The budget detail should identify categories of supplies to be procured (e.g., laboratory supplies or office supplies). Non-tangible goods and services associated with supplies, such as printing service, photocopy services, and rental costs should be included in the "Other" category. The procurement of supplies should follow [EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements](#).
- **Contractual – Identify each proposed contract and specify its purpose and estimated cost.** Contractual services (including consultant services) are those services to be carried out by an individual or organization, other than the applicant, in the form of a procurement relationship. [EPA's Subaward Policy](#) and supplemental [Frequent Questions](#) provide detailed guidance for differentiating between contractors and subrecipients. Leased or rented goods (equipment or supplies) should be included in the "Other" category. EPA does not require applicants to identify specific contractors. The applicant should list the proposed contract activities along with a brief description of the anticipated scope of work or services to be provided, proposed duration, and proposed procurement method (competitive or non-competitive), if known. Any proposed non-competed/sole-source contracts in excess of \$10,000 must include a justification. Note that it is unlikely that EPA will accept proposed sole source contracts for goods and services (e.g., consulting) that are widely available in the commercial market. Refer to [EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements](#) for EPA's policies on competitive procurements and encouraging the use of small and disadvantaged business enterprises.
- **Other - List each item in sufficient detail for EPA to determine the reasonableness and allowability of its cost.** This category should include only those types of direct costs that do not fit in any of the other budget categories. Examples of costs that may be in this category may include the following: insurance; rental/lease of equipment or supplies; equipment service or maintenance contracts; printing or photocopying; participant support costs (such as non-employee training stipends, childcare support, transportation, and subsidies or rebates for purchases of pollution control equipment); and, subaward costs. Applicants should describe the items included in the "Other"

category and include the estimated amount of participant support costs in a separate line item. Additional information about participant support costs is contained in [RAIN-2018-G05, “EPA Guidance on Participant Support Costs.”](#)

Subawards (e.g., subgrants to other members of a coalition) and participant support costs are a distinct type of cost under this category. The term “subaward” means an award of financial assistance (money or property) by any legal agreement made by the recipient to an eligible subrecipient even if the agreement is referred to as a contract. Rebates, subsidies, and similar one-time, lump-sum payments to program beneficiaries for purchase of eligible emission control technologies are considered participant support costs. Please refer to Appendix A for detailed guidance on funding projects and partnerships and how to correctly categorize these costs in the workplan budget. “Other” does not include procurement purchases, technical assistance in the form of services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct appropriations. Subcontracts are not subawards and belong in the contractual category. Applicants must provide the aggregate amount they propose to issue as subaward work as a separate line item in the “Other” category and must include a description of the types of activities to be supported. Refer to [EPA’s Subaward Policy and supplemental Frequent Questions](#) for additional guidance.

- **Indirect Charges - If indirect charges are budgeted, indicate the approved rate and base.** Indirect costs are those incurred by the recipient for a common or joint purpose that benefit more than one cost objective or project and are not readily assignable to specific cost objectives or projects as a direct cost. Examples of Indirect Cost Rate calculations are shown below:
  - Personnel ( $\text{Indirect Rate} \times \text{Personnel} = \text{Indirect Costs}$ )
  - Personnel and Fringe ( $\text{Indirect Rate} \times \text{Personnel \& Fringe} = \text{Indirect Costs}$ )
  - Total Direct Costs ( $\text{Indirect Rate} \times \text{Total Direct Costs} = \text{Indirect Costs}$ )
  - Direct Costs, less distorting or other factors such as contracts and equipment ( $\text{Indirect Rate} \times (\text{Total Direct Cost} - \text{Distorting Factors}) = \text{Indirect Costs}$ )

Additional indirect cost guidance is available in [RAIN-2018-G02, “Indirect Cost Guidance for Recipients of EPA Assistance Agreements.”](#)



**Example Budget Table (may be submitted as a budget spreadsheet or as part of the 10-page budget narrative)**

Tribal Facility Solar and Storage Program							
Categories	Line Item & Itemized Costs	Year 1	Year 2	Year 3	Year 4	Year 5	Total EPA Funding
<b>PERSONNEL</b>							
	Project Manager @ \$80,000/yr, 0.5 FTE with salary increases	\$40,000	\$42,500	\$45,000	\$47,500	\$50,000	\$225,000
	Project Staff @ \$60,000/yr, 0.5 FTE with salary increases	\$30,000	\$32,500	\$35,000	\$37,500	\$40,000	\$175,000
	<b>TOTAL PERSONNEL</b>	<b>\$70,000</b>	<b>\$75,000</b>	<b>\$80,000</b>	<b>\$85,000</b>	<b>\$90,000</b>	<b>\$400,000</b>
<b>FRINGE BENEFITS</b>							
	Full-Time Employees @ 17% of salary	\$11,900	\$12,750	\$13,600	\$14,450	\$15,300	\$68,000
	<b>TOTAL FRINGE</b>	<b>\$11,900</b>	<b>\$12,750</b>	<b>\$13,600</b>	<b>\$14,450</b>	<b>\$15,300</b>	<b>\$68,000</b>
<b>TRAVEL</b>							
	Travel for Conference & Workshop Presentations:						
	Airfare - \$400 roundtrip @ 1 roundtrip per year	\$400	\$400	\$400	\$400	\$400	\$2,000
	Luggage Fees - \$25 per flight @ 2 flights per year	\$50	\$50	\$50	\$50	\$50	\$250
	Hotel - \$200 per day @ 3 days per year	\$600	\$600	\$600	\$600	\$600	\$3,000
	Per Diem - \$70 per day @ 3.5 days per year	\$245	\$245	\$245	\$245	\$245	\$1,225
	Taxi - \$45 per year	\$45	\$45	\$45	\$45	\$45	\$225
	Parking - \$20 per day @ 4 days per year	\$80	\$80	\$80	\$80	\$80	\$400
	<b>TOTAL TRAVEL</b>	<b>\$1,420</b>	<b>\$1,420</b>	<b>\$1,420</b>	<b>\$1,420</b>	<b>\$1,420</b>	<b>\$7,100</b>
<b>EQUIPMENT</b>							
	<b>TOTAL EQUIPMENT</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>SUPPLIES</b>							
	1 Laptop Computer @ \$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
	<b>TOTAL SUPPLIES</b>	<b>\$2,500</b>	<b>\$2,500</b>	<b>\$2,500</b>	<b>\$2,500</b>	<b>\$2,500</b>	<b>\$2,500</b>
<b>CONTRACTUAL</b>							
	5 MW PV + 3 MW/12 MWh battery storage:						
	Storage system	\$0	\$6,200,000	\$0	\$0	\$0	\$6,200,000
	PV module & inverter	\$0	\$3,142,000	\$0	\$0	\$0	\$3,142,000

<b>Tribal Facility Solar and Storage Program</b>							
<b>Categories</b>	<b>Line Item &amp; Itemized Costs</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total EPA Funding</b>
	Installation labor	\$0	\$850,000	\$0	\$0	\$0	\$850,000
	PV operation & maintenance/yr	\$0	\$82,100	\$82,100	\$82,100	\$82,100	\$328,400
	<b>TOTAL CONTRACTUAL</b>	<b>\$0</b>	<b>\$10,274,100</b>	<b>\$82,100</b>	<b>\$82,100</b>	<b>\$82,100</b>	<b>\$10,520,400</b>
<b>OTHER</b>							
	Participant Support Cost- Environmental Intern @ \$4,000/yr Summer Stipend	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$20,000
	<b>TOTAL OTHER</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$20,000</b>
<b>INDIRECT COSTS</b>							
	Indirects Costs Rate- 40% of Full Time Personnel & Fringe	\$32,760	\$35,100	\$37,440	\$39,780	\$42,120	\$187,200
	<b>TOTAL INDIRECT COSTS</b>	<b>\$32,760</b>	<b>\$35,100</b>	<b>\$37,440</b>	<b>\$39,780</b>	<b>\$42,120</b>	<b>\$187,200</b>
	<b>TOTAL FUNDING FOR PV STORAGE PROGRAM</b>	<b>\$122,580</b>	<b>\$10,404,870</b>	<b>\$221,060</b>	<b>\$229,250</b>	<b>\$237,440</b>	<b>\$11,205,200</b>

**Note on Management Fees:** When formulating budgets for applications, applicants must not include management fees or similar charges in excess of the direct costs and indirect costs at the rate approved by the applicant’s cognizant federal audit agency, or at the rate provided for by the terms of the agreement negotiated with EPA. The term "management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs that are not allowable under EPA assistance agreements. Management fees or similar charges cannot be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the workplan.

b. Expenditure of Awarded Funds (5 possible points)

Applicants should provide a detailed written description of the applicant’s approach, procedures, and controls for ensuring that awarded grant funds will be expended in a timely and efficient manner within the grant period.

c. Reasonableness of Costs (5 possible points)

Applications should demonstrate the reasonableness of the budget for each GHG reduction measure in the narrative description of the budget and detailed breakout of requested funding for each work component or task. Applicants should provide a detailed description of every itemized budget item/cost, including how every budget item/cost relates to the project narrative and specific emission reduction activities. Instructions for what to include in the Budget Detail are described in Section 7.a above.

Applicants must itemize the cost categories as listed above and in the SF-424A: personnel, fringe benefits, contractual costs, travel, equipment, supplies, other direct costs (subawards, participant support costs), indirect costs, and total costs. Round up to the nearest dollar and do not use any cents.

Recipients may issue subawards, contracts, or participant support costs to implement projects. Please refer to Appendix A for detailed guidance on these funding options and how to correctly categorize these costs in the workplan budget.

### C. Partnership and Coalition Coverage

**One** entity must be responsible for any grant awarded under this program. Eligible applicants applying as an individual applicant (the “pass-through entity”) should identify any subrecipient(s) of the award. Coalition applications must identify which eligible applicant will be the recipient of the award (the lead applicant and “pass-through entity”) and which eligible applicant(s) will be subrecipient(s) of the award. All members of the coalition identified in the coalition’s MOA or other written instrument or documented arrangement must be listed as subrecipients, except the eligible applicant that will be the recipient of the grant (the lead applicant).

Subawards must be consistent with the definition of that term in 2 CFR 200.1 and comply with [EPA’s Subaward Policy](#). The pass-through entity that administers the grant and subawards will

be accountable to EPA for proper expenditure of the funds and reporting and will be the point of contact for the coalition. As provided in 2 CFR 200.332, subrecipients are accountable to the pass-through entity for proper use of EPA funding and grantees are required to report on their subaward monitoring activities under 2 CFR 200.332(d).

Any contracts for services or products funded with EPA financial assistance must be awarded under the competitive procurement procedures of 2 CFR Part 200 and 2 CFR Part 1500, as applicable. The regulations at 2 CFR 1500.10 contain limitations on the extent to which EPA funds may be used to compensate individual consultants. Do not name a procurement contractor (including a consultant) as a “partner” or otherwise in the application unless the contractor has been selected in compliance with competitive procurement requirements. In accordance with 2 CFR 200.3201(2) and (4), EPA does not accept justifications for sole source contracts for services or products available in the commercial marketplace based on a contractor’s role in preparing an application or existing relationships that an applicant may have established without complying with competitive procurement requirements. Refer to the [Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements](#) for guidance on competitive procurement requirements and consultant compensation.

Successful applicants that do not name procurement contractors in their applications must also comply with these requirements, regardless of if the contractor was procured before or after the EPA grant agreement is awarded. For example, firms or individual consultants that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements as provided in 2 CFR 200.319(b).

#### D. Releasing Copies of Applications

Applications submitted under this NOFO may be released in part or in whole in response to a Freedom of Information Act (FOIA) request. Furthermore, copies or portions of the applications selected for award may be made publicly available on EPA’s website or another public website for a period of time after selected applications are announced.

EPA strongly recommends that applications not include trade secrets or commercial or financial information that is confidential or privileged, or sensitive information that, if disclosed, would invade an individual’s personal privacy (e.g., an individual’s salary, personal email addresses, etc.). However, if such information is included, it will be treated in accordance with [40 CFR § 2.203](#). (Review EPA clause IV.a, Confidential Business Information, under [EPA Solicitation Clauses](#).) Clearly indicate which portion(s) of the application the applicant is claiming as confidential, privileged, or sensitive information, or state ‘n/a’ or ‘not applicable’ if the application does not have confidential, privileged, or sensitive information. As provided at 40 CFR § 2.203(b), if no claim of confidential treatment accompanies the information when it is received by EPA, it may be made available to the public by EPA without further notice to the submitter.

## V. Application Review Information

Note: Additional provisions that apply to this section can be found at [EPA Solicitation Clauses](#).

Only eligible applicants whose application meets the threshold eligibility criteria in Section III of this NOFO will be evaluated according to the criteria set forth in the table below. **Applicants should explicitly address these criteria as part of their application package submittal in the project narrative, following the content requirements set forth in Section IV and Appendix C. Applications will be evaluated for each criterion based on 1) the extent to which the response clearly meets the content requirements in Section IV and Appendix C, and 2) the quality and completeness of the overall response.** Each application will be rated using a point system based on a total of 100 possible points.

### A. Evaluation Criteria

Evaluation Criteria	Points
<p><b>1. Overall Project Summary and Approach</b></p> <p>a. (10 points) <u>Description of GHG Reduction Measures</u>. The application will be evaluated on the quality of the response and extent to which it:</p> <ul style="list-style-type: none"> <li>• Provides a detailed description of each of the proposed GHG reduction measures to be undertaken;</li> <li>• Describes the major features, tasks, milestones, and potential risks for each measure;</li> <li>• In the case of a coalition application, describes the roles and responsibilities of each coalition member in the project design and implementation; and,</li> <li>• Explains how each GHG reduction measure relates to a priority GHG reduction measure included in the relevant PCAP, why each measure was selected as a priority, and how each measure will meet the goals of the CPRG program.</li> </ul> <p>b. (5 points) <u>Demonstration of Funding Need</u>. The application will be evaluated on the quality of the response and extent to which it:</p> <ul style="list-style-type: none"> <li>• Demonstrates a strong need for EPA CPRG implementation funding;</li> <li>• Explains if and how other funding streams have been explored, and why these sources are not sufficient; and,</li> <li>• Lists federal and non-federal funding sources the applicant has applied for, has secured, and/or will secure to implement the GHG reduction measures, if applicable.</li> </ul> <p>c. (5 points) <u>Transformative Impact</u>. The application will be evaluated on the quality of the response and extent to which it demonstrates that the GHG reduction measures have the potential to create transformative opportunities or impacts that can lead to significant additional GHG emissions reductions.</p>	<p>20</p>

Evaluation Criteria	Points
<p><b>2. Impact of GHG Reduction Measures</b></p> <p>a. (5 points) <u>Magnitude of GHG Reductions from 2025 through 2030</u>. The application will be evaluated on the magnitude of cumulative GHG emission reductions and the durability of the reductions to be achieved by the proposed GHG reduction measures from 2025 through 2030, using appropriate methodologies and assumptions. Applications will be assessed on the estimated emission reductions that will directly result from EPA CPRG implementation grant funding.</p> <p>b. (5 points) <u>Magnitude of GHG Reductions from 2025 through 2050</u>. The application will be evaluated on the magnitude of cumulative GHG emission reductions and the durability of the reductions to be achieved by the proposed GHG reduction measures from 2025 through 2050, using appropriate methodologies and assumptions. Applications will be assessed on the estimated emission reductions that will directly result from EPA CPRG implementation grant funding.</p> <p>c. (5 points) <u>Cost Effectiveness of GHG Reductions</u>. The application will be evaluated on the quality of the response and the:</p> <ul style="list-style-type: none"> <li>• Cost effectiveness of the GHG reduction measures in terms of the CPRG implementation grant dollars requested divided by cumulative GHG metric ton of CO<sub>2</sub>-equivalent emission reductions to be achieved from 2025 through 2030 for the set of measures in the application, and</li> <li>• Qualitative narrative explaining any factors that may affect the cost-effectiveness calculation.</li> </ul> <p>d. (5 points) <u>Documentation of GHG Reduction Assumptions</u>. The application will be evaluated on the quality, thoroughness, reasonableness, and comprehensiveness of the methodologies, assumptions, and calculations used for developing the estimated GHG emission reductions for the GHG reduction measures included in the application, including GHG reductions from 2025 through 2030; GHG reductions from 2025 through 2050; and, the estimated cost per metric ton of CO<sub>2</sub>-equivalent GHG reductions to be achieved from 2025 through 2030 for the collection of measures in the application.</p>	<p>20</p>
<p><b>3. Environmental Results – Outputs, Outcomes, and Performance Measures</b></p> <p>a. (5 points) <u>Expected Outputs and Outcomes</u>. The application will be evaluated on the quality of the response and extent to which it identifies expected outputs and outcomes, as defined in Section I.C for each GHG measure, including listing GHG emission reductions and listing co-pollution (CAP and HAP) emission changes as outcomes, among others.</p>	<p>15</p>

Evaluation Criteria	Points
<p>b. (5 points) <u>Performance Measures and Plan</u>. The application will be evaluated on the quality of the response and the extent to which it:</p> <ul style="list-style-type: none"> <li>• Provides a clear description of the proposed performance measures to track, measure, and report progress toward achieving the expected outputs and outcomes for each GHG reduction measure, and</li> <li>• Describes the plan for effectively tracking and measuring progress in implementing each GHG reduction measure.</li> </ul> <p>c. (5 points) <u>Authorities, Implementation Timeline, and Milestones</u>. The application will be evaluated on the quality of the response and extent to which it:</p> <ul style="list-style-type: none"> <li>• Identifies the parties and their roles and responsibilities for implementing each GHG reduction measure;</li> <li>• For each measure, describes whether the implementing entity has current authority to carry out the measure and if they do not, articulates the plan and timing for obtaining it during the grant period; and,</li> <li>• Provides the detailed implementation timeline for each measure, including key milestones for specific tasks, and discusses the key actions needed to meet the project goals and objectives by the end of the grant period.</li> </ul>	
<p><b>4. Benefits and Community Engagement</b></p> <p>a. (10 points) <u>Community Benefits</u>. The application will be evaluated on the quality of the response and extent to which it provides a comprehensive discussion of expected benefits and any expected disbenefits to communities, particularly those that are disadvantaged, from the proposed GHG reduction measures.</p> <p>b. (5 points) <u>Community Engagement</u>. The application will be evaluated based on the quality of the response and extent to which it addresses how meaningful engagement was conducted with communities and how their input was incorporated into the application, and how meaningful engagement will be included in implementation of the proposed measures.</p>	15
<p><b>5. Programmatic Capability and Past Performance</b></p> <p>a. (5 points) <u>Past Performance</u>. The application will be evaluated on the quality of the response and extent to which it demonstrates that the applicant has past performance in successfully managing and completing the federal assistance agreements as described in Section IV.B.</p> <p>b. (5 points) <u>Reporting Requirements</u>. The application will be evaluated on the quality of the response and extent to which it:</p> <ul style="list-style-type: none"> <li>• Demonstrates that the applicant has a history of meeting the reporting requirements under the assistance agreements identified in the project narrative as described in Section IV.B, and</li> </ul>	15

Evaluation Criteria	Points
<ul style="list-style-type: none"> <li>• Describes whether the applicant submitted acceptable final technical reports under those agreements; the extent to which the applicant adequately and timely reported on their progress towards achieving the expected outputs and outcomes under those agreements; and, if sufficient progress was not being made, whether the applicant adequately reported the reason for insufficient progress.</li> </ul> <p>c. (5 points) <u>Staff Expertise</u>. The application will be evaluated on the quality of the response and extent to which it demonstrates that the applicant has the requisite organizational experience, including staff expertise and qualifications, staff knowledge, and resources or ability of obtain them, to successfully achieve the goals of the proposed project.</p> <p><i>Note: In evaluating applicants under criteria 5.a and 5.b, EPA will consider the information provided by the applicant and may also consider relevant information from other sources, including agency files and prior/current grantors (e.g., to verify and/or supplement the information supplied by the applicant). If the applicant does not have any relevant or available past performance or reporting information, please indicate this in the application. The application will receive a neutral score for criteria 5.a and 5.b. A neutral score is 2.5 points of 5 possible points for each criterion. If the applicant does not provide any response for these items, they may receive a score of 0 for these criteria.</i></p>	
<p><b>6. Budget and Timely Expenditure of Grant Funds</b></p> <p>a. (5 points) <u>Budget Detail</u>. The application will be evaluated on the quality of the response and extent to which the proposed budget provides a detailed breakout by funding type in the proper budget category for each activity for which the applicant is requesting funding.</p> <p>b. (5 points) <u>Expenditure of Awarded Funds</u>. The application will be evaluated on the quality of the response and extent to which it demonstrates that the approach, procedures, and controls described in the application will ensure that awarded grant funds will be expended in a timely and efficient manner.</p> <p>c. (5 points) <u>Reasonableness of Cost</u>. The application will be evaluated on the quality of the response and extent to which the proposed grant expenditures are reasonable for accomplishing the proposed goals, objectives, and measurable environmental outcomes described in the application.</p>	15
<b>Total</b>	100



## B. Review and Selection Process

Applications will first be evaluated against the threshold factors listed in Section III.C. of this NOFO. Only those applications that meet all of the threshold factors will be evaluated by a review panel using the evaluation criteria listed above. Each eligible application will be given a numerical score and will be rank-ordered by the review panel against other applications in the same funding tier. For this tribes and territories only competition, EPA will have three funding tiers as described in Section II.B. EPA intends to make awards to top ranked applications in each tier. Preliminary funding recommendations will be provided to the EPA selection official based on the panel reviews and rankings. Final funding decisions will be made by the EPA selection official based on 1) the rankings and preliminary recommendations of the EPA evaluation team, and 2) the other factors listed in Section V.C.

EPA anticipates awarding no more than two grants to applicants at the same level of government within a single jurisdiction (e.g., a single tribal area or territory). In addition, EPA will make selections to ensure diverse geographic coverage of CPRG implementation funding across the different funding tiers. However, EPA reserves the right to exceed these targets in the event that there is an inadequate number of meritorious applications from entities in other jurisdictions.

## C. Other Factors

In making the final funding decisions, the EPA selection official may also consider certain programmatic priorities and the geographic diversity of awardees. Additional consideration may be given to making awards that advance the Justice40 Initiative,<sup>11</sup> provide GHG reduction measures in key sectors, and/or provide greater diversity in the types of entities receiving CPRG implementation funds. Once final decisions have been made, a funding recommendation will be developed and forwarded to the EPA award official.

## D. Anticipated Announcement and Federal Award Dates

EPA anticipates it will announce selection decisions by September 2024 and tentatively plans to issue awards by December 2024.

# VI. Award Administration Information

Additional provisions that apply to this section can be found at [EPA Solicitation Clauses](#).

## A. Award Notices

EPA anticipates notification to successful applicants will be made via electronic mail by EPA's Office of Air and Radiation (OAR). The notification will be sent to the original signer of the application or the project contact listed in the application. This notification, which informs the applicant that its application has been selected and is being recommended for award, is not an authorization to begin work. The official notification of an award will be made by applicable EPA

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<sup>11</sup> More information on Justice40 at EPA can be found at: <https://www.epa.gov/environmentaljustice/justice40-epa>.

Regional Grants Management Offices or EPA's Office of Grants and Debarment. Applicants are cautioned that only a grants officer is authorized to bind the government to the expenditure of funds; selection does not guarantee an award will be made. For example, statutory authorization, funding availability, or other issues discovered during the award process may affect the ability of EPA to make an award to an applicant. The award notice, signed by an EPA grants officer, is the authorizing document and will be provided through electronic mail. The successful applicant may need to prepare and submit additional documents and forms (e.g., revised workplan), which must be approved by EPA, before the grant can officially be awarded. The time between notification of selection and award of a grant can take up to 90 days or longer.

## B. Reporting Requirements

**Progress Reports.** Semi-annual progress reports and a detailed final report will be required for each grant awarded. Semi-annual reports summarizing technical progress, accomplishments, and milestones achieved including a description of outputs and outcomes, planned activities for the next six months, and a summary of expenditures to date are required. Grant recipients will also be expected to report on their community engagement and strategy for mitigating environmental risks, as applicable (see Section IV.B.2).

The detailed final report shall be submitted to EPA within 120 calendar days of the completion of the period of performance. The final report must include a summary of the GHG reduction measures implemented, outputs and outcomes achieved, and costs of the measures. In addition, the final report shall report the total GHG emissions and other pollutants reduced, provide a summary of community engagement, and discuss the problems, successes, and lessons learned from the implementation of the GHG reduction measures that could help overcome structural, organizational or technical obstacles to implementing a similar project elsewhere. Consistent with EPA's commitment to conducting business in an open and transparent manner, EPA may make portions of the progress reports or final reports publicly available on EPA's website or another public website. The schedule for submission of semi-annual reports will be established by EPA after the grants are awarded. Award recipients may be provided with additional information and guidance on reporting performance measures and project progress after award.

**Performance Measures.** The applicant should develop performance measures they expect to use through the proposed activities and describe them in the application. These performance measures will help gather insights and will be the mechanism to track progress concerning successful processes and output and outcome strategies and will provide the basis for developing lessons to inform potential future work. It is expected that the description of performance measures will directly relate to the project outcomes and outputs (see Section I.C), including but not limited to:

- Overseeing subrecipients, and/or contractors and vendors;
- Tracking and reporting project progress on expenditures and purchases; and,

- Tracking, measuring, and reporting accomplishments and proposed timelines/milestones.

The following are questions to consider when developing output and outcome performance measures of quantitative and qualitative results:

- What are the measurable short-term and long-term results the GHG reduction measures will achieve?
- How does the plan measure progress in achieving the expected results (including outputs and outcomes) and how will the approach use resources effectively and efficiently?
- What are the expected locations of the outputs and outcomes?

### C. Prevailing Wage Requirements

As required by section 314 of the Clean Air Act, grants for construction activities will be subject to prevailing wage requirements as determined by the U.S. Department of Labor under the Davis-Bacon Related Acts (42 USC §7614) authority. EPA will provide terms and conditions on Davis-Bacon compliance requirements in agreements that fund *Construction* as that term is defined at 40 CFR 33.103.

### D. Build America, Buy America Requirements

Certain projects that may be funded under this competition may be subject to domestic content sourcing requirements under the Build America, Buy America (BABA) provisions of the [Infrastructure Investment and Jobs Act \(IIJA\)](#) (P.L. 117-58, §§70911-70917). These provisions apply when a grantee uses federal funds for the purchase of goods, products, and materials on any form of construction, alteration, maintenance, or repair of public infrastructure in the United States.<sup>12</sup> The Buy America preference requirement applies to all of the iron and steel, manufactured products, and construction materials used in an infrastructure project under an award for identified [EPA financial assistance funding programs](#).

These sourcing requirements require that all iron, steel, manufactured products, and construction materials used in federally funded infrastructure projects must be produced in the United States. The recipient must implement these requirements in its procurements, and these requirements must flow down to all subawards and contracts at any tier. For legal

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<sup>12</sup> See [Memorandum M-22-11 from Executive Office of the President to heads of Executive Departments and Agencies, April 22, 2022, "Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure."](#) From page 4: "The IIJA's definition of "infrastructure" encompasses public infrastructure projects. Thus, the term "infrastructure" includes, at a minimum, the structures, facilities, and equipment for, in the United States, roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property. Agencies should treat structures, facilities, and equipment that generate, transport, and distribute energy - including electric vehicle (EV) charging - as infrastructure."

definitions and sourcing requirements, the recipient must consult [EPA's Build America, Buy America website](#).

CPRG implementation grants are subject to BABA, which requires applicants to comply with BABA requirements or obtain a waiver for each infrastructure project. Under BABA, the Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. Note that any mobile source vehicles/engines funded by this program would not be considered "infrastructure." Projects limited to the construction or improvement of a private residence for personal use also would not constitute an infrastructure project.

When supported by rationale provided in IJJA §70914, the recipient may submit a waiver to EPA. The recipient should request guidance on the submission instructions of an EPA waiver request from their EPA Project Officer. A list of approved EPA waivers is available on the [Build America, Buy America website](#).

In addition to BABA requirements, all procurements under grants may be subject to the domestic preference provisions of 2 CFR §200.322. See the "Build America, Buy America" clause in [EPA Solicitation Clauses](#).

## VII. EPA Contacts

Further information, including technical information, eligibility information, and electronic submission information, may be obtained by contacting EPA at the following email address: [CPRG@epa.gov](mailto:CPRG@epa.gov). Information regarding this NOFO obtained from sources other than this Agency contact may not be accurate.

Questions and answers will be posted until one week prior to the closing of this announcement on the [CPRG website](#). The cut-off date for submitting questions related to this NOFO is **April 15, 2024, at 11:59 p.m. (ET)**.

## Appendix A. Additional Information Regarding Contracts, Subawards, and Participant Support Costs

### A. Background

The Standard Form 424A (SF-424A) includes a separate row for “contractual” costs and “other” costs. As noted in Section 6 under Section IV.B, the “other” cost category on the SF-424A should be used to cover both subawards and participant support costs. Depending on the project, these costs may be applicable to a CPRG implementation grant application. This appendix helps clarify these differences. Additional information about participant support costs is contained in [RAIN-2018-G05, “EPA Guidance on Participant Support Costs.”](#)

If a recipient intends to fund the proposed project’s technologies that they do not directly own, the recipient may have the option to: (1) issue a contract; (2) make a subaward to an eligible entity; or, (3) provide participant support costs to a program beneficiary. For options (2) and (3), the recipient may be able to fund technology and installation costs, but only subawards can be used to fund direct and indirect costs. If the grant recipient only intends to fund equipment and installation costs, the recipient may choose to provide participant support costs to a program beneficiary rather than a subaward.

### B. Contracts

As described in 2 CFR § 200.331, a contract is for the purpose of obtaining goods and services for the recipient’s own use and creates a procurement relationship with the contractor. Characteristics indicative of a procurement relationship between the recipient and a contractor are when the contractor:

- Provides the goods and services within normal business operations;
- Provides similar goods or services to many different purchasers;
- Normally operates in a competitive environment;
- Provides goods or services that are ancillary to the operation of the federal program; and,
- Is not subject to compliance requirements of the federal program as a result of the agreement, though similar requirements may apply for other reasons.

Grant recipients that enter into procurement contracts must comply with the applicable procurement provisions in 2 CFR § 200.317 through 200.327.

### C. Subawards

Under 2 CFR § 200.1, subrecipient means a non-federal entity that receives a subaward from a grantee to carry out part of a federal program but does not include program beneficiaries receiving participant support costs; see section D of this appendix. Coalitions are subject to subaward requirements. Grant recipients may make subawards to subrecipients to carry out a portion of the grant project; in such case, the grant recipient is also known as a “pass-through entity.” Subawards establish a financial assistance relationship under which the subrecipient’s

employees and contractors implement programs and projects to accomplish the goals and objectives of the grant. It is important to bear in mind that subrecipients are subject to the same federal requirements as the pass-through entity.

Under this competition, a non-federal entity is eligible to receive a subaward even if it is not eligible to receive a grant from EPA directly. While there may be some situations in which a subaward to an individual may be appropriate, those situations are rare.

Subrecipients only receive reimbursement for their actual direct or approved indirect costs and do not “profit” from the transaction. For-profit entities participating in grant activities are typically contractors rather than subrecipients.

EPA’s Award Official must approve subawards to for-profit entities and individuals on the basis of either a precise description of the subaward in the EPA approved budget and project narrative, or on a transaction-by-transaction basis.

The applicant’s project narrative and budget narrative should include detailed descriptions of any proposed subawards and include cost estimates for subawards as line items under the “Other” budget category in the SF-424A; see Section 6 in Section IV.B. Should a recipient decide to make a subaward that was not described in the approved project narrative and budget, the recipient must obtain prior written approval from EPA’s Award Official for the subaward.

If a recipient chooses to pass funds from its grant to other entities through subawards, the recipient must comply with applicable subaward provisions of 2 CFR Part 200, the EPA [Subaward Policy](#), and [EPA’s General Term and Condition for Subawards](#). Note that under 2 CFR § 200.331 through 200.333, there are extensive requirements for subrecipient monitoring and management that apply to pass-through entities.

Many of the federal administrative grant regulations in 2 CFR Part 200 and 2 CFR Part 1500, as well as the grant terms and conditions in the assistance agreement, “flow down” to subrecipients receiving a subaward. Such requirements need to be identified in the written subaward agreement between the recipient and the subrecipient. Additionally, if a subrecipient intends to procure goods or services using CPRG implementation grant funds, the subrecipient must comply with the applicable federal procurement standards in 2 CFR Part 200, 2 CFR Part 1500, and 40 CFR Part 33 as these requirements also “flow down” to subrecipients.

There is no requirement for recipients to compete subawards under this NOFO; however, pass-through entities may choose to select subrecipients competitively provided this practice is consistent with applicable statutes, regulations, and the terms and conditions of their CPRG implementation grant.

Recipients may use the subaward template contained in Appendix D of EPA’s Subaward Policy to assist them in complying with the “subaward content” requirements; however, EPA does not mandate the use of this template.

#### D. Participant Support Costs

Recipients may provide participant support costs (PSCs) to program beneficiaries to enable

beneficiaries to participate in the recipient's program or project. PSCs include rebates, subsidies, stipends, or other payments to program beneficiaries by a grantee, subrecipient, or contractor. For example, PSCs might be used for the purchase of eligible technologies. Program beneficiaries, rather than the grant recipient, would own the new technology.

PSCs differ from subawards in that the beneficiary is participating in the grant recipient's GHG reduction measures instead of implementing their own measures. Program beneficiaries may include but are not limited to individual owner/operators, private or public fleet owners, or residents in the applicable area; however, program beneficiaries are not employees, contractors, or subrecipients of the grant recipient. For example, PSCs could include supplies, per diem, travel expenses, and/or registration fees paid to or on behalf of a participant in connection with a meeting, workshop, conference, symposium, or training project conducted under the award.

Recipients may also use PSCs to make purchases on behalf of program beneficiaries. In some situations, this approach allows grant recipients to achieve economies of scale and/or take advantage of existing purchase contracts. Competitive procurement requirements apply to the grant recipient when the recipient takes this approach.

The federal administrative grant regulations in 2 CFR Part 200 and 2 CFR Part 1500, as well as the grant terms and conditions in the recipient's grant agreement, generally do not "flow down" to program beneficiaries receiving PSCs except that costs must be reasonable and incurred within the grant period. Requirements for compliance with civil rights laws and ensuring that program beneficiaries are eligible to receive federal financial assistance are applicable as explained in "[EPA Guidance on Participant Support Costs](#)." In addition, program beneficiaries must abide by requirements to ensure that the funds are used only for authorized purposes.

If a grantee, subrecipient, or contractor is issuing PSCs, it must have a written agreement in place. The written agreement should not be structured as a subaward agreement and should not refer to program beneficiaries as subrecipients consistent with 2 CFR § 200.1, "Subrecipient." In addition, the written agreement should not include language requiring the program beneficiary to comply with the federal grant regulations at 2 CFR Part 200, 2 CFR Part 1500, or the terms and conditions found in the award between EPA and the recipient, other than requiring that the costs must be reasonable, necessary, and allocable. The written agreement should also include the following:

- A description of the activities and amounts that will be supported by the PSCs;
- The program and/or statutory requirements that the program beneficiary must abide by in order to ensure that the funds are used only for authorized purposes;
- Specify which party will have title to the technologies (e.g., vehicles, engines, equipment and/or appliances), if any, purchased with PSCs;
- Source documentation requirements to ensure proper accounting of the PSCs; and,
- Any reporting that must be submitted by the program beneficiary.

EPA's Award Official must approve PSCs on the basis of either a precise description of the PSCs in the EPA approved budget and workplan, or on a transaction-by-transaction basis. The applicant's workplan and budget narrative should include detailed descriptions of any proposed PSCs and include cost estimates for PSCs as line items under the "Other" budget category. Should a recipient decide to issue PSCs that were not described in the approved work plan and budget, the recipient must obtain prior written approval from EPA's Award Official. Moreover, after a grant is awarded, should a recipient decide to modify the amount approved (upwards or downwards) for PSCs, prior written approval from EPA's Award Official is also required.

When creating budgets, applicants/recipients must exclude PSCs from Modified Total Direct Costs for calculation of indirect costs as required by 2 CFR 200.1, "Modified Total Direct Costs."

### **Resources**

- [RAIN-2018-G05, "EPA Guidance on Participant Support Costs."](#)
- [Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements](#)
- [Grants Policy Issuance 16-01: EPA Subaward Policy for EPA Assistance Agreement Recipients](#), with attachments, includes:
  - EPA Subaward Policy
  - Appendix A: Distinctions Between Subrecipients and Contractors
  - Appendix B: National Term and Condition for Subawards
  - Appendix C: Model Programmatic Subaward Reporting Requirement
  - Appendix D: Subaward Agreement Template



## Appendix B. Global Warming Potentials for GHGs

Global Warming Potential (GWP) allows for comparisons of the global warming impacts of different gases. Specifically, it is a measure of how much energy the emissions of 1 ton of a gas will absorb over a given period of time, relative to the emissions of 1 ton of carbon dioxide (CO<sub>2</sub>). The larger the GWP, the more a given gas warms the Earth compared to CO<sub>2</sub> over that time period. The time period usually used for GWPs is 100 years. GWPs provide a common unit of measure, which allows analysts to add up emissions estimates of different gases (e.g., to compile a national GHG inventory) and allows policymakers to compare emissions reduction opportunities across sectors and gases.

Global Warming Potentials (GWP) for Greenhouse Gases			
Greenhouse Gas	100-Year Global Warming Potential <sup>a</sup>	Greenhouse Gas	100-Year Global Warming Potential <sup>a</sup>
Carbon dioxide (CO <sub>2</sub> )	1	HFC-245fa	858
Methane (CH <sub>4</sub> ) <sup>b</sup>	28	HFC-365mfc	804
Nitrous oxide (N <sub>2</sub> O)	265	CF <sub>4</sub>	6,630
HFC-23	12,400	C <sub>2</sub> F <sub>6</sub>	11,100
HFC-32	677	C <sub>3</sub> F <sub>8</sub>	8,900
HFC-41	116	C <sub>4</sub> F <sub>6</sub> <sup>c</sup>	0.003
HFC-125	3,170	c-C <sub>5</sub> F <sub>8</sub>	2
HFC-134a	1,300	C <sub>4</sub> F <sub>10</sub>	9,200
HFC-143a	4,800	c-C <sub>4</sub> F <sub>8</sub>	9,540
HFC-152a	138	C <sub>5</sub> F <sub>12</sub>	8,550
HFC-227ea	3,350	C <sub>6</sub> F <sub>14</sub>	7,910
HFC-236fa	8,060	SF <sub>6</sub>	23,500
HFC-43-10mee	1,650	NF <sub>3</sub>	16,100

**Footnotes**

a. GWP values are calculated over a 100-year time horizon. If the 100-year GWP of a fluorinated GHG (F-GHG) is not listed in table above, see [Chapter 8, Appendix 8.A, Table 8.A.1 in IPCC AR5 Fifth Assessment Report](#) (2013).

b. The methane GWP includes the direct effects and those indirect effects due to the production of tropospheric ozone and stratospheric water vapor. The indirect effect due to the production of CO<sub>2</sub> is not included.

c. Calculated by EPA based on Radiative Efficiency (RE) and atmospheric lifetime provided in IPCC (2013).

Source: IPCC AR5 Fifth Assessment Report (2013)

## Appendix C. Required Technical Appendix and Optional GHG Emission Reduction Calculations Spreadsheet

### A. Overview

Appendix C describes requirements for applicants with respect to the technical appendix that must be submitted as an attachment to the project narrative or in the project narrative for evaluation criterion 2.d (see Section IV.B.2 and Section V.A). The technical appendix (up to 10 pages) explains the assumptions and methodologies used in developing the estimated GHG emissions reductions for each GHG reduction measure.

Applicants should “show their work” so that EPA can understand the basis for the GHG emission reductions estimated for each GHG reduction measure in the application. Applicants should provide information such as the methods, models, key assumptions, related outputs, and individual calculations supporting their GHG reduction estimates. Estimates of both annual and cumulative GHG emission reductions should be provided for each GHG reduction measure for two time periods: 2025 through 2030, and 2025 through 2050. Applicants should not double-count GHG emission reductions resulting from different GHG reduction measures.

In addition to the technical appendix, applicants may provide an optional GHG emission reduction calculations spreadsheet (no page limit) that provides the specific GHG emission reduction calculations for each GHG reduction measure in the application.

Neither the technical appendix nor GHG emission reduction calculations will count toward the 15-page limit for the workplan. Additional details are provided below.

### B. Technical Appendix

Applicants must include a technical appendix that explains the methodology and assumptions for developing the estimated GHG emission reductions for each measure in the application. This maximum 10-page appendix should include the key elements listed below. Applicants should use the latest available information whenever possible and provide detailed and specific references for any models and/or tools used. Applicants should describe uncertainties associated with the estimated GHG emission reduction estimates, including those related to key assumptions, such as emission factors, activity information, economic considerations, or other data; see Section IV.B.2.

Additional important information may also include quantitative tables, graphs, charts and/or other data. EPA will not review pages in excess of the 10-page limit for the technical appendix.

#### Measure-Specific Documentation:

- **GHG Reduction Estimate Method:** Describe the methods used to arrive at the measure-related activity data or other outputs and the GHG emission reduction estimate (e.g., engineering estimates, modeling, existing publicly available tool or calculator).
- **Models/Tools Used:** List or describe the specific models or tools used to develop the GHG emission reduction estimate; the name of the developer/provider of the

model/tool (e.g., EPA); and, any other detailed references (e.g., specific versions of the model or tool), as appropriate.

- **Measure Implementation Assumptions:** Provide key assumptions related to the implementation of the GHG reduction measure (e.g., data supporting assumed rate of measure implementation, implementation milestones, measure lifetime, capital cost assumptions, operation and maintenance cost assumptions).
- **GHG Reduction Estimate Assumptions:** Provide key assumptions used as part of the method for estimating GHG emission reductions (e.g., emission rates; emission factors; input assumptions if modeling is used, such as cost and performance data, energy prices).
- **Reference Case Scenario (GHG Emissions or Activity Level):** Describe the reference scenario that is used to quantify GHG emission reductions for each measure, as applicable. The type of reference scenario may differ depending upon the type of GHG reduction measure.
  - For example, an activity-level reference scenario approach might include a reference level of energy efficiency for a type of energy use equipment or GHG emission intensity under standard market practice for a type of activity, application, or equipment.
  - In contrast, a GHG emissions reference scenario approach might include documented base year GHG emissions for the application or sector where the GHG reduction measure will be implemented or projected future GHG emissions in the absence of the implemented GHG reduction measure.

For a reference scenario based on projected “business as usual” (BAU) GHG emissions, the timeframe of the BAU projection should align with the timeframe for quantified emission reduction estimates. Provide key assumptions that apply for the reference scenario(s) used. If using a BAU projection, indicate whether the BAU projection includes the effect of non-CPRG federal incentives (e.g., grants, tax incentives) provided through programs or legislation such as IRA, BIL, and/or CHIPS.

- **Measure-Specific Activity Data:** Provide relevant activity data that is used for estimating GHG emission reductions for each measure. This may include data such as energy savings (e.g., MMBtu by fuel or MWh saved), electrical output (e.g., MWh), vehicle miles traveled, units of equipment installed, or other metrics used to track the implementation and/or effects of a GHG reduction measure. Applicants should use reasonable assumptions for measure implementation (e.g., market availability and level of use for a technology-related measure or level of participation for an activity-related measure).
- **GHG Emissions Reduced:** For each GHG reduction measure, provide measure-specific estimated annual GHG emission reductions (e.g., absolute reduction in metric tons of CO<sub>2</sub> equivalent [mtCO<sub>2</sub>e]) and cumulative GHG emission reductions for the periods 2025 through 2030, and 2025 through 2050.

### C. GHG Emission Reduction Calculations

Applicants may include, as additional documentation, the GHG emission reduction calculations that quantify the GHG emission reductions for each measure included in their application in a spreadsheet file. This spreadsheet may show the specific formulas, assumptions, and/or model inputs used to determine the estimated GHG emission reductions.

The GHG emission reduction calculations can either be included at the end of the project narrative file or as a separate file attachment. The GHG reduction calculations component has no page limit.

## Appendix D. Application Submission Checklist

The application package must include all of the following materials. Applicants may use this optional checklist to ensure that all required materials have been included in the application package. This checklist does not need to be submitted with the application.

- Standard Form 424, *Application for Federal Assistance*. Please note that the organizational Unique Entity Identifier (UEI) must be included on the SF-424.
- Standard Form 424A, *Budget Information for Non-Construction Programs*
- EPA Form 4700-4, *Pre-Award Compliance Review Report*. See EPA's [Applicant Tips](#) for completing this form.
- EPA Form 5700-54, *Key Contacts Form*
- Project Narrative Attachment Form, *Project Narrative* – Prepared as described in Section IV.B.2, including the following:
  - Project narrative
    - Cover page. See example cover page provided with this NOFO on Grants.gov
    - Workplan (up to 15 pages). See optional outline provided with this NOFO on Grants.gov
      - Overall Project Summary and Approach
      - Impact of GHG Reduction Measures
      - Environmental Results – Outputs, Outcomes, and Performance Measures
      - Benefits and Community Engagement
      - Programmatic Capability and Past Performance
      - Budget (with accompanying budget narrative)
    - Budget narrative
      - Descriptive budget narrative (up to 10 additional pages)
      - Optional budget spreadsheet (no page limit). See optional budget spreadsheet provided with this NOFO on Grants.gov.
    - Technical appendix (up to 10 additional pages): explains the assumptions and methodology for determining the estimated GHG emission reductions for each measure; see Appendix C
  - Optional GHG emission reduction calculations spreadsheet that provides the GHG emission reduction calculations for each measure (no page limit); see Appendix C
- [Grants.gov](#) Lobbying Form
- Standard Form LLL, *Disclosure of Lobbying Activities* (if required)
- PDF copy of the applicable PCAP(s) serving as the basis for the application (use “Other Attachments Form” to submit)
- For coalition applications: Memorandum of Agreement signed by a representative from all participating eligible applicants or other written instrument or documented arrangement (use “Other Attachments Form” to submit).

## Appendix E. Guidelines for a Memorandum of Agreement for a Coalition

A Memorandum of Agreement (MOA) or other written document or documented arrangement must be included in any CPRG implementation grant funding application that is submitted by a coalition under this announcement. The MOA or other written document or documented arrangement provides documentation that the organizations have consulted with each other and are committed to fulfilling their respective roles and responsibilities to successfully implement the GHG reduction measures described in the application.

The following elements should be included in an MOA or considered for inclusion in another written document or documented arrangement:

- List each partner agency committing to participate in the coalition.
- State the purpose of the MOA.
- Clearly describe the agreed upon roles, responsibilities, and commitments each partner will provide to ensure project success. The roles and responsibilities should align with overall project goals, objectives and target outputs.
- Describe how the collaboration and partnerships associated with the coalition will benefit the project.
- Describe the resources each partner will contribute to the project. Such resources could include project management, staff time, technical analyses, in-kind contributions, training or facilitation, or other related services.
- Provide a statement that the lead applicant accepts full responsibility for the performance of the coalition and will be accountable to EPA for effectively carrying out the full scope of work and the proper financial management of the grant.
- Provide a statement that other coalition members who are grant subrecipients will be accountable to the lead applicant for proper use of EPA funding and successful project implementation.
- The MOA must be signed by all coalition partners. Signatories must be officially authorized to sign on behalf of their agency or organization, and their signature should include title and agency name.

# Environmental Protection Agency

# General Terms and Conditions

*Effective October 1, 2023*

**Revision History:**

The Environmental Protection Agency’s General Terms and Conditions ***are published and become effective October 1<sup>st</sup> at the start of the federal fiscal year.*** Any additions, revisions, or changes to the terms and conditions after October 1 will be summarized below.

T&C Number	Effective Date	Description of Changes
<a href="#">#48</a>	October 23, 2023	Implements new Office of Management and Budget (OMB) guidance on the Buy America preference for infrastructure projects.
<a href="#">#5</a>	January 12, 2024	Removed the customer service line for Research Triangle Park Finance Center (RTPFC).
<a href="#">#8</a>	May 21, 2024	Added clarifying guidance on Subawards to Federal Agencies.
<a href="#">#33</a>	May 21, 2024	Updated in accordance with 40 CFR 26 and EPA Order 1000.17A for human subjects research.

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## Preface

### 1. Introduction

- (a) The recipient and any sub-recipient must comply with the applicable EPA general terms and conditions outlined below. These terms and conditions are in addition to the assurances and certifications made as part of the award and terms, conditions, and restrictions reflected on the official assistance award document. Recipients **must** review their official award document for additional administrative and programmatic requirements. Failure to comply with the general terms and conditions outlined below and those directly reflected on the official assistance award document may result in enforcement actions as outlined in [2 CFR 200.339](#) and [2 CFR 200.340](#).
- (b) If the EPA General Terms and Conditions have been revised, EPA will update the terms and conditions when it provides additional funding (incremental or supplemental) prior to the end of the period of performance of this agreement. The recipient must comply with the revised terms and conditions after the effective date of the EPA action that leads to the revision. Revised terms and conditions do not apply to the recipient's expenditures of EPA funds or activities the recipient carries out prior to the effective date of the EPA action. EPA will inform the recipient of revised terms and conditions in the action adding additional funds.

### 2. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

This award is subject to the requirements of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; Title [2 CFR Part 200](#) and [2 CFR Part 1500](#). 2 CFR 1500.2, Adoption of 2 CFR Part 200, states the Environmental Protection Agency adopts the Office of Management and Budget (OMB) guidance Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards to Non-Federal Entities (subparts A through F of 2 CFR Part 200), as supplemented by 2 CFR Part 1500, as the Environmental Protection Agency (EPA) policies and procedures for financial assistance administration. 2 CFR Part 1500 satisfies the requirements of [2 CFR 200.110\(a\)](#) and gives regulatory effect to the OMB guidance as supplemented by 2 CFR Part 1500. This award is also subject to applicable requirements contained in EPA programmatic regulations located in 40 CFR Chapter 1 Subchapter B.

**2.1 Effective Date and Incremental or Supplemental Funding.** Consistent with the OMB Frequently Asked Questions at <https://cfo.gov/cofar> on Effective Date and Incremental Funding, any new funding through an amendment (supplemental or incremental) on or after December 26, 2014, and any unobligated balances (defined at 2 CFR 200.1) remaining on the award at the time of the amendment, will be subject to the requirements of the Uniform Administrative Requirements, Cost Principles and Audit Requirements (2 CFR Parts 200 and 1500).

### 3. Termination

Consistent with [2 CFR 200.340](#), EPA may unilaterally terminate this award in whole or in part:

- (a) If a recipient fails to comply with the terms and conditions of the award including statutory or regulatory requirements; or



- (b) If the award no longer effectuates the program goals or agency priorities. Situations in which EPA may terminate an award under this provision include when:
- i. EPA obtains evidence that was not considered in making the award that reveals that specific award objective(s) are ineffective at achieving program goals and EPA determines that it is in the government's interest to terminate the award;
  - ii. EPA obtains evidence that was not considered in making the award that causes EPA to significantly question the feasibility of the intended objective(s) of the award and EPA determines that it is in the government's interest to terminate the award;
  - iii. EPA determines that the objectives of the award are no longer consistent with funding priorities for achieving program goals.

## Financial Information

### 4. Reimbursement Limitation

EPA's financial obligations to the recipient are limited by the amount of federal funding awarded to date as reflected on the award document. If the recipient incurs costs in anticipation of receiving additional funds from EPA, it does so at its own risk. See [2 CFR 1500.9](#).

### 5. Automated Standard Application Payments (ASAP) and Proper Payment Draw Down

**Electronic Payments.** Recipients must be enrolled or enroll in the Automated Standard Application for Payments (ASAP) system to receive payments under EPA financial assistance agreements unless:

- EPA grants a recipient-specific exception;
- The assistance program has received a waiver from this requirement;
- The recipient is exempt from this requirement under [31 CFR 208.4](#); or,
- The recipient is a fellowship recipient pursuant to [40 CFR Part 46](#).

EPA will not make payments to recipients until the ASAP enrollment requirement is met unless the recipients fall under one of the above categories. Recipients may request exceptions using the procedures below but only EPA programs may obtain waivers. To enroll in ASAP, complete the ASAP Initiate Enrollment Form located at: <https://www.epa.gov/financial/forms> and email it to [rtpfc-grants@epa.gov](mailto:rtpfc-grants@epa.gov) or mail it to:

US Environmental Protection Agency  
RTP-Finance Center (Mail Code AA216-01)  
4930 Page Rd.  
Durham, NC 27711

Under this payment mechanism, the recipient initiates an electronic payment request online via ASAP, which is approved or rejected based on the amount of available funds authorized by EPA in the recipient's ASAP account. Approved payments are credited to the account at the financial institution of the recipient organization set up by the recipient during the ASAP enrollment process. Additional information concerning ASAP and enrollment can be obtained by contacting the EPA

Research Triangle Park Finance Center (RTPFC), at [rtpfc-grants@epa.gov](mailto:rtpfc-grants@epa.gov), or by visiting: <https://www.fiscal.treasury.gov/asap/>.

EPA will grant exceptions to the ASAP enrollment requirement only in situations in which the recipient demonstrates to EPA that receiving payment via ASAP places an undue administrative or financial management burden on the recipient or EPA determines that granting the waiver is in the public interest. Recipients may request an exception to the requirement by following the procedures specified in [RAIN-2018-G06-R](#).

### **Proper Payment Drawdown (for recipients other than states)**

- (a) As required by [2 CFR 200.305\(b\)](#), the recipient must draw funds from ASAP only for the minimum amounts needed for actual and immediate cash requirements to pay employees, contractors, subrecipients or to satisfy other obligations for allowable costs under this assistance agreement. The timing and amounts of the drawdowns must be as close as administratively feasible to actual disbursements of EPA funds. Disbursement within 5 business days of drawdown will comply with this requirement and the recipient agrees to meet this standard when performing this award.
- (b) Recipients may not retain more than 5% of the amount drawn down, or \$1,000 whichever is less, 5 business days after drawdown to materially comply with the standard. Any EPA funds subject to this paragraph that remain undisbursed after 5 business days must be fully disbursed within 15 business days of draw down or be returned to EPA.
- (c) If the recipient draws down EPA funds in excess of that allowed by paragraph b., the recipient must contact [rtpfc-grants@epa.gov](mailto:rtpfc-grants@epa.gov) for instructions on whether to return the funds to EPA. Recipients must comply with the requirements at [2 CFR 200.305\(b\)\(8\) and \(9\)](#) regarding depositing advances of Federal funds in interest bearing accounts.
- (d) Returning Funds: [Pay.gov](#) is the preferred mechanism to return funds. It is free, secure, paperless, expedient, and does not require the recipient/vendor to create an account. Contact RTPFC-Grants at [rtpfc-grants@epa.gov](mailto:rtpfc-grants@epa.gov) to obtain complete instructions. Additional information is available at the [Pay.gov website](#). Information on how to repay EPA via check is available at <https://www.epa.gov/financial/makepayment>. Instructions on how to return funds to EPA electronically via ASAP are available at <https://www.fiscal.treasury.gov/asap/>.
- (e) Failure on the part of the recipient to materially comply with this condition may, in addition to EPA recovery of the un-disbursed portions of the drawn down funds, lead to changing the payment method from advance payment to a reimbursable basis. EPA may also take other remedies for noncompliance under [2 CFR 200.208](#) and/or 2 CFR 200.339.
- (f) If the recipient believes that there are extraordinary circumstances that prevent it from complying with the 5-business day disbursement requirement throughout the performance period of this agreement, recipients may request an exception to the requirement by following the procedures specified in [RAIN-2018-G06-R](#). EPA will grant exceptions to the 5-business day disbursement requirement only if the recipient demonstrates that compliance places an undue

administrative or financial management burden or EPA determines that granting the exception is in the public interest.

### **Proper Payment Drawdown for State Recipients**

In accordance with [2 CFR 200.305\(a\)](#), payments are governed by Treasury-State Cash Management Improvement Act (CMIA) agreements and default procedures codified [at 31 CFR Part 205, Subparts A and B](#) and [Treasury Financial Manual \(TFM\) 4A-2000, "Overall Disbursing Rules for All Federal Agencies"](#) unless a program specific regulation (e.g. 40 CFR 35.3160 or 40 CFR 35.3560) provides otherwise. Pursuant to 31 CFR Part 205, [Subpart A—Rules Applicable to Federal Assistance Programs Included in a Treasury-State Agreement](#), States follow their Treasury-State CMIA Agreement for major Federal programs listed in the agreement. For those programs not listed as major in the Treasury-State agreement, the State follows the default procedures in 31 CFR Part 205, [Subpart B—Rules Applicable to Federal Assistance Programs Not Included in a Treasury-State Agreement](#), which directs State recipients to draw-down and disburse Federal financial assistance funds in anticipation of immediate cash needs of the State for work under the award. States must comply with [2 CFR 200.302\(a\)](#) in reconciling costs incurred and charged to EPA financial assistance agreements at time of close out unless a program specific regulation provides otherwise.

### **Selected Items of Cost**

#### **6. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment**

This term and condition implements [2 CFR 200.216](#) and is effective for obligations and expenditures of EPA financial assistance funding on or after 8/13/2020.

As required by 2 CFR 200.216, EPA recipients and subrecipients, including borrowers under EPA funded revolving loan fund programs, are prohibited from obligating or expending loan or grant funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in [Public Law 115-232](#), section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

Recipients, subrecipients, and borrowers also may not use EPA funds to purchase:

- (a) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
- (b) Telecommunications or video surveillance services provided by such entities or using such equipment.

- (c) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

Consistent with [2 CFR 200.471](#), costs incurred for telecommunications and video surveillance services or equipment such as phones, internet, video surveillance, and cloud servers are allowable except for the following circumstances:

- (a) Obligating or expending EPA funds for covered telecommunications and video surveillance services or equipment or services as described in 2 CFR 200.216 to:
  - (1) Procure or obtain, extend or renew a contract to procure or obtain;
  - (2) Enter into a contract (or extend or renew a contract) to procure; or
  - (3) Obtain the equipment, services, or systems.

Certain prohibited equipment, systems, or services, including equipment, systems, or services produced or provided by entities identified in section 889, are recorded in the [System for Award Management](#) exclusion list.

## 7. Consultant Cap

EPA participation in the salary rate (excluding overhead) paid to individual consultants retained by recipients or by a recipient's contractors or subcontractors shall be limited to the maximum daily rate for a Level IV of the Executive Schedule, available at: <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/>, to be adjusted annually. This limit applies to consultation services of designated individuals with specialized skills who are paid at a daily or hourly rate. This rate does not include transportation and subsistence costs for travel performed (the recipient will pay these in accordance with their normal travel reimbursement practices).

Information on how to calculate the maximum daily rate and the daily pay limitation is available at the Office Of Personnel Management's [Fact Sheet: How to Compute Rates of Pay](#) and [Fact Sheet: Expert and Consultant Pay](#). Specifically, to determine the maximum daily rate, follow these steps:

- (1) Divide the Level IV salary by 2087 to determine the hourly rate. Rates must be rounded to the nearest cent, counting one-half cent and over as the next higher cent (e.g., round \$18.845 to \$18.85).
- (2) Multiply the hourly rate by 8 hours. The product is the maximum daily rate.

Contracts and subcontracts with firms for services that are awarded using the procurement requirements in Subpart D of 2 CFR Part 200 are not affected by this limitation unless the terms of the contract provide the recipient with responsibility for the selection, direction and control of the individuals who will be providing services under the contract at an hourly or daily rate of compensation. See [2 CFR 1500.10](#).

## 8. Establishing and Managing Subawards

If the recipient chooses to pass funds from this assistance agreement to other entities, the recipient must comply with applicable provisions of 2 CFR Part 200 and the [EPA Subaward Policy](#).

**Subawards to Federal Agencies – Clarity on Applicable EPA Terms and Conditions:** If the subrecipient is federal agency, the only provisions of the EPA General Terms and Conditions implementing 2 CFR Part 200 on subawards that apply are: (1) the requirement for the federal agency to obtain a Unique Entity Identifier (UEI) in accordance with 2 CFR Part 25 as described in Item 3 below and (2) the requirement for the recipient to report on first-tier subawards as described in EPA General Term and Condition 15.1, “Reporting of first tier subawards.”

As provided within 2 CFR 200.101(a)(2), all other provisions of 2 CFR Part 200, Subparts A through E, do not apply to subawards with federal agencies. Transactions between the recipient and the federal agency subrecipient will be governed by the federal agency subrecipient’s cost reimbursement agreement with the recipient.

As a pass-through entity, the recipient agrees to:

- 1) Be responsible for selecting subrecipients and as appropriate conducting subaward competitions using a system for properly differentiating between subrecipients and procurement contractors under the standards at [2 CFR 200.331](#) and EPA’s supplemental guidance in [Appendix A](#) of the [EPA Subaward Policy](#).
  - (a) For-profit organizations and individual consultants, in almost all cases, are not eligible subrecipients under EPA financial assistance programs and the pass-through entity must obtain prior written approval from EPA’s Award Official for subawards to these entities unless the EPA- approved budget and work plan for this agreement contain a precise description of such subawards.
  - (b) Stipends and travel assistance for trainees (including interns) and similar individuals who are not are not employees of the pass-through entity must be classified as participant support costs rather than subawards as provided in [2 CFR 200.1 Participant support costs](#), [2 CFR 200.1 Subaward](#), and EPA’s [Guidance on Participant Support Costs](#).
  - (c) Subsidies, rebates and similar payments to participants in EPA funded programs to encourage environmental stewardship are also classified as *Participant support costs* as provided in 2 CFR 1500.1 and EPA’s [Guidance on Participant Support Costs](#).
- 2) Establish and follow a system that ensures all subaward agreements are in writing and contain all of the elements required by 2 CFR 200.332(a). EPA has developed a template for subaward agreements that is available in [Appendix D](#) of the [EPA Subaward Policy](#).
- 3) Prior to making subawards, ensure that each subrecipient has a “Unique Entity Identifier (UEI).” The UEI is required by [2 CFR Part 25](#) and [2 CFR 200.332\(a\)\(1\)](#). Subrecipients are not required to complete full System for Award Management (SAM) registration to obtain a UEI. Information regarding obtaining a UEI is available at the SAM Internet site: <https://www.sam.gov/SAM/> and

in EPA's General Term and Condition "**System for Award Management and Universal Identifier Requirements**" of the pass-through entity's agreement with the EPA.

- 4) Ensure that subrecipients are aware that they are subject to the same requirements as those that apply to the pass-through entity's EPA award as required by [2 CFR 200.332\(a\)\(2\)](#). These requirements include, among others:
  - (a) Title VI of the Civil Rights Act and other Federal statutes and regulations prohibiting discrimination in Federal financial assistance programs, as applicable.
  - (b) Reporting Subawards and Executive Compensation under Federal Funding Accountability and Transparency Act (FFATA) set forth in the General Condition pass-through entity's agreement with EPA entitled "**Reporting Subawards and Executive Compensation.**"
  - (c) Limitations on individual consultant fees as set forth in 2 CFR 1500.10 and the General Condition of the pass-through entity's agreement with EPA entitled "**Consultant Fee Cap.**"
  - (d) EPA's prohibition on paying management fees as set forth in General Condition of the pass-through entity's agreement with EPA entitled "**Management Fees.**"
  - (e) The Procurement Standards in [2 CFR Part 200](#) including those requiring competition when the subrecipient acquires goods and services from contractors (including consultants).

EPA provides general information on other statutes, regulations, and Executive Orders on the Grants internet site at <https://www.epa.gov/grants/epa-subaward-cross-cutter-requirements>. Many Federal requirements are agreement or program specific, and EPA encourages pass-through entities to review the terms of their assistance agreement carefully and consult with their EPA Project Officer for advice if necessary.

- 5) Ensure, for states and other public recipients, that subawards are not conditioned in a manner that would disadvantage applicants for subawards based on their religious character.
- 6) Establish and follow a system for evaluating subrecipient risks of noncompliance with Federal statutes, regulations and the terms and conditions of the subaward as required by [2 CFR 200.332\(b\)](#) and document the evaluation. Risk factors may include:
  - (a) Prior experience with same or similar subawards
  - (b) Results of previous audits;
  - (c) Whether new or substantially changed personnel or systems, and;
  - (d) Extent and results of Federal awarding agency or the pass-through entity's monitoring
- 7) Establish and follow a process for deciding whether to impose additional requirements on subrecipients based on risk factors as required by [2 CFR 200.332\(c\)](#). Examples of additional requirements authorized by 2 CFR 200.208 include:
  - (a) Requiring payments as reimbursements rather than advance payments;
  - (b) Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance;

- (c) Requiring additional, more detailed financial reports;
  - (d) Requiring additional project monitoring;
  - (e) Requiring the non-Federal entity to obtain technical or management assistance, and
  - (f) Establishing additional prior approvals
- 8) Establish and follow a system for monitoring subrecipient performance that includes the elements required by [2 CFR 200.332\(d\)](#) and report the results of the monitoring in performance reports as provided in the reporting terms and conditions of this agreement.
  - 9) Establish and maintain an accounting system which ensures compliance with the \$25,000 limitation at 2 CFR 200.1, Modified Total Direct Costs, if applicable, on including subaward costs in *Modified Total Direct Costs* for the purposes of distributing indirect costs. Recipients with Federally approved indirect cost rates that use a different basis for distributing indirect costs to subawards must comply with their Indirect Cost Rate Agreement.
  - 10) Work with EPA's Project Officer to obtain the written consent of EPA's Office of International and Tribal Affairs (OITA), prior to awarding a subaward to a foreign or international organization, or a subaward to be performed in a foreign country even if that subaward is described in a proposed scope of work.
  - 11) Obtain written approval from EPA's Award Official for any subawards that are not described in the approved work plan in accordance with [2 CFR 200.308](#).
  - 12) Obtain the written approval of EPA's Award Official prior to awarding a subaward to an individual if the EPA-approved scope of work does not include a description of subawards to individuals.
  - 13) Establish and follow written procedures under [2 CFR 200.302\(b\)\(7\)](#) for determining that subaward costs are allowable in accordance with [2 CFR Part 200, Subpart E](#) and the terms and conditions of this award. These procedures may provide for allowability determinations on a pre-award basis, through ongoing monitoring of costs that subrecipients incur, or a combination of both approaches provided the pass-through entity documents its determinations.
  - 14) Establish and maintain a system under [2 CFR 200.332\(d\)\(3\)](#) and [2 CFR 200.521](#) for issuing management decisions for audits of subrecipients that relate to Federal awards. However, the recipient remains accountable to EPA for ensuring that unallowable subaward costs initially paid by EPA are reimbursed or mitigated through offset with allowable costs whether the recipient recovers those costs from the subrecipient or not.
  - 15) As provided in [2 CFR 200.333](#), pass-through entities must obtain EPA approval to make fixed amount subawards. EPA is restricting the use of fixed amount subawards to a limited number of situations that are authorized in official EPA pilot projects. Recipients should consult with their EPA Project Officer regarding the status of these pilot projects.

By accepting this award, the recipient is certifying that it either has systems in place to comply with the requirements described in Items 1 through 14 above or will refrain from making subawards until the systems are designed and implemented.

## 9. Management Fees

Management Fees or similar charges in excess of the direct costs and approved indirect rates are not allowable. The term "management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses; unforeseen liabilities; or for other similar costs which are not allowable under this assistance agreement. Management fees or similar charges may not be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the scope of work.

## 10. Federal Employee Costs

The recipient understands that none of the funds for this project (including funds contributed by the recipient as cost sharing) may be used to pay for the travel of Federal employees or for other costs associated with Federal participation in this project unless a Federal agency will be providing services to the recipient as authorized by a Federal statute.

## 11. Foreign Travel

**EPA policy requires that all foreign travel must be approved by its Office of International and Tribal Affairs.** The recipient agrees to obtain prior EPA approval before using funds available under this agreement for international travel unless the trip(s) are already described in the EPA approved budget for this agreement. Foreign travel includes trips to Mexico and Canada but does not include trips to Puerto Rico, the U.S. Territories or possessions. Recipients that request post-award approval to travel frequently to Mexico and Canada by motor vehicle (e.g., for sampling or meetings) may describe their proposed travel in general terms in their request for EPA approval. Requests for prior approval must be submitted to the Project Officer for this agreement.

## 12. The Fly America Act and Foreign Travel

The recipient understands that all foreign travel **funded under this assistance agreement** must comply with the Fly America Act. All travel must be on U.S. air carriers certified under 49 U.S.C. Section 40118, to the extent that service by such carriers is available even if foreign air carrier costs are less than the American air carrier.

## 13. Union Organizing

Grant funds may not be used to support or oppose union organizing, whether directly or as an offset for other funds.

## Reporting and Additional Post-Award Requirements

### 14. System for Award Management and Universal Identifier Requirements

- 14.1 Requirement for System for Award Management ([SAM](#))** Unless exempted from this requirement under [2 CFR 25.110](#), the recipient must maintain current information in the SAM. This includes information on the recipient's immediate and highest-level owner and subsidiaries, as well as on all the recipient's predecessors that have been



awarded a Federal contract or Federal financial assistance within the last three years, if applicable, until the submittal of the final financial report required under this award or receipt of the final payment, whichever is later. This requires that the recipient reviews and updates the information at least annually after the initial registration, and more frequently if required by changes in the information or another award term.

**14.2 Requirement for Unique Entity Identifier.** If the recipient is authorized to make subawards under this award, the recipient:

- a. Must notify potential subrecipients that no entity (see definition in paragraph 14.3 of this award term) may receive a subaward unless the entity has provided its Unique Entity Identifier.
- b. May not make a subaward to an entity unless the entity has provided its Unique Entity Identifier. Subrecipients are not required to obtain an active SAM registration but must obtain a Unique Entity Identifier.

**14.3 Definitions.** For the Purpose of this award term:

- a. **System for Award Management (SAM)** means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site: <https://www.sam.gov/SAM/>.
- b. **Unique Entity Identifier** means the identifier assigned by SAM to uniquely identify business entities
- c. **Entity** includes non-Federal entities as defined as 2 CFR 200.1 and also includes all of the following:
  - 14.3.c.1. A foreign organization;
  - 14.3.c.2. A foreign public entity;
  - 14.3.c.3. A domestic for-profit organization; and
  - 14.3.c.4. A domestic or foreign for-profit organization; and
  - 14.3.c.5. A Federal agency.
- d. **Subaward** is defined at 2 CFR 200.1
- e. **Subrecipient** is defined at 2 CFR 200.1

## 15. Reporting Subawards and Executive Compensation

**15.1 Reporting of first tier subawards.**

- a. **Applicability.** Unless the recipient is exempt as provided in paragraph 15.4. of this award term, the recipient must report each action that obligates \$30,000 or more in Federal funds for a subaward to a non-Federal entity or Federal agency (see definitions in paragraph 15.5 of this award term).
- b. **Where and When to Report.** (1) The recipient must report each obligating action described in paragraph 15.1.a of this award term to [www.fsrs.gov](http://www.fsrs.gov). (2) For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on any date during the month of November of a given year, the obligation must be reported by no later than December 31 of that year.)

- c. **What to Report.** The recipient must report the information about each obligating action as described in the submission instructions available at: <http://www.fsr.gov>.

## 15.2 Reporting Total Compensation of Recipient Executives.

- a. **Applicability and What to Report.** The recipient must report total compensation for each of their five most highly compensated executives for the preceding completed fiscal year, if:
  - 15.2.a.1. The total Federal funding authorized to date under this award is \$30,000 or more;
  - 15.2.a.2. In the preceding fiscal year, the recipient received: (i.) 80 percent or more of their annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at [2 CFR 170.320](#) (and subawards); (ii.) and \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
  - 15.2.a.3. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at: <http://www.sec.gov/answers/execomp.htm>.)
- b. **Where and When to Report.** The recipient must report executive total compensation described in paragraph 15.2.a of this award term: (i.) As part of the registration System for Award Management profile available at <https://www.sam.gov/SAM/> (ii.) By the end of the month following the month in which this award is made, and annually thereafter.

## 15.3 Reporting Total Compensation of Subrecipient Executives.

- a. **Applicability and What to Report.** Unless exempt as provided in paragraph 15.4. of this award term, for each first-tier non-Federal entity subrecipient under this award, the recipient shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if:
  - 15.3.a.1. In the subrecipient's preceding fiscal year, the subrecipient received: (i.) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (ii.) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

**15.3.a.2.** The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at:

[http:// www.sec.gov/answers/execomp.htm.](http://www.sec.gov/answers/execomp.htm))

**b. Where and When to Report.** The recipient must report subrecipient executive total compensation described in paragraph 15.3.a. of this award term:

**15.3.b.1.** To the recipient.

**15.3.b.2.** By the end of the month following the month during which the recipient makes the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), the recipient must report any required compensation information of the subrecipient by November 30 of that year.

#### **15.4 Exemptions**

**a.** If, in the previous tax year, the recipient had gross income, from all sources, under \$300,000, the recipient is exempt from the requirements to report:

**15.4.a.1.** (i) subawards, and (ii) the total compensation of the five most highly compensated executives of any subrecipient.

#### **15.5 Definitions.** For purposes of this award term:

**a. Federal Agency** means a Federal agency as defined at 5 U.S.C. 551(1) and further clarified by 5 U.S.C 552(f).

**b. Non-Federal entity** means all of the following, as defined in 2 CFR Part 25: (i.) A Governmental organization, which is a State, local government, or Indian tribe; (ii.) A foreign public entity; (iii.) A domestic or foreign nonprofit organization; and (iv.) A domestic or foreign for-profit organization.

**c. Executive** means officers, managing partners, or any other employees in management positions.

**d. Subaward:**

**15.5.d.1.** This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

**15.5.d.2.** The term does not include procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.331).

**15.5.d.3.** A subaward may be provided through any legal agreement, including an agreement that the recipient or a subrecipient considers a contract.

**e. Subrecipient** means a non-Federal entity or Federal agency that:

**15.5.e.1.** Receives a subaward from the recipient under this award; and

**15.5.e.2.** Is accountable to the recipient for the use of the Federal funds provided by the subaward.

**f. Total compensation** means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see [17 CFR 229.402\(c\)\(2\)](#)):

**15.5.f.1.** Salary and bonus.

**15.5.f.2.** Awards of stock, stock options and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

**15.5.f.3.** Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives and are available generally to all salaried employees.

**15.5.f.4.** Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

**15.5.f.5.** Above-market earnings on deferred compensation which is not tax-qualified.

**15.5.f.6.** Other compensation, if the aggregate value of all such other compensation (e.g., severance, termination payments, value of life insurance paid on behalf of the employee, perquisites, or property) for the executive exceeds \$10,000.

## **16. Recipient Integrity and Performance Matters – Reporting of Matters Related to Recipient Integrity and Performance**

### **16.1 General Reporting Requirement**

If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then you as the recipient during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the responsibility/qualification information) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

### **16.2 Proceedings About Which You Must Report**

Submit the information required about each proceeding that:

- a. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;
- b. Reached its final disposition during the most recent five-year period; and
- c. Is one of the following:
  - 16.2.c.1.** A criminal proceeding that resulted in a conviction, as defined in paragraph 5 of this award term and condition;
  - 16.2.c.2.** A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;
  - 16.2.c.3.** An administrative proceeding, as defined in paragraph 5. of this award term and condition, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000; or
  - 16.2.c.4.** Any other criminal, civil, or administrative proceeding if:
    - 16.2.c.4.1.** It could have led to an outcome described in paragraph 16.2.c.1, 16.2.c.2, or 16.2.c.3 of this award term and condition;
    - 16.2.c.4.2.** It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and
    - 16.2.c.4.3.** The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

**16.3 Reporting Procedures**

Enter in SAM Entity Management area the information that SAM requires about each proceeding described in paragraph 2 of this award term and condition. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM because you were required to do so under Federal procurement contracts that you were awarded.

**16.4 Reporting Frequency**

During any period of time when you are subject to the requirement in paragraph 16.1 of this award term and condition, you must report proceedings information through SAM for the most recent five-year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report. Recipients that have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.

**16.5 Definitions**

For purposes of this award term and condition:

- a. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (*e.g.*, Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals

proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.

- b. Conviction, for purposes of this award term and condition, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.
- c. Total value of currently active grants, cooperative agreements, and procurement contracts includes –
  - 16.5.c.1.** Only the Federal share of the funding under any Federal award with a recipient cost share or match; and
  - 16.5.c.2.** The value of all expected funding increments under a Federal award and options, even if not yet exercised.

## 17. Federal Financial Reporting (FFR)

Pursuant to [2 CFR 200.328](#) and [2 CFR 200.344](#), EPA recipients must submit the Federal Financial Report (SF-425) at least annually and no more frequently than quarterly. EPA's standard reporting frequency is annual unless an EPA Region has included an additional term and condition specifying greater reporting frequency within this award document. EPA recipients must submit the SF-425 no later than 30 calendar days after the end of each specified reporting period for quarterly and semi-annual reports and 90 calendar days for annual reports. Final reports are due no later than 120 calendar days after the end date of the period of performance of the award. Extension of reporting due dates may be approved by EPA when requested and justified by the recipient. The FFR form is available on the internet at: <https://www.epa.gov/grants/sf-425-federal-financial-report>. All FFRs must be submitted to the Research Triangle Park Finance Center (RTPFC) via email at [rtpfc-grants@epa.gov](mailto:rtpfc-grants@epa.gov) or mail it to:

US Environmental Protection Agency  
RTP-Finance Center (Mail Code AA216-01)  
4930 Page Rd.  
Durham, NC 27703

The RTPFC will make adjustments as necessary, to obligated funds after reviewing and accepting a final Federal Financial Report. Recipients will be notified and instructed by EPA if they must complete any additional forms for the closeout of the assistance agreement.

## 18. Indirect Cost Rate Agreements

This term and condition provides requirements for recipients using EPA funds for indirect costs and applies to all EPA assistance agreements unless there are [statutory or regulatory limits on IDCs](#). See also [EPA's Indirect Cost Policy for Recipients of EPA Assistance Agreements](#) (IDC Policy).

In order for the assistance agreement recipient to use EPA funding for indirect costs, the IDC category of the recipient's assistance agreement award budget must include an amount for IDCs and at least one of the following must apply:

- With the exception of “exempt” agencies and Institutions of Higher Education as noted below, all recipients must have one of the following current (not expired) IDC rates, including IDC rates that have been extended by the cognizant agency:
  - Provisional
  - Final
  - Fixed rate with carry-forward
  - Predetermined
  - 10% *de minimis* rate of modified total direct costs authorized by [2 CFR 200.414\(f\)](#)
  - EPA-approved use of an expired fixed rate with carry-forward on an exception basis, as detailed in section 6.4.a. of the IDC Policy
- “Exempt” state of local governmental departments or agencies are agencies that receive up to and including \$35,000,000 in Federal funding per the department or agency's fiscal year and must have an IDC rate proposal developed in accordance with 2 CFR Part 200, Appendix VII, with documentation maintained and available for audit.
- Institutions of Higher Education must use the IDC rate in place at the time of award for the life of the assistance agreement (unless the rate was provisional at time of award, in which case the rate will change once it becomes final). As provided by 2 CFR Part 200, Appendix III(C)(7), the term “life of the assistance agreement”, means each competitive segment of the project. Additional information is available in the regulation.

IDCs incurred during any period of the assistance agreement that are not covered by the provisions above are not allowable costs and must not be drawn down by the recipient. Recipients may budget for IDCs if they have submitted a proposed IDC rate to their cognizant Federal agency or requested an exception from EPA under subsection 6.4 of the IDC Policy. However, recipients may not draw down IDCs until their rate is approved, if applicable, or EPA grants an exception. IDC drawdowns must comply with the indirect rate corresponding to the period during which the costs were incurred.

This term and condition does not govern indirect rates for subrecipients or recipient procurement contractors under EPA assistance agreements. Pass-through entities are required to comply with 2 CFR 200.332(a)(4)(i) and (ii) when establishing indirect cost rates for subawards.

## 19. Audit Requirements

In accordance with [2 CFR 200.501\(a\)](#), the recipient hereby agrees to obtain a single audit from an independent auditor, if their organization expends \$750,000 or more in total Federal funds in their fiscal year for that year.

The recipient must submit the form SF-SAC and a Single Audit Report Package within 9 months of the end of the recipient's fiscal year or 30 days after receiving the report from an independent

auditor. The SF-SAC and a Single Audit Report Package MUST be submitted using the Federal Audit Clearinghouse's Internet Data Entry System available at: <https://facides.census.gov/>.

For complete information on how to accomplish the single audit submissions, the recipient will need to visit the Federal Audit Clearinghouse Web site: <https://facweb.census.gov/>

## **20. Closeout Requirements**

Reports required for closeout of the assistance agreement must be submitted in accordance with this agreement. Submission requirements and frequently asked questions can also be found at: <https://www.epa.gov/grants/frequent-questions-about-closeouts>

## **21. Suspension and Debarment**

Recipient shall fully comply with Subpart C of 2 C.F.R. Part 180 entitled, "Responsibilities of Participants Regarding Transactions Doing Business With Other Persons," as implemented and supplemented by [2 C.F.R. Part 1532](#). Recipient is responsible for ensuring that any lower tier covered transaction, as described in Subpart B of [2 C.F.R. Part 180](#), entitled "Covered Transactions," and [2 C.F.R. § 1532.220](#), includes a term or condition requiring compliance with 2 C.F.R. Part 180, Subpart C. Recipient is responsible for further requiring the inclusion of a similar term and condition in any subsequent lower tier covered transactions. Recipient acknowledges that failing to disclose the information required under [2 C.F.R. § 180.335](#) to the EPA office that is entering into the transaction with the recipient may result in the delay or negation of this assistance agreement, or pursuance of administrative remedies, including suspension and debarment. Recipients may access the System for Award Management (SAM) exclusion list at <https://sam.gov/SAM/> to determine whether an entity or individual is presently excluded or disqualified.

## **22. Representation by Corporations Regarding Delinquent Tax Liability or a Felony Conviction under any Federal Law**

This award is subject to the provisions contained in an appropriations act(s) which prohibits the Federal Government from entering into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to any corporation having a delinquent Federal tax liability or a felony conviction under any Federal law, unless the agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government. A "corporation" is a legal entity that is separate and distinct from the entities that own, manage, or control it. It is organized and incorporated under the jurisdictional authority of a governmental body, such as a State or the District of Columbia. A corporation may be a for-profit or non-profit organization.

As required by the appropriations act(s) prohibitions, the Government will not enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee with any corporation that — (1) Has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority



responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless an agency has considered suspension or debarment of the corporation and made a determination that suspension or debarment is not necessary to protect the interests of the Government; or (2) Was convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless an agency has considered suspension or debarment of the corporation and made a determination that this action is not necessary to protect the interests of the Government.

By accepting this award, the recipient represents that it is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.

Alternatively, by accepting this award, the recipient represents that it disclosed unpaid Federal tax liability information and/or Federal felony conviction information to the EPA. The recipient may accept this award if the EPA Suspension and Debarment Official has considered suspension or debarment of the corporation based on tax liabilities and/or Federal felony convictions and determined that suspension or debarment is not necessary to protect the Government's interests.

If the recipient fails to comply with this term and condition, EPA will annul this agreement and may recover any funds the recipient has expended in violation of the appropriations act(s) prohibition(s). The EPA may also pursue other administrative remedies as outlined in 2 CFR 200.339 and 2 CFR 200.340 and may also pursue suspension and debarment.

## **23. Disclosing Conflict of Interest**

### **23.1 For Award to Non-Federal Entities and Individuals (other than states and fellowship recipients under 40 CFR Part 46)**

As required by [2 CFR 200.112](#), EPA has established a policy (COI Policy) for disclosure of conflicts of interest (COI) that may affect EPA financial assistance awards. EPA's COI Policy is posted at <https://www.epa.gov/grants/epas-financial-assistance-conflict-interest-policy>. The posted version of EPA's COI Policy is applicable to new funding (initial awards, supplemental and incremental funding) awarded on or after October 1, 2015.

For competitive awards, recipients must disclose any competition related COI described in section 4.0(a) of the COI Policy that are discovered after award to the EPA Grants Specialist listed on the Assistance Agreement/Amendment within 30 calendar days of discovery of the COI. The Grants Specialist will respond to any such disclosure within 30 calendar days.

EPA's COI Policy requires that recipients have systems in place to address, resolve and disclose to EPA COIs described in sections 4.0(b), (c) and/or (d) of the COI Policy that affect any contract or subaward regardless of amount funded under this award. The recipient's COI Point of Contact for the award must disclose any COI to the EPA Grants Specialist listed on the Assistance Agreement/Amendment within 30 calendar days of the discovery of the potential COI and their approach for resolving the COI.

EPA's COI Policy requires that subrecipients have systems in place to address, resolve and disclose COI's described in section 4.0(b)(c) and (d) of the COI Policy regardless of the amount of the transaction. Recipients who are pass-through entities as defined at 2 CFR 200.1 must require that subrecipients being considered for or receiving subawards disclose COI to the pass-through entities in a manner that, at a minimum, is in accordance with sections 5.0(d) and 7.0(c) of EPA's COI Policy. Pass-through entities must disclose the subrecipient COI along with the approach for resolving the COI to the EPA Grants Specialist listed on the Assistance Agreement/Amendment within 30 calendar days of receiving notification of the COI by the subrecipient.

EPA only requires that recipients and subrecipients disclose COI's that are discovered under their systems for addressing and resolving COI. If recipients or subrecipients do not discover a COI, they do not need to advise EPA or the pass-through entity of the absence of a COI.

Upon notice from the recipient of a potential COI and the approach for resolving it, the Agency will then make a determination regarding the effectiveness of these measures within 30 days of receipt of the recipient's notice unless a longer period is necessary due to the complexity of the matter. Recipients may not request payment from EPA for costs for transactions subject to the COI pending notification of EPA's determination. Failure to disclose a COI may result in cost disallowances.

Disclosure of potential COI will not necessarily result in EPA disallowing costs, with the exception of procurement contracts that the Agency determines violate [2 CFR 200.318\(c\)\(1\) or \(2\)](#), provided the recipient notifies EPA of measures the recipient or subrecipient has taken to eliminate, neutralize or mitigate the conflict of interest when making the disclosure.

## **23.2 For Awards to States Including State Universities that are State Agencies or Instrumentalities**

As required by 2 CFR 200.112, EPA has established a policy (COI Policy) for disclosure of conflicts of interest (COI) that may affect EPA financial assistance awards. EPA's COI Policy is posted at: <https://www.epa.gov/grants/epas-financial-assistance-conflict-interest-policy>. The posted version of EPA's COI Policy is applicable to new funding

(initial awards, supplemental, incremental funding) awarded on or after October 1, 2015.

For competitive awards, recipients must disclose any competition related COI described in section 4.0(a) of the COI Policy that are discovered after award to the EPA Grants Specialist listed on the Assistance Agreement/Amendment within 30 calendar days of discovery of the COI. The Grants Specialist will respond to any such disclosure within 30 calendar days.

States including state universities that are state agencies and instrumentalities receiving funding from EPA are only required to disclose subrecipient COI as a pass-through entity as defined by 2 CFR 200.1. Any other COI are subject to state laws, regulations, and policies. EPA's COI Policy requires that subrecipients have systems in place to address, resolve and disclose COIs described in section 4.0(b)(c) and (d) of the COI Policy that arise after EPA made the award regardless of the amount of the transaction. States who are pass-through entities as defined at 2 CFR 200.1 must require that subrecipients being considered for or receiving subawards disclose COI to the state in a manner that, as a minimum, in accordance with sections 5.0(d) and 7.0(c) of EPA's COI Policy. States must disclose the subrecipient COI along with the approach for resolving the COI to the EPA Grants Specialist listed on the Assistance Agreement/Amendment within 30 calendar days of receiving notification of the COI by the subrecipient.

EPA only requires that subrecipients disclose COI's to state pass-through entities that are discovered under their systems for addressing, resolving, and disclosing COI. If subrecipients do not discover a COI, they do not need to advise state pass-through entities of the absence of a COI.

Upon receiving notice of a potential COI and the approach for resolving it, the Agency will make a determination regarding the effectiveness of these measures within 30 days of receipt of the state's notice of a subrecipient COI unless a longer period is necessary due to the complexity of the matter. States may not request payment from EPA for costs for transactions subject to the COI pending notification of EPA's determination. A subrecipient's failure to disclose a COI to the state and EPA may result in cost disallowances.

Disclosure of potential subrecipient COI will not necessarily result in EPA disallowing costs, with the exception of procurement contracts that the Agency determines violate 2 CFR 200.318(c)(1) or (2), provided the subrecipient has taken measures that EPA and the state agree eliminate, neutralize or mitigate the conflict of interest.

## 24. Transfer of Funds

### 24.1 Transfer of Funds

**Applicable to all assistance agreements other than Continuing Environmental Program Grants subject to 40 CFR 35.114 and 40 CFR 35.514 when EPA's share of the total project costs exceeds the Simplified Acquisition Threshold. Simplified Acquisition Threshold is defined at 2 CFR 200.1 and is currently set at \$250,000 but the amount is subject to adjustment.**

- (1) As provided at [2 CFR 200.308\(f\)](#), the recipient must obtain prior approval from EPA's Grants Management Officer if the cumulative amount of funding transfers among direct budget categories or programs, functions and activities exceeds 10% of the total budget. Recipients must submit requests for prior approval to the Grant Specialist and Grants Management Officer with a copy to the Project Officer for this agreement.
- (2) Recipients must notify EPA's Grant Specialist and Project Officer of cumulative funding transfers among direct budget categories or programs, functions and activities that do not exceed 10% of the total budget for the agreement. Prior approval by EPA's Grant Management Officer is required if the transfer involves any of the items listed in [2 CFR 200.407](#) that EPA did not previously approve at time of award or in response to a previous post-award request by the recipient.

### 24.2 Post-Award Changes for Continuing Environmental Program Grants

**Applicable to Continuing Environmental Program Grants subject to 40 CFR 35.114 and 40 CFR 35.514 when EPA's share of the total project costs exceeds the Simplified Acquisition Threshold. Simplified Acquisition Threshold is defined at 2 CFR 200.1 and is currently set at \$250,000 but the amount is subject to adjustment.**

To determine if a post-award change in work plan commitments is significant and requires prior written approval for the purposes of [40 CFR §35.114\(a\)](#) or [40 CFR §35.514\(a\)](#), the recipient agrees to consult the EPA Project Officer (PO) before making the change. The term work plan commitments is defined at [40 CFR §35.102](#). If the PO determines the change is significant, the recipient cannot make the change without prior written approval by the EPA Award Official or Grants Management Officer.

The recipient must obtain written approval from the EPA Award Official prior to transferring funds from one budget category to another if the EPA Award Official determines that such transfer significantly changes work plan commitment(s). All transfers must be reported in required performance reports. In addition, unless approved with the budget at the time of award, Continuing Environmental Program (CEP) recipients must also obtain prior written approval from the EPA Award Official or Grants Management Officer to use EPA funds for directly charging compensation for administrative and clerical personnel under [2 CFR 200.413\(c\)](#) and the General Provisions for Selected Items of Cost allowability at [2 CFR 200.420](#) through [2 CFR 200.476](#) as supplemented by [EPA's Guidance on Selected Items of Cost](#). The recipient is not required to obtain prior written approval from the EPA Award Official for other items requiring prior EPA approval listed in [2 CFR §§ 200.407](#).

## 25. Electronic/Digital Signatures on Financial Assistance Agreement Form(s)/Document(s)

Throughout the life of this assistance agreement, the recipient agrees to ensure that any form(s)/document(s) required to be signed by the recipient and submitted to EPA through any means including but not limited to hard copy via U.S. mail or express mail, hand delivery or through electronic means such as e-mail are: (1) signed by the individual identified on the form/document, and (2) the signer has the authority to sign the form/document for the recipient. Submission of any signed form(s)/document(s) is subject to any provisions of law on making false statements (e.g., 18 U.S.C. 1001).

## 26. Extension of Project/Budget Period Expiration Date

EPA has not exercised the waiver option to allow automatic one-time extensions for non-research grants under [2 CFR 200.308\(e\)\(2\)](#). Therefore, if a no-cost time extension is necessary to extend the period of availability of funds, the recipient must submit a written request to the EPA prior to the budget/project period expiration dates. **The written request must include:** a justification describing the need for additional time, an estimated date of completion, and a revised schedule for project completion including updated milestone target dates for the approved workplan activities. In addition, if there are overdue reports required by the general, administrative, and/or programmatic terms and conditions of this assistance agreement, the recipient must ensure that they are submitted along with or prior to submitting the no-cost time extension request.

## 27. Utilization of Disadvantaged Business Enterprises

### General Compliance, 40 CFR, Part 33

The recipient agrees to comply with the requirements of EPA's Disadvantaged Business Enterprise (DBE) Program for procurement activities under assistance agreements, contained in [40 CFR, Part 33](#).

The following text provides updates to 40 CFR, Part 33 based upon the associated class exception or highlights a requirement.

#### 1) EPA MBE/WBE CERTIFICATION, 40 CFR, Part 33, Subpart B

EPA no longer certifies entities as Minority-Owned Business Entities (MBEs) or Women-Owned Business Entities (WBEs) pursuant to a class exception issued in October 2019. The class exception was authorized pursuant to the authority in [2 CFR, Section 1500.4\(b\)](#).

#### 2) SIX GOOD FAITH EFFORTS, 40 CFR, Part 33, Subpart C

Pursuant to [40 CFR Section 33.301](#), the recipient agrees to make good faith efforts whenever procuring construction, equipment, services and supplies under an EPA financial assistance agreement, and to require that sub-recipients, loan recipients, and prime contractors also comply. Records documenting compliance with the six good faith efforts shall be retained. The specific six good faith efforts can be found at: [40 CFR Section 33.301 \(a\)-\(f\)](#).

However, in EPA assistance agreements that are for the benefit of Native Americans, the recipient must solicit and recruit Native American organizations and Native American-owned

economic enterprises and give them preference in the award process prior to undertaking the six good faith efforts ([40 CFR Section 33.304](#)). If recruiting efforts are unsuccessful, the recipient must follow the six good faith efforts.

**3) CONTRACT ADMINISTRATION PROVISIONS, 40 CFR, Section 33.302**

The recipient agrees to comply with the contract administration provisions of [40 CFR Section 33.302](#) (a)-(d) and (i).

**4) BIDDERS LIST, 40 CFR Section 33.501(b) and (c)**

Recipients of a Continuing Environmental Program Grant or other annual reporting grant, agree to create and maintain a bidders list. Recipients of an EPA financial assistance agreement to capitalize a revolving loan fund also agree to require entities receiving identified loans to create and maintain a bidders list if the recipient of the loan is subject to, or chooses to follow, competitive bidding requirements. Please see [40 CFR Section 33.501 \(b\) and \(c\)](#) for specific requirements and exemptions.

**5) FAIR SHARE OBJECTIVES, 40 CFR, Part 33, Subpart D**

In June 2023, EPA reinstated the requirements under 40 CFR, Part 33, Subpart D. Unless the recipient is exempted from these requirements as outlined in [40 CFR 33.411](#), the recipient agrees to submit fair share objectives for EPA approval within 120 days of acceptance of this award, and, once approved, apply them to procurements under this award in accordance with Subpart D. See [RAIN-2023-G02](#) for information on EPA’s reinstatement of the fair share objectives.

**6) MBE/WBE REPORTING, 40 CFR, Part 33, Subpart E**

When required, the recipient agrees to complete and submit a “MBE/WBE Utilization Under Federal Grants and Cooperative Agreements” report (EPA Form 5700-52A) on an annual basis. The current EPA Form 5700-52A can be found at the EPA Grantee Forms Page at [https://www.epa.gov/system/files/documents/2021-08/epa\\_form\\_5700\\_52a.pdf](https://www.epa.gov/system/files/documents/2021-08/epa_form_5700_52a.pdf).

Reporting is required for assistance agreements where funds are budgeted for procuring construction, equipment, services and supplies (including funds budgeted for direct procurement by the recipient or procurement under subawards or loans in the “Other” category) with a cumulative total that exceed the Simplified Acquisition Threshold (SAT) (currently, \$250,000 however the threshold will be automatically revised whenever the SAT is adjusted; See 2 CFR Section 200.1), including amendments and/or modifications. When reporting is required, all procurement actions are reportable, not just the portion which exceeds the SAT.

**Annual reports are due by October 30<sup>th</sup> of each year. Final reports are due 120 days after the end of the project period.**

This provision represents an approved exception from the MBE/WBE reporting requirements as described in [40 CFR Section 33.502](#).

**7) MBE/WBE RECORDKEEPING, 40 CFR, Part 33, Subpart E**

The recipient agrees to comply with all recordkeeping requirements as stipulated [in 40 CFR Part 33, Subpart E](#) including creating and maintain a bidders list, when required. Any document created as a record to demonstrate compliance with any requirements of 40 CFR Part 33 must be maintained pursuant to the requirements stated in this Subpart.

## Programmatic General Terms and Conditions

### 28. Sufficient Progress

EPA will measure sufficient progress by examining the performance required under the workplan in conjunction with the milestone schedule, the time remaining for performance within the project period and/or the availability of funds necessary to complete the project. EPA may terminate the assistance agreement for failure to ensure reasonable completion of the project within the project period.

### 29. Copyrighted Material and Data

In accordance with [2 CFR 200.315](#), EPA has the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement for Federal purposes.

Examples of a Federal purpose include but are not limited to: (1) Use by EPA and other Federal employees for official Government purposes; (2) Use by Federal contractors performing specific tasks for [i.e., authorized by] the Government; (3) Publication in EPA documents provided the document does not disclose trade secrets (e.g. software codes) and the work is properly attributed to the recipient through citation or otherwise; (4) Reproduction of documents for inclusion in Federal depositories; (5) Use by State, tribal and local governments that carry out delegated Federal environmental programs as “co-regulators” or act as official partners with EPA to carry out a national environmental program within their jurisdiction and; (6) Limited use by other grantees to carry out Federal grants provided the use is consistent with the terms of EPA’s authorization to the other grantee to use the copyrighted works or other data.

Under Item 6, the grantee acknowledges that EPA may authorize another grantee(s) to use the copyrighted works or other data developed under this grant as a result of:

- The selection of another grantee by EPA to perform a project that will involve the use of the copyrighted works or other data, or
- Termination or expiration of this agreement.

In addition, EPA may authorize another grantee to use copyrighted works or other data developed with Agency funds provided under this grant to perform another grant when such use promotes efficient and effective use of Federal grant funds.

### 30. Patents and Inventions

Rights to inventions made under this assistance agreement are subject to federal patent and licensing regulations, which are codified at Title [37 CFR Part 401](#) and Title 35 USC Sections 200-212.

Pursuant to the Bayh-Dole Act (set forth in 35 USC 200-212), EPA retains the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the assistance agreement holder, as defined in the Act. To streamline the invention reporting process and to facilitate compliance with the Bayh-Dole Act, the recipient must utilize the Interagency Edison extramural invention reporting system at <https://www.nist.gov/iedison>. Annual utilization reports must be submitted through the system. The recipient is required to notify the Project Officer identified on the award document when an invention report, patent report, or utilization report is filed at <https://www.nist.gov/iedison>. EPA elects not to require the recipient to provide a report prior to the close-out of a funding agreement listing all subject inventions or stating that there were none.

In accordance with Executive Order 12591, as amended, government owned and operated laboratories can enter into cooperative research and development agreements with other federal laboratories, state and local governments, universities, and the private sector, and license, assign, or waive rights to intellectual property “developed by the laboratory either under such cooperative research or development agreements and from within individual laboratories.”

### **31. Acknowledgement Requirements for Non-ORD Assistance Agreements**

The recipient agrees that any reports, documents, publications, or other materials developed for public distribution supported by this assistance agreement shall contain the following statement: “This project has been funded wholly or in part by the United States Environmental Protection Agency under assistance agreement (number) to (recipient). The contents of this document do not necessarily reflect the views and policies of the Environmental Protection Agency, nor does the EPA endorse trade names or recommend the use of commercial products mentioned in this document.”

Recipients of EPA Office of Research Development (ORD) research awards must follow the acknowledgement requirements outlined in the research T&Cs available at: <https://www.nsf.gov/awards/managing/rtc.jsp>. In accordance with the [Research Terms and Conditions Overlay to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards \(Uniform Guidance\), 2 CFR §200](#), recipients of EPA ORD research must abide by the research T&Cs.

### **32. Electronic and Information Technology Accessibility**

Recipients are subject to the program accessibility provisions of Section 504 of the Rehabilitation Act, codified in [40 CFR Part 7](#), which includes an obligation to provide individuals with disabilities reasonable accommodations and an equal and effective opportunity to benefit from or participate in a program, including those offered through electronic and information technology (“EIT”). In compliance with Section 504, EIT systems or products funded by this award must be designed to meet the diverse needs of users (e.g., U.S. public, recipient personnel) without barriers or diminished function or quality. Systems shall include usability features or functions that accommodate the needs of persons with disabilities, including those who use assistive technology.



At this time, the EPA will consider a recipient's websites, interactive tools, and other EIT as being in compliance with Section 504 if such technologies meet standards established under Section 508 of the Rehabilitation Act, codified at [36 CFR Part 1194](#). While Section 508 does not apply directly to grant recipients, we encourage recipients to follow either the 508 guidelines or other comparable guidelines that concern accessibility to EIT for individuals with disabilities.

Recipients may wish to consult the latest Section 508 guidelines issued by the U.S. Access Board or W3C's Web Content Accessibility Guidelines (WCAG) 2.0 (see <https://www.access-board.gov/about/policy/accessibility.html>).

### **33. Human Subjects**

Human subjects research is any activity that meets the regulatory definitions of both research AND human subject. Research is a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge. Human subject means a living individual about whom an investigator (whether professional or student) conducting research: (i) Obtains information or biospecimens through intervention or interaction with the individual, and uses, studies, or analyzes the information or biospecimens; or (ii) Obtains, uses, studies, analyzes, or generates identifiable private information or identifiable biospecimens [40 CFR 26.102\(e\)\(l\)](#).

No research involving human subjects shall be conducted under this agreement without prior written approval of the EPA Human Subject Research Review Official (HSRRO) to proceed with that research. If engaged in human subjects' research as part of this agreement, the recipient agrees to comply with all applicable provisions of EPA Regulation 40 CFR 26 (Protection of Human Subjects). This includes, at Subpart A, the Basic Federal Policy for the Protection of Human Research Subjects, also known as the Common Rule. It also includes, at Subparts B, C, and D, prohibitions and additional protections for children, nursing women, pregnant women, and fetuses in research conducted or supported by EPA.

The recipient further agrees to comply with EPA's procedures for oversight of the recipient's compliance with 40 CFR 26, as given in EPA Order 1000.17A (Policy and Procedures on Protection of Human Research Subjects in EPA Conducted or Supported Research). As per this order, no human subject may be involved in any research conducted under this assistance agreement, including recruitment, until the research has been approved or determined to be exempt by the EPA HSRRO after review of the approval or exemption determination of the Institutional Review Board(s) (IRB(s)) with jurisdiction over the research under 40 CFR 26.

For HSRRO approval, the recipient must forward to the Project Officer: (1) copies of all documents upon which the IRB(s) with jurisdiction based their approval(s) or exemption determination(s), (2) copies of the IRB approval or exemption determination letter(s), (3) copy of the IRB-approved consent forms and subject recruitment materials, if applicable, and (4) copies of all supplementary IRB correspondence.

Following the initial approvals indicated above, the recipient must, as part of the annual report(s), provide evidence of continuing review and approval of the research by the IRB(s) with jurisdiction, as required by [40 CFR 26.109\(e\)](#). Materials submitted to the IRB(s) for their continuing review and approval are to be provided to the EPA HSRRO via the Project Officer upon IRB approval. During the course of the research, investigators must promptly report any unanticipated problems involving risk to subjects or others according to requirements set forth by the IRB. In addition, any event that is significant enough to result in the removal of the subject from the study should also be reported to the EPA HSRRO via the Project Officer, even if the event is not reportable to the IRB of record.

#### **34. Animal Subjects**

The recipient agrees to comply with the Animal Welfare Act of 1966 (P.L. 89-544), as amended, 7 USC 2131- 2156. Recipient also agrees to abide by the “U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training.” (Federal Register 50(97): 20864-20865. May 20,1985). The nine principles can be viewed at <https://olaw.nih.gov/policies-laws/phs-policy.htm>. For additional information about the Principles, the recipient should consult the [Guide for the Care and Use of Laboratory Animals](#), prepared by the Institute of Laboratory Animal Resources, National Research Council.

#### **35. Light Refreshments and/or Meals**

**(a) APPLICABLE TO ALL AGREEMENTS EXCEPT STATE CONTINUING ENVIRONMENTAL PROGRAMS (AS DESCRIBED BELOW):**

Unless the event(s) and all of its components are described in the approved workplan, the recipient agrees to obtain prior approval from EPA for the use of grant funds for light refreshments and/or meals served at meetings, conferences, training workshops and outreach activities (events). The recipient must send requests for approval to the EPA Project Officer and include:

- (1) An estimated budget and description for the light refreshments, meals, and/or beverages to be served at the event(s)
- (2) A description of the purpose, agenda, location, length, and timing for the event, and
- (3) An estimated number of participants in the event and a description of their roles

Costs for light refreshments and meals for recipient staff meetings and similar day-to-day activities are not allowable under EPA assistance agreements.

Recipients may address questions about whether costs for light refreshments, and meals for events may be allowable to the recipient’s EPA Project Officer; however, the Agency Award Official or Grant Management Officer will make final determinations on allowability. Agency policy prohibits the use of EPA funds for receptions, banquets and similar activities that take place after normal business hours unless the recipient has provided a justification that has been expressly approved by EPA's Award Official or Grants Management Officer.

EPA funding for meals, light refreshments, and space rental may not be used for any portion of an event where alcohol is served, purchased, or otherwise available as part of the event or meeting, even if EPA funds are not used to purchase the alcohol.

Note: U.S. General Services Administration regulations define light refreshments for morning, afternoon, or evening breaks to include, but not be limited to, coffee, tea, milk, juice, soft drinks, donuts, bagels, fruit, pretzels, cookies, chips, or muffins. ([41 CFR 301-74.7](#))

**(b) FOR STATE CONTINUING ENVIRONMENTAL PROGRAM GRANT RECIPIENTS EXCLUDING STATE UNIVERSITIES:**

If the state maintains systems capable of complying with federal grant regulations at [2 CFR 200.432](#) and [2 CFR 200.438](#), EPA has waived the prior approval requirements for the use of EPA funds for light refreshments and/or meals served at meetings, conferences, and training, as described above. The state may follow its own procedures without requesting prior approval from EPA. However, notwithstanding state policies, EPA funds may not be used for (1) evening receptions, or (2) other evening events (with the exception of working meetings). Examples of working meetings include those evening events in which small groups discuss technical subjects on the basis of a structured agenda or there are presentations being conducted by experts. EPA funds for meals, light refreshments, and space rental may not be used for any portion of an event (including evening working meetings) where alcohol is served, purchased, or otherwise available as part of the event or meeting, even if EPA funds are not used to purchase the alcohol.

By accepting this award, the state is certifying that it has systems in place (including internal controls) to comply with the requirements described above.

**36. Tangible Personal Property**

**36.1** Reporting pursuant to [2 CFR 200.312](#) and [2 CFR 200.314](#), property reports, if applicable, are required for Federally-owned property in the custody of a non-Federal entity upon completion of the Federal award or when the property is no longer needed. Additionally, upon termination or completion of the project, residual unused supplies with a total aggregate fair market value exceeding \$5,000 not needed for any other Federally-sponsored programs or projects must be reported. For Superfund awards under Subpart O, refer to [40 CFR 35.6340](#) and [40 CFR 35.6660](#) for property reporting requirements. Recipients should utilize the Tangible Personal Property Report form series (SF-428) to report tangible personal property.

**36.2 Disposition**

**36.2.1. Most Recipients.** Consistent with [2 CFR 200.313](#), unless instructed otherwise on the official award document, this award term, or at closeout, the recipient may keep the equipment and continue to use it on the project originally funded through this assistance agreement or on other federally funded projects whether or not the project or program continues to be supported by Federal funds.

**36.2.2. State Agencies.** Per 2 CFR 200.313(b), state agencies may manage and dispose of equipment acquired under this assistance agreement in accordance with state laws and procedures.

**36.2.3. Superfund Recipients.** Equipment purchased under Superfund projects is subject to specific disposal options in accordance with [40 CFR Part 35.6345](#).

### **37. Dual Use Research of Concern (DURC)**

The recipient agrees to conduct all life science research\* in compliance with [EPA's Order on the Policy and Procedures for Managing Dual Use Research of Concern](#) (EPA DURC Order) and [United States Government Policy for Institutional Oversight of Life Sciences Dual Use Research of Concern \(iDURC Policy\)](#). If the recipient is an institution within the United States that receives funding through this agreement, or from any other source, the recipient agrees to comply with the iDURC Policy if they conduct or sponsor research involving any of the agents or toxins identified in Section 6.2.1 of the iDURC Policy. If the institution is outside the United States and receives funding through this agreement to conduct or sponsor research involving any of those same agents or toxins, the recipient agrees to comply with the iDURC Policy. The recipient agrees to provide any additional information that may be requested by EPA regarding DURC and iDURC. The recipient agrees to immediately notify the EPA Project Officer should the project use or introduce use of any of the agents or toxins identified in the iDURC Policy. The recipient's Institution/Organization must also comply with USG iDURC policy and EPA DURC Order and will inform the appropriate government agency if funded by such agency of research with the agents or toxins identified in Section 6.2.1 of the iDURC Policy. If privately funded the recipient agrees to notify the National Institutes of Health at [DURC@od.nih.gov](mailto:DURC@od.nih.gov).

\* "*Life Sciences Research*," for purposes of the EPA DURC Order, and based on the definition of research in [40 CFR §26.102\(d\)](#), is a systematic investigation designed to develop or contribute to generalizable knowledge involving living organisms (e.g., microbes, human beings, animals, and plants) and their products. EPA does not consider the following activities to be research: routine product testing, quality control, mapping, collection of general-purpose statistics, routine monitoring and evaluation of an operational program, observational studies, and the training of scientific and technical personnel. [Note: This is consistent with Office of Management and Budget Circular A-11.]

### **38. Research Misconduct**

In accordance with [2 CFR 200.329](#), the recipient agrees to notify the EPA Project Officer in writing about research misconduct involving research activities that are supported in whole or in part with EPA funds under this project. EPA defines research misconduct as fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results [65 FR 76262. I], or ordering, advising or suggesting that subordinates engage in research misconduct. The recipient agrees to:

- (1) Immediately notify the EPA Project Officer who will then inform the EPA Office of Inspector General (OIG) if, at any time, an allegation of research misconduct falls into one of the categories listed below:
  - A. Public health or safety is at risk
  - B. Agency resources or interests are threatened
  - C. Circumstances where research activities should be suspended
  - D. There is a reasonable indication of possible violations of civil or criminal law
  - E. Federal action is required to protect the interests of those involved in the investigation
  - F. The research entity believes that the inquiry or investigation may be made public prematurely so that appropriate steps can be taken to safeguard evidence and protect the rights of those involved
  - G. Circumstances where the research community or public should be informed. [65 FR 76263.III]
- (2) Report other allegations to the OIG when they have conducted an inquiry and determined that there is sufficient evidence to proceed with an investigation. [65 FR 76263. III]

### **39. Scientific Integrity Terms and Conditions**

The recipient agrees to comply with [EPA's Scientific Integrity Policy](#) when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this award condition scientific activities include, but are not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue. The recipient agrees to:

#### **39.1 Scientific Products**

- 39.1.1.** Produce scientific products of the highest quality, rigor, and objectivity, by adhering to applicable EPA [information quality guidelines, quality policy](#), and peer review policy.
- 39.1.2.** Prohibit all recipient employees, contractors, and program participants, including scientists, managers, and other recipient leadership, from suppressing, altering, or otherwise impeding the timely release of scientific findings or conclusions.
- 39.1.3.** Adhere to [EPA's Peer Review Handbook, 4<sup>th</sup> Edition](#), for the peer review of scientific and technical work products generated through EPA grants or cooperative agreements which, by definition, are not primarily for EPA's direct use or benefit.

#### **39.2 Scientific Findings**

- 39.2.1.** Require that reviews regarding the content of a scientific product that are conducted by the project manager and other recipient managers and the broader management chain be based only on scientific quality considerations, e.g., the methods used are clear and appropriate, the presentation of results and conclusions is impartial.
- 39.2.2.** Ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by employees, contractors, and program participants, who assist with developing or applying the results of scientific activities.
- 39.2.3.** Include, when communicating scientific findings, an explication of underlying assumptions, accurate contextualization of uncertainties, and a description of the probabilities associated with both optimistic and pessimistic projections, if applicable.

**39.2.4.** Document the use of independent validation of scientific methods.

**39.2.5.** Document any independent review of the recipient's scientific facilities and testing activities, as occurs with accreditation by a nationally or internationally recognized sanctioning body.

**39.2.6.** Make scientific information available online in open formats in a timely manner, including access to data and non-proprietary models.

### **39.3 Scientific Misconduct**

**39.3.1.** Prohibit intimidation or coercion of scientists to alter scientific data, findings, or professional opinions or non-scientific influence of scientific advisory boards. In addition, recipient employees, contractors, and program participants, including scientists, managers, and other leadership, shall not knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty.

**39.3.2.** Prohibit retaliation or other punitive actions toward recipient employees who uncover or report allegations of scientific and research misconduct, or who express a differing scientific opinion. Employees who have allegedly engaged in scientific or research misconduct shall be afforded the due process protections provided by law, regulation, and applicable collective bargaining agreements, prior to any action. Recipients shall ensure that all employees and contractors of the recipient shall be familiar with these protections and avoid the appearance of retaliatory actions.

**39.3.3.** Require all recipient employees, contractors, and program participants to act honestly and refrain from acts of research misconduct, including publication or reporting, as described in [EPA's Policy and Procedures for Addressing Research Misconduct](#), Section 9.C. Research misconduct does not include honest error or differences of opinion. While EPA retains the ultimate oversight authority for EPA-supported research, grant recipients conducting research bear primary responsibility for prevention and detection of research misconduct and for the inquiry, investigation, and adjudication of research misconduct alleged to have occurred in association with their own institution.

**39.3.4.** Take the actions required on the part of the recipient described in EPA's Policy and Procedures for Addressing Research Misconduct, Sections 6 through 9, when research misconduct is suspected or found.

### **39.4 Additional Resources**

For more information about the Scientific Integrity Policy, an introductory video can be accessed at: <https://youtu.be/FQJCy8BXXq8>. A training video is available at: <https://youtu.be/Zc0T7foot8>.

## **40. Post-Award Disclosure of Current and Pending Support on Research Grants**

The recipient is required to notify EPA if there has been a change in support for the principal investigator and/or major co-investigators listed on EPA Key Contacts Form, EPA Form 5700-54, since submission of its application or the last reporting period in the performance report. If there has been a change, the recipient must report the change within 30 calendar days to the EPA Project Officer. The information should also be included in the next due performance report. EPA may consult with the Principal Investigator and the Authorized Representative, to determine the impact

of the new information on the EPA-funded research grant and, where necessary, take appropriate action.

If the recipient discovers that an investigator on an active EPA research grant failed to disclose current and pending support information or provided inaccurate information as part of the proposal submission process, it must provide the revised current and pending support information to the EPA Project Officer within 30 calendar days of the identification of the undisclosed or inaccurate current and pending support information.

## Public Policy Requirements

### 41. Civil Rights Obligations

This term and condition incorporates by reference the signed assurance provided by the recipient's authorized representative on: 1) EPA Form 4700-4, "Preaward Compliance Review Report for All Applicants and Recipients Requesting EPA Financial Assistance"; and 2) Certifications and Representations in Sam.gov or Standard Form 424D, as applicable.

These assurances and this term and condition obligate the recipient to comply fully with applicable civil rights statutes and implementing federal and EPA regulations.

#### (a) Statutory Requirements

- i. In carrying out this agreement, the recipient must comply with:
  - 1) Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP), by entities receiving Federal financial assistance.
  - 2) Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities by entities receiving Federal financial assistance; and
  - 3) The Age Discrimination Act of 1975, which prohibits age discrimination by entities receiving Federal financial assistance.
- ii. If the recipient is an education program or activity (e.g., school, college, or university) or if the recipient is conducting an education program or activity under this agreement, it must also comply with:
  - 1) Title IX of the Education Amendments of 1972, which prohibits discrimination on the basis of sex in education programs and activities operated by entities receiving Federal financial assistance. For further information about your compliance obligations regarding Title IX, see [40 CFR Part 5](#) and <https://www.justice.gov/crt/title-ix>
- iii. If this agreement is funded with financial assistance under the Clean Water Act (CWA), the recipient must also comply with:
  - 1) Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex in CWA-funded programs or activities.

#### (b) Regulatory Requirements

- i. The recipient agrees to comply with all applicable EPA civil rights regulations, including:

- 1) For Title IX obligations, 40 C.F.R. Part 5; and
- 2) For Title VI, Section 504, Age Discrimination Act, and Section 13 obligations, [40 CFR Part 7](#).
- 3) For statutory and national policy requirements, including those prohibiting discrimination and those described in Executive Order 13798 promoting free speech and religious freedom, [2 CFR 200.300](#).
- 4) As noted on the EPA Form 4700-4 signed by the recipient's authorized representative, these regulations establish specific requirements including maintaining compliance information, establishing grievance procedures, designating a Civil Rights Coordinator, and providing notices of non-discrimination.

**(c) TITLE VI – LEP, Public Participation and Affirmative Compliance Obligation**

- i. As a recipient of EPA financial assistance, you are required by Title VI of the Civil Rights Act to provide meaningful access to LEP individuals. In implementing that requirement, the recipient agrees to use as a guide the Office of Civil Rights (OCR) document entitled "Guidance to Environmental Protection Agency Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons." The guidance can be found at: <https://www.federalregister.gov/documents/2004/06/25/04-14464/guidance-to-environmental-protection-agency-financial-assistance-recipients-regarding-title-vi>.
- ii. If the recipient is administering permitting programs under this agreement, the recipient agrees to use as a guide OCR's Title VI Public Involvement Guidance for EPA Assistance Recipients Administering Environmental Permitting Programs. The Guidance can be found at: <https://www.govinfo.gov/content/pkg/FR-2006-03-21/pdf/06-2691.pdf>.
- iii. In accepting this assistance agreement, the recipient acknowledges it has an affirmative obligation to implement effective Title VI compliance programs and ensure that its actions do not involve discriminatory treatment and do not have discriminatory effects even when facially neutral. The recipient must be prepared to demonstrate to EPA that such compliance programs exist and are being implemented or to otherwise demonstrate how it is meeting its Title VI obligations.

**42. Drug-Free Workplace**

The recipient organization of this EPA assistance agreement must make an ongoing, good faith effort to maintain a drug-free workplace pursuant to the specific requirements set forth in Title [2 CFR Part 1536 Subpart B](#). Additionally, in accordance with these regulations, the recipient organization must identify all known workplaces under its federal awards and keep this information on file during the performance of the award.

Those recipients who are individuals must comply with the drug-free provisions set forth in Title [2 CFR Part 1536 Subpart C](#).

The consequences for violating this condition are detailed under Title [2 CFR Part 1536 Subpart E](#). Recipients can access the Code of Federal Regulations (CFR) Title 2 Part 1536 at [www.ecfr.gov/](http://www.ecfr.gov/).



#### 43. Hotel-Motel Fire Safety

Pursuant to USC 2225a, the recipient agrees to ensure that all space for conferences, meetings, conventions, or training seminars funded in whole or in part with federal funds complies with the protection and control guidelines of the Hotel and Motel Fire Safety Act (PL 101-391, as amended). Recipients may search the Hotel-Motel National Master List at <https://apps.usfa.fema.gov/hotel/> to see if a property is in compliance, or to find other information about the Act.

#### 44. Lobbying Restrictions

**a) This assistance agreement is subject to lobbying restrictions as described below. Applicable to all assistance agreements:**

- i. The chief executive officer of this recipient agency shall ensure that no grant funds awarded under this assistance agreement are used to engage in lobbying of the Federal Government or in litigation against the U.S. unless authorized under existing law. The recipient shall abide by the Cost Principles available at 2 CFR Part 200 which generally prohibits the use of federal grant funds for litigation against the U.S. or for lobbying or other political activities.
- ii. The recipient agrees to comply with Title [40 CFR Part 34](#), New Restrictions on Lobbying. The recipient shall include the language of this provision in award documents for all subawards exceeding \$100,000 and require that subrecipients submit certification and disclosure forms accordingly.
- iii. In accordance with the Byrd Anti-Lobbying Amendment, any recipient who makes a prohibited expenditure under Title 40 CFR Part 34 or fails to file the required certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.
- iv. Contracts awarded by a recipient shall contain, when applicable, the anti-lobbying provision as stipulated in the Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards.
- v. By accepting this award, the recipient affirms that it is not a nonprofit organization described in Section 501(c)(4) of the Internal Revenue Code of 1986 as required by Section 18 of the Lobbying Disclosure Act; or that it is a nonprofit organization described in Section 501(c)(4) of the Code but does not and will not engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act. Nonprofit organizations exempt from taxation under section 501(c)(4) of the Internal Revenue Code that engage in lobbying activities are ineligible for EPA subawards.

**b) Applicable to assistance agreements when the amount of the award is over \$100,000:**

- i. By accepting this award, the recipient certifies, to the best of its knowledge and belief that:
  - 1) No Federal appropriated funds have been or will be paid, by or on behalf of the recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan,

the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- 2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or any employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the recipient shall complete and submit the linked [Standard Form -- LLL, "Disclosure Form to Report Lobbying,"](#) in accordance with its instructions.
- 3) The recipient shall require that the language of this certification be included in the award documents for all subawards exceeding \$100,000 at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
  - ii. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each failure.

#### **45. Recycled Paper**

When directed to provide paper documents, the recipient agrees to use recycled paper and double-sided printing for all reports which are prepared as a part of this agreement and delivered to EPA. This requirement does not apply to reports prepared on forms supplied by EPA.

#### **46. Resource Conservation and Recovery Act**

Consistent with goals of section 6002 of RCRA (42 U.S.C. 6962), State and local institutions of higher education, hospitals and non-profit organization recipients agree to give preference in procurement programs to the purchase of specific products containing recycled materials, as identified in [40 CFR Part 247](#).

Consistent with section 6002 of RCRA (42 U.S.C. 6962) and [2 CFR 200.323](#), State agencies or agencies of a political subdivision of a State and its contractors are required to purchase certain items made from recycled materials, as identified in 40 CFR Part 247, when the purchase price exceeds \$10,000 during the course of a fiscal year or where the quantity of such items acquired in the course of the preceding fiscal year was \$10,000 or more. Pursuant to 40 CFR 247.2 (d), the recipient may decide not to procure such items if they are not reasonably available in a reasonable period of time; fail to meet reasonable performance standards; or are only available at an unreasonable price.

#### **47. Trafficking in Persons**

##### **a) Provisions applicable to a recipient that is a private entity.**

- i. The recipient, the recipient's employees, subrecipients under this award, and subrecipients' employees may not –

- 1) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
  - 2) Procure a commercial sex act during the period of time that the award is an effect; or
  - 3) Use forced labor in performance of the award or subawards under the award.
- ii. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if the recipient or a subrecipient that is a private entity –
- 1) Is determined to have violated a prohibition in paragraph a of this award term; or
  - 2) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a of this award term through conduct that is either –
    - a. Associated with performance under this award; or
    - b. Imputed to the recipient or subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in [2 CFR Part 180](#), “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non- procurement),” as implemented by our Agency at [2 CFR Part 1532](#).
- b) Provision applicable to a recipient other than a private entity.** EPA may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity –
- i. Is determined to have violated an applicable prohibition in paragraph a. of this award term; or
  - ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a of this award term through conduct that is either
    - 1) Associated with performance under this award; or
    - 2) Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by EPA at 2 CFR Part 1532.
- c) Provisions applicable to any recipient**
- i. The recipient must inform the EPA immediately of any information received from any source alleging a violation of a prohibition in paragraph a of this award term.
  - ii. Our right to terminate unilaterally that is described in paragraph a and b:
    - 1) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
    - 2) Is in addition to all other remedies for noncompliance that are available to us under this award.
  - iii. The recipient must include the requirements of paragraph a of this award term in any subaward made to a private entity.
- d) Definitions.** For purposes of this award term:
- i. “Employee” means either:

- 1) An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
- 2) Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
- ii. “Forced Labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
- iii. “Private Entity”
  - 1) Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in [2 CFR 175.25](#).
  - 2) Includes:
    - a. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).
    - b. A for-profit organization
- iv. “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

**48. Build America, Buy America – Required Use of American Iron, Steel, Manufactured Products, and Construction Materials (effective October 23, 2023, and forward)**

**Buy America Preference.** Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for an infrastructure project unless:

- (1) All iron and steel used in the project are produced in the United States—this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- (2) All manufactured products used in the project are produced in the United States— this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard that meets or exceeds this standard has been established under applicable law or regulation for determining the minimum amount of domestic content of the manufactured product; and
- (3) All construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States. The construction material standards are listed below.

***Incorporation into an infrastructure project.*** The Buy America Preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America Preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project, but are not an integral part of the structure or permanently affixed to the infrastructure project.

***Categorization of articles, materials, and supplies.*** An article, material, or supply should only be classified into one of the following categories: (i) Iron or steel products; (ii) Manufactured products; (iii) Construction materials; or (iv) Section 70917(c) materials. An article, material, or supply should not be considered to fall into multiple categories. In some cases, an article, material, or supply may not fall under any of the categories listed in this paragraph. The classification of an article, material, or supply as falling into one of the categories listed in this paragraph must be made based on its status at the time it is brought to the work site for incorporation into an infrastructure project. In general, the work site is the location of the infrastructure project at which the iron, steel, manufactured products, and construction materials will be incorporated.

***Application of the Buy America Preference by category.*** An article, material, or supply incorporated into an infrastructure project must meet the Buy America Preference for only the single category in which it is classified.

***Determining the cost of components for manufactured products.*** In determining whether the cost of components for manufactured products is greater than 55 percent of the total cost of all components, use the following instructions:

- (a) For components purchased by the manufacturer, the acquisition cost, including transportation costs to the place of incorporation into the manufactured product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
- (b) For components manufactured by the manufacturer, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (a), plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the manufactured product.

***Construction material standards.*** The Buy America Preference applies to the following construction materials incorporated into infrastructure projects. Each construction material is followed by a standard for the material to be considered “produced in the United States.” Except as specifically provided, only a single standard should be applied to a single construction material.

- (1) Non-ferrous metals.** All manufacturing processes, from initial smelting or melting through final shaping, coating, and assembly, occurred in the United States.
- (2) Plastic and polymer-based products.** All manufacturing processes, from initial combination of constituent plastic or polymer-based inputs, or, where applicable, constituent composite materials, until the item is in its final form, occurred in the United States.
- (3) Glass.** All manufacturing processes, from initial batching and melting of raw materials through annealing, cooling, and cutting, occurred in the United States.
- (4) Fiber optic cable (including drop cable).** All manufacturing processes, from the initial ribboning (if applicable), through buffering, fiber stranding and jacketing, occurred in the United States. All manufacturing processes also include the standards for glass and optical fiber, but not for non-ferrous metals, plastic and polymer-based products, or any others.
- (5) Optical fiber.** All manufacturing processes, from the initial preform fabrication stage through the completion of the draw, occurred in the United States.
- (6) Lumber.** All manufacturing processes, from initial debarking through treatment and planing, occurred in the United States.
- (7) Drywall.** All manufacturing processes, from initial blending of mined or synthetic gypsum plaster and additives through cutting and drying of sandwiched panels, occurred in the United States.
- (8) Engineered wood.** All manufacturing processes from the initial combination of constituent materials until the wood product is in its final form, occurred in the United States.

**Waivers.** When supported by rationale provided in IJA §70914, the recipient may submit a waiver request in writing to EPA. Recipients should request guidance on the submission instructions of an EPA waiver request from the EPA Project Officer for this agreement. A list of approved EPA waivers (general applicability and project specific) is available on the [EPA Build America, Buy America website](#).

EPA may waive the application of the Buy America Preference when it has determined that one of the following exceptions applies:

- (1)** applying the Buy America Preference would be inconsistent with the public interest;
- (2)** the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
- (3)** the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

For questions regarding the Build America, Buy America Act requirements for this assistance agreement or to determine if there is an approved waiver in place, please contact the EPA Project Officer for this agreement.

**Definitions.** For legal definitions and sourcing requirements, the recipient must consult the [EPA Build America, Buy America website](#), [2 CFR Part 184](#), and the [Office of Management and Budget's \(OMB\)](#)

#### **49. Required Certifications and Consequences of Fraud**

Per [2 CFR 200.415\(a\)](#) Required Certifications, to assure that expenditures are proper and in accordance with the terms and conditions of the Federal award and approved project budgets, the financial reports or vouchers requesting payment under the agreement will include a certification that must be signed by an official who is authorized to legally bind the recipient which reads as follows:

“By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).”

#### **50. Reporting Waste, Fraud and Abuse**

Consistent [2 CFR 200.113](#), the recipient and any subrecipients must report, in a timely manner, any violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting this award to the EPA Project Officer and the [EPA Office of Inspector General \(OIG\) Hotline](#). The methods to contact the OIG hotline are (1) online submission via the [EPA OIG Hotline Complaint Form](#); (2) email to [OIG\\_Hotline@epa.gov](mailto:OIG_Hotline@epa.gov); (3) phone 1-888-546-8740; or (4) mail directed to Environmental Protection Agency, Office of Inspector General, 1200 Pennsylvania Avenue, N.W. (2410T), Washington, DC 20460.

To support awareness of the OIG hotline, recipients and/or subrecipients receiving an EPA award or subaward of \$1,000,000 or more must display EPA OIG Hotline posters in facilities where the work is performed under the grant. EPA OIG Hotline posters may be [downloaded or printed](#) or may be obtained by contacting the OIG at 1- 888-546-8740. Recipients and subrecipients need not comply with this requirement if they have established a mechanism, such as a hotline, by which employees may report suspected instances of improper conduct and have provided instructions that encourage employees to make such reports.

#### **51. Whistleblower Protections**

This award is subject to whistleblower protections, including the protections established at 41 U.S.C. 4712 providing that an employee of the recipient or a subrecipient may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a covered person or body information that the employee reasonably believes is evidence of gross mismanagement of a Federal grant or subaward, a gross waste of Federal funds, an abuse of authority relating to a Federal grant or subaward, a substantial and specific danger to public health or safety, or a violation

of law, rule, or regulation related to a Federal grant or subaward. These covered persons or bodies include:

- a. A member of Congress or representative of a committee of Congress.
- b. An Inspector General.
- c. The Government Accountability Office.
- d. A Federal employee responsible for contract or grant oversight or management at the relevant agency.
- e. An authorized official of the Department of Justice or other law enforcement agency.
- f. A court of grand jury.
- g. A management official or other employee of the contractor, subcontractor, or grantee who has the responsibility to investigate, discover, or address misconduct.

Consistent with 41 U.S.C. 4712(d), the recipient and subrecipients shall inform their employees in writing, in the predominant language of the workforce or organization, of employee whistleblower rights and protections under 41 U.S.C. 4712. Additional information about whistleblower protections, including protections for such employees may be found at the [EPA Office of Inspector General's Whistleblower Protection page](#).

## **52. Access to Records**

In accordance with [2 CFR 200.337](#), EPA and the EPA Office of Inspector General (OIG) have the right to access any documents, papers, or other records, including electronic records, of the recipient and subrecipient which are pertinent to this award in order to make audits, examinations, excerpts, and transcripts. This right of access also includes timely and reasonable access to the recipient and subrecipient's personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as the records are retained.



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
 Memorandum

To: Chairperson Davina Hurt and Members  
 of the Board of Directors

From: Philip M. Fine  
 Executive Officer/APCO

Date: June 5, 2024

Re: Report of County Populations

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Section 2.11 of the Air District's Administrative Code requires the Clerk of the Boards to report to the Board of Directors each year on the population of each county included, in whole or in part, within the Air District's jurisdiction according to the latest estimates prepared by the Demographic Research Unit of the California Department of Finance. For Solano and Sonoma Counties, the two counties for which only a portion of the county is within the Air District's jurisdiction, the Clerk is required to report the populations of the portions of those counties within the Air District's jurisdiction. The Clerk is required to report the populations promptly after the Demographic Research Unit publishes its estimates.

DISCUSSION

The Demographic Research Unit released its most recent estimates on May 1, 2024. Based on the most recent final estimates, the counties' populations are as follows:

<b>County</b>	<b>Population</b>
Alameda	1,650,656
Contra Costa	1,145,274
Marin	253,972
Napa	134,508
San Francisco	842,224
San Mateo	745,302
Santa Clara	1,902,799
Solano*	309,437
Sonoma*	424,332

\* Includes only the portion within the jurisdictional boundaries of the Air District.

Pursuant to Health & Safety Code sections 40220.5, 40221 and 40221.5, appointments to the Board of Directors are made by county boards of supervisors and city selection committees based on the Demographic Research Unit population estimates in effect at the time of appointment. These most recent final estimates would not change the number of members that can be appointed from each county, with the exception of San Mateo County. San Mateo County's population has dropped below 750,000, which is the threshold for a county to be able to appoint three members to the Board – two appointed by the board of supervisors and one appointed by the city selection committee. Under Health & Safety Code sections 40221 and 40221.5(a)(2), a county with a population of between 300,000 and 750,000 can appoint only two members – one appointed by the board of supervisors and one appointed by the city selection committee.

Members of the Board are appointed to serve full terms, regardless of population fluctuations, and the Department of Finance's population estimates apply only at the time of appointment. They do not affect a county's seats between appointments. These most recent population estimates therefore do not affect the current makeup of the Board of Directors. All members are eligible to serve the remainder of their terms. If San Mateo County's population remains below 750,000 at the time of the next appointment of members from that county, however, only two members may be appointed from the county – one by the San Mateo County Board of Supervisors and one by the county's City Selection Committee.

The Demographic Research Unit's full information is available on the Unit's website at [www.dof.ca.gov/Forecasting/Demographics/](http://www.dof.ca.gov/Forecasting/Demographics/).

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Alexander Crockett

ATTACHMENTS:

None

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
 Memorandum

To: Chairperson Davina Hurt and Members  
 of the Board of Directors

From: Philip M. Fine  
 Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute Contract Amendments for Online Permitting and  
 Compliance System (My Air Online)

RECOMMENDED ACTION

Approve the recommendation from the Finance and Administration Committee to authorize the Executive Officer/APCO to amend current vendor contracts to extend the term of each contract through July 1, 2025, and increase the contracted amounts by the amounts listed below for projected expenditures during the first half of Fiscal Year Ending (FYE) 2025. These expenditures will be contingent upon the Board of Director's approval of the proposed FYE 2025 budget which includes these funds.

Vendor	Duration of Work /Contract Number	Services (Various Projects)	Total Spent With Vendor on Current Contract	Total Contract Amount Adding this Authorization	Additional not to Exceed for this Authorization
<b>C &amp; G Technology Services</b>	2020-Present / 2020.103	Software Testing	\$3,698,475	\$4,098,475	<b>\$400,000</b>
<b>ClearSparc</b>	2020-Present / 2020.101	Software Development	\$5,969,889	\$6,519,889	<b>\$550,000</b>
<b>ITDependz</b>	2020-Present / 2020.103	Software Development	\$2,689,402	\$2,839,402	<b>\$150,000</b>
<b>Support Focus</b>	2020-Present / 2020.167	Database Development	\$1,571,864	\$1,871,864	<b>\$300,000</b>
				<b>Total</b>	<b>\$1.4M</b>

## BACKGROUND

The primary objective of the My Air Online project is the replacement of two legacy computer systems with improved modern systems. The older of the two legacy systems, called DataBank, served the function of calculating emissions, calculating fees, issuing permits and issuing invoices for the approximately 12,000 businesses regulated by the Air District. DataBank was initially developed and put into operation in 1977 on computer hardware built in the late 1960s. The newer of the two legacy systems, called IRIS, was developed in the late 1990s and served as the electronic system for most enforcement related business processes including dispatch of inspectors, recording of notices of violations, inspections of businesses, fine collections, and other related functions.

The My Air Online system is intended to replace both of these outdated legacy systems and has been in partial operation since 2012. Staff provided a My Air Online project update at the April 19, 2023, Board of Director's meeting where staff noted that the District's management performance auditors (Sjoberg Evashenk) would present preliminary audit findings to the Finance and Administration Committee (FAC) prior to the next project funding request scheduled for November 1, 2023. Staff also indicated that an estimated additional \$3 million (M) would be required to fund the My Air Online project for the remaining eight months of Fiscal Year Ending (FYE) 2024.

During the April 19, 2023, Board of Directors meeting, staff also announced that the legacy systems would be decommissioned in early 2024, and staff forecasted that project funding would progressively decrease in FYE 2025 and 2026, resulting in new development and maintenance costs dropping from \$3.1M per year to \$2.9M per year.

Sjoberg Evashank presented the preliminary audit findings and recommendations for My Air Online to the FAC on October 18, 2023. The findings described deficiencies in past project management practices, the need for additional governance and transparency, and made recommendations for changes. The auditor noted that the new management team, which took over project oversight in May 2023, has made significant progress in implementing the recommendations to date.

After the auditors' presentation, staff presented the status of the decommissioning of legacy permitting and enforcement computer systems, the implementation schedule for the new My Air Online replacement systems and a request to recommend contract amendments to the FAC on October 18, 2023. The FAC provided a recommendation to the Board of Directors to authorize the contract amendments. The Board of Directors authorized the requested contract amendments on November 1, 2023.

During the November 1, 2023, Board meeting, staff provided a projection that the My Air Online development and operational costs in FYE 2025 should be reduced to \$2.9M from the \$3.1M budgeted in FYE 2024.

## DISCUSSION

The Air District successfully decommissioned the legacy permitting and compliance computer systems in January 2024, two months ahead of the schedule presented to the FAC on October 18, 2023. Maintenance of the legacy systems required seven full-time positions and approximately \$400,000 per year in services and supplies that are no longer needed for operations, resulting in an annual cost savings of approximately \$1.8M.

This request would provide \$1.4M in funds to be utilized in the first half of FYE 2025 to enhance the functionality of the My Air Online permitting and compliance system in the following areas:

- Coordinate with community representatives in the development of technologies that provide transparency in permitting and compliance activities
- Provide systems for reporting of business metrics that identify bottlenecks in the permit application and renewal processes
- Provide an interface that clearly identifies permit application status for external and internal stakeholders
- Modify the permitting process to include additional status values that enhance permit tracking
- Enhance status reporting for engineering, legal and compliance workflows
- Provide interfaces to visualize emissions data on geographical maps within the Air District's website
- Provide for enhanced reporting on enforcement inspection activities

Staff recommends the continued use of existing platform software and professional service providers qualified under the Air District's competitive procurement Request for Qualifications (RFQ) #2022-019 conducted in 2022. In addition, the Air District has successfully collaborated with vendors C&G Technology Services, Inc., ITDependz, Inc., and SupportFocus, Inc. in prior design, software development and quality assurance engagements. The total amount requested under this item is shown in Table 1 by vendor. Proposed contract amendments for these vendors are attached to this Item.

**Table 1 Amount Requested**

Vendor	Duration of Work /Contract Number	Services (Various Projects)	Total Spent With Vendor on Current Contract	Total Contract Amount Adding this Authorization	Additional not to Exceed for this Authorization
<b>C &amp; G Technology Services</b>	2020-Present / 2020.103	Software Testing	\$3,698,475	\$4,098,475	<b>\$400,000</b>
<b>ClearSparc</b>	2020-Present / 2020.101	Software Development	\$5,969,889	\$6,519,889	<b>\$550,000</b>
<b>ITDependz</b>	2020-Present / 2020.103	Software Development	\$2,689,402	\$2,839,402	<b>\$150,000</b>
<b>Support Focus</b>	2020-Present / 2020.167	Database Development	\$1,571,864	\$1,871,864	<b>\$300,000</b>
				<b>Total</b>	<b>\$1.4M</b>

In addition to this request, an additional request to complete a documentation and knowledge transfer effort, recommended by the management audit, will be presented to the Board of Directors during the first half of FYE 2025 after a competitive procurement is conducted for those services.

The total amount spent with each of the contracted vendors over the life of this project is included in Table 2 for completeness. In accordance with the Air District's procurement policies, a new competitive procurement will be conducted during FYE 2025 to select vendors for future services related to these systems.

**Table 2 Total Amount Spent with Vendors**

Vendor	Duration of Work	Services (Various Projects)	Total Spent With Vendor to Date	Additional Amount Requested
<b>C &amp; G Technology Services</b>	2013-Present	Software Testing	\$6.4M	<b>\$400,000</b>
<b>ClearSparc</b>	2015-Present	Software Development	\$11.7M	<b>\$550,000</b>
<b>ITDependz</b>	2010-Present	Software Development	\$8.1M	<b>\$150,000</b>
<b>Support Focus</b>	2020-Present	Database Development	\$1.6M	<b>\$300,000</b>
			<b>Total</b>	<b>\$1.4M</b>

BUDGET CONSIDERATION/FINANCIAL IMPACT

The \$1.4M requested for these contracts is included in the proposed FYE 2025 Enterprise Technology Solutions budget.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: John Chiladakis  
Reviewed by: Philip Fine

ATTACHMENTS:

1. Draft Contract No. 2020.103 - Amendment 8: CG Tech
2. Draft Contract No. 2020.167 - Amendment 9: SupportFocus
3. Draft Contract No. 2020.100 - Amendment 8: IT Dependz
4. Draft Contract No. 2020.101 - Amendment 8: ClearSparc

**AMENDMENT NO. 8 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2020.103**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, May 8, 2024, and consists of 2 pages.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **C&G Technology Services, Inc.** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract for software testing services for DISTRICT's air quality permitting and compliance systems (the "Contract"), which Contract was executed on behalf of CONTRACTOR on May 12, 2020, and on behalf of DISTRICT on May 27, 2020.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated November 17, 2020, for reference purposes only, to amend the total maximum cost of the Contract.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated April 13, 2021, for reference purposes only, to amend the term and total maximum cost of the Contract.
4. The PARTIES entered into Amendment No. 3 to the Contract, dated September 23, 2021, for reference purposes only, to amend the total maximum cost of the Contract.
5. The PARTIES entered into Amendment No. 4 to the Contract, dated April 19, 2022, for reference purposes only, to amend the term and total maximum cost of the Contract.
6. The PARTIES entered into Amendment No. 5 to the Contract, dated October 4, 2022, for reference purposes only, to amend the total maximum cost of the Contract.
7. The PARTIES entered into Amendment No. 6 to the Contract, dated May 15, 2023, for reference purposes only, to amend the total maximum cost of the Contract.
8. The PARTIES entered into Amendment No. 7 to the Contract, dated October 11, 2023, for reference purposes only, to amend the total maximum cost of the Contract.
9. The PARTIES seek to further amend the term and total maximum cost of the Contract because the DISTRICT seeks to have CONTRACTOR continue to provide the services described in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new total maximum cost.



10. In accordance with Section 29 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 5, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now December 31, 2024.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph C of Section 9, "Agreement to Provide Services," of the Contract to replace "\$3,698,475" with "\$4,098,475."
3. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the PARTIES have caused this Contract Amendment to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

C&G TECHNOLOGY SERVICES, INC.

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_  
Sam C. Savinovich  
President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel

**AMENDMENT NO. 9 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2020.167**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, May 8, 2024, and consists of 3 pages.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **SupportFocus, Inc.** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract for software architecture and implementation resources for DISTRICT's software development projects (the "Contract"), which Contract was executed on behalf of CONTRACTOR on August 15, 2020, and on behalf of DISTRICT on August 21, 2020.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated November 16, 2020, for reference purposes only, to amend the total maximum cost of the Contract.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated April 13, 2021, for reference purposes only, to amend the term and total maximum cost of the Contract.
4. The PARTIES entered into Amendment No. 3 to the Contract, dated September 27, 2021, for reference purposes only, to amend the total maximum cost of the Contract.
5. The PARTIES entered into Amendment No. 4 to the Contract, dated April 27, 2022, for reference purposes only, to amend the term and total maximum cost of the Contract.
6. The PARTIES entered into Amendment No. 5 to the Contract, dated May 11, 2022, for reference purposes only, to amend the total maximum cost of the Contract.
7. The PARTIES entered into Amendment No. 6 to the Contract, dated October 5, 2022, for reference purposes only, to amend the total maximum cost of the Contract.
8. The PARTIES entered into Amendment No. 7 to the Contract, dated May 15, 2023, for reference purposes only, to amend the total maximum cost of the Contract.
9. The PARTIES entered into Amendment No. 8 to the Contract, dated November 6, 2023, for reference purposes only, to amend the term and total maximum cost of the Contract.

10. The PARTIES seek to further amend the term and total maximum cost of the Contract because the DISTRICT seeks to have CONTRACTOR continue to provide the services described in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new term and total maximum cost.
11. In accordance with Section 29 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 5, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now December 31, 2024.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph C of Section 9, "Agreement to Provide Services," of the Contract to replace "\$1,571,864" with "\$1,871,864."
3. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the PARTIES have caused this Contract Amendment to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

SUPPORTFOCUS, INC.

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_  
Paul Morris  
President/CEO

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel

DRAFT

**AMENDMENT NO. 8 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2020.100**

This amendment to the above-entitled contract (“Contract Amendment”) is dated, for reference purposes only, May 8, 2024, and consists of 3 pages.

**RECITALS:**

1. The Bay Area Air Quality Management District (“DISTRICT”) and **IT Dependz, Inc.** (“CONTRACTOR”) (hereinafter referred to as the “PARTIES”) entered into the above-entitled contract for business analysis and user experience services for DISTRICT’s air quality permitting and compliance system (the “Contract”), which Contract was executed on behalf of CONTRACTOR on May 11, 2020 and on behalf of DISTRICT on May 27, 2020.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated November 17, 2020, for reference purposes only, to amend the total maximum cost of the Contract.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated April 15, 2021, for reference purposes only, to amend the term and total maximum cost of the Contract.
4. The PARTIES entered into Amendment No. 3 to the Contract, dated September 27, 2021, for reference purposes only, to amend the total maximum cost of the Contract.
5. The PARTIES entered into Amendment No. 4 to the Contract, dated April 29, 2021, for reference purposes only, to amend the term and total maximum cost of the Contract.
6. The PARTIES entered into Amendment No. 5 to the Contract, dated October 3, 2022, for reference purposes only, to amend the total maximum cost of the Contract.
7. The PARTIES entered into Amendment No. 6 to the Contract, dated May 22, 2023, for reference purposes only, to amend the total maximum cost of the Contract.
8. The PARTIES entered into Amendment No. 7 to the Contract, dated October 11, 2023, for reference purposes only, to amend the total maximum cost of the Contract.
9. The PARTIES seek to further amend the term and total maximum cost of the Contract because the DISTRICT seeks to have CONTRACTOR continue to provide the services

described in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new total maximum cost.

10. In accordance with Section 29 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 5, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now December 31, 2024.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph C of Section 9, "Agreement to Provide Services," of the Contract to replace "\$2,689,402" with "\$2,839,402."
3. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the PARTIES have caused this Contract Amendment to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

IT DEPENDZ, INC.

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_  
Manoj Yadav  
Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel

DRAFT

**AMENDMENT NO. 8 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2020.101**

This amendment to the above-entitled contract (“Contract Amendment”) is dated, for reference purposes only, May 8, 2024, and consists of 3 pages.

**RECITALS:**

1. The Bay Area Air Quality Management District (“DISTRICT”) and **ClearSparc** (“CONTRACTOR”) (hereinafter referred to as the “PARTIES”) entered into the above-entitled contract for software architecture, design, development, build and release management services for DISTRICT’s air quality permitting and compliance system (the “Contract”), which Contract was executed on behalf of CONTRACTOR on May 13, 2020 and on behalf of DISTRICT on June 3, 2020.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated November 16, 2020, for reference purposes only, to amend the total maximum cost of the Contract.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated April 15, 2021, for reference purposes only, to amend the term and total maximum cost of the Contract.
4. The PARTIES entered into Amendment No. 3 to the Contract, dated September 23, 2021, for reference purposes only, to amend the total maximum cost of the Contract.
5. The PARTIES entered into Amendment No. 4 to the Contract, dated April 27, 2022, for reference purposes only, to amend the term and total maximum cost of the Contract.
6. The PARTIES entered into Amendment No. 5 to the Contract, dated October 3, 2022, for reference purposes only, to amend the total maximum cost of the Contract.
7. The PARTIES entered into Amendment No. 6 to the Contract, dated May 10, 2023, for reference purposes only, to amend the total maximum cost of the Contract.
8. The PARTIES entered into Amendment No. 7 to the Contract, dated November 6, 2023, for reference purposes only, to amend the term and total maximum cost of the Contract.
9. The PARTIES also entered into Amendment No. 7 to the Contract, dated November 6, 2023, for reference purposes only, to add a “No Hire” clause to the Contract.



10. The PARTIES seek to further amend the term and total maximum cost of the Contract because the DISTRICT seeks to have CONTRACTOR continue to provide the services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new term and total maximum cost.
11. In accordance with Section 29 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 5, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now December 31, 2024.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph C of Section 9, "Agreement to Provide Services," of the Contract to replace "\$5,969,889" with "\$6,519,889."
3. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the PARTIES have caused this Contract Amendment to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

CLEARSPARC

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_  
Phillip Johnson  
Co-Owner / Lead Developer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel

DRAFT

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute Purchases for Meteorology and Measurement Division  
Operations

RECOMMENDED ACTION

Recommend the Board of Directors authorize the Executive Officer/APCO to execute purchases listed in Attachment 1 for a total amount not to exceed \$860,039 for supplies and services required for Meteorology and Measurement Division operations.

BACKGROUND

The Air District's Meteorology & Measurement (M&M) division provides emissions, air quality, and meteorological data; chemical analysis; forecasting; and data analysis. The data is used to determine if the Air District is in attainment with state and federal standards, facilities are in compliance with Air District regulations, provide a scientific basis for Air District programmatic decisions, and to communicate about air quality with the public. The data and analyses from the M&M Division is critical to the work of the Air District. To comply with regulations and have comparable data over time and from year-to-year, many of the activities of the M&M Division are routine and repeated. In addition, to accomplish many of these activities, instruments, warranty services and supplies of a very specific and technical nature are regularly required.

The highly technical and specific requirements of air quality work mean instruments, supplies, and equipment warranty services needed to continue routine operations, comply with regulations, avoid data gaps, maintain instruments, and allow for safe operations are only available from single vendors. In these cases, the Air District's Procurement Policy (Section 4.0(a)(1)(D)) allows for sole source procurements from single vendors without a competitive bidding process.

## DISCUSSION

Staff are recommending the Board of Directors authorize the Executive Officer/APCO to execute the purchases described and justified in Attachment 1. While most of the procurements listed in Attachment 1 are not more than \$200,000 on their own, the accumulated spending is more than \$200,000 for the listed vendors over the last three years of Air District operations and is therefore being presented for Board approval.

The total amount requested for all of the proposed procurements listed in Attachment 1 is \$860,039.

## BUDGET CONSIDERATION/FINANCIAL IMPACT

The requested authorization of \$860,039 for these expenditures is included in the FYE 2024 budget in program 802.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Ila Perkins  
Reviewed by: Ranyee Chiang

## ATTACHMENTS:

1. Board Memo for Meteorology and Measurement Purchases

**Attachment 1: Requested Purchase Authorizations**

<b>Section Name</b>	<b>Vendor</b>	<b>Amount</b>	<b>Description</b>	<b>Purchasing Unit</b>	<b>Purchasing Category</b>	<b>Monopoly/Single Source Justification</b>
Air Monitoring Operations (AMO)	ThermoFisher Scientific	\$352,911	Air monitoring instrumentation and supplies for ozone, CO, NO <sub>x</sub> , and SO <sub>2</sub> measurements in air monitoring stations within the Bay Area	16	Sole Source	Previous analyzers and calibrators have been sourced from this vendor. Future procurement should be with the same vendor to ensure uninterrupted operations. No other vendor provides these products that suit our specific needs.
AMO	Agilair	\$31,207	Air monitoring instrumentation and supplies for data loggers in air monitoring stations within the Bay Area	3	Sole Source	Previous data loggers have been sourced from this vendor. Future procurement should be with the same vendor to ensure uninterrupted operations. No other vendor provides data logging products that suit our specific needs.
AMO	Teledyne	\$107,505	Air monitoring instrumentation and supplies for zero-air generators in air monitoring stations within the Bay Area	7	Sole Source	Previous zero-air generators in the Air District have been sourced from the vendor. Future procurement should be with the same vendor to ensure uninterrupted operations.
AMO	Met One	\$82,677	Air monitoring instrumentation and supplies for FEM PM <sub>2.5</sub> measurements in air monitoring	3	Sole Source	Previous analyzers have been sourced from this vendor. Future procurement should be with the same vendor to ensure uninterrupted operations. No other vendor manufactures the analyzers to the specification that we needed.

			stations within the Bay Area			
AMO	TSI	\$179,854	Air monitoring instrumentation and supplies for ultrafine particle measurements in air monitoring stations within the Bay Area	5	Sole Source	Previous analyzers have been sourced from this vendor. Future procurement should be with the same vendor to ensure uninterrupted operations. No other vendor provides same ultrafine particle measurements that meet our requirements for operations, field-friendly user-serviceable parts, and reliability.
AMO	Magee and Sonoma Tech	\$105,885	Air monitoring instrumentation and supplies for multi-wavelength black carbon measurements in air monitoring stations within the Bay Area	2	Sole Source	Previous analyzers have been sourced from this vendor. Future procurement should be with the same vendor to ensure uninterrupted operations. No other vendor provides same level of multiple wavelength black carbon measurements

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute Agreements for Projects and Contracts with Proposed Grant Awards Over \$500,000 and Approve Selection Criteria for Solicitation for Electric Charging Infrastructure

RECOMMENDED ACTION

Recommend the Board of Directors:

1. Approve six recommended projects with proposed grant awards over \$500,000 as shown in Attachments 1 and 2,
2. Authorize the Executive Officer/APCO to enter into all agreements necessary to accept, obligate, and expend this funding, and to execute grant agreements and amendments for the projects, and,
3. Approve the process and selection criteria for a competitive solicitation for electric charging infrastructure for medium- and heavy-duty vehicles and equipment.

BACKGROUND

**Carl Moyer Program and Mobile Source Incentive Fund**

The Air District has participated in the Carl Moyer Program (CMP), in cooperation with the California Air Resources Board (CARB), since the program began in fiscal year 1998-1999. The CMP provides grants to public and private entities to reduce emissions of nitrogen oxides (NOx), reactive organic gases (ROG), and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Projects eligible under the CMP guidelines include heavy-duty diesel engine applications such as on-road trucks and buses, off-road construction, agricultural equipment, marine vessels, locomotives, stationary agricultural pump engines, and refueling or recharging infrastructure that supports the deployment of new zero-emission vehicles and equipment. Per AB 1390, at least 50% of CMP funds must be awarded to projects that benefit communities with the most significant exposure to air contaminants or localized air contaminants.

Assembly Bill (AB) 923 (Firebaugh), enacted in 2004 (codified as Health and Safety Code (HSC) Section 44225), authorized local air districts to increase motor-vehicle-registration surcharges by up to \$2 additional per vehicle and use the revenue to fund projects eligible under the CMP guidelines. AB 923 revenue is deposited in the Air District's Mobile Source Incentive Fund (MSIF).

### **Community Air Protection Program - Incentives**

In 2017, AB 617 directed CARB, in conjunction with local air districts to establish a new community-focused action framework to improve air quality and reduce exposure to criteria air pollutants and toxic air contaminants in communities most impacted by air pollution. The AB 617 initiative calls for the development of community-identified strategies to address air quality issues in impacted communities, including community-level monitoring, uniform emission reporting across the State, stronger regulation of pollution sources, and incentives for reducing air pollution and public health impacts from mobile and stationary sources.

Beginning in fiscal year ending (FYE) 2018, the California Legislature approved funding from the State's Greenhouse Gas Reduction Fund (GGRF), which is used to reduce criteria pollutants, toxic air contaminants, and greenhouse gases for the Community Air Protection (CAP) Incentives program. CAP Incentives funds may be used to fund projects eligible under the CMP and on-road truck replacements under the Proposition 1B Goods Movement Emission Reduction Program. Following additional approvals from CARB, CAP Incentive funds may also potentially be used to fund other types of projects that have been identified and prioritized by communities with an approved Community Emissions Reduction Program, pursuant to HSC Section 44391.2. At least 80% of CAP Incentives funds must be allocated to projects that benefit disadvantaged communities (Senate Bill (SB) 535), and low-income communities (AB 1550).

### **Funding Agricultural Replacement Measures for Emission Reductions**

In February 2018, CARB developed the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program Guidelines that outline requirements for eligible agricultural equipment replacement projects evaluated under the CMP guidelines, including harvesting equipment, pump engines, tractors, and other equipment used in agricultural operations. Subsequent updates to the FARMER guidelines expanded eligible projects to include zero-emission demonstration projects and added flexibility for funding zero-emission equipment. Under the California State Budget, funds have been appropriated to CARB for each new cycle of the FARMER program for the continued reduction of criteria, toxic, and greenhouse gas emissions from the agricultural sector.

### **Transportation Fund for Clean Air**

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority and requirements for the Transportation Fund for Clean Air (TFCA) are set forth in HSC Sections 44241 and 44242. Sixty percent of TFCA monies are awarded by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air program) and to a program referred to as the Regional Fund. The legislation also requires the remaining forty percent to be allocated by formula to the nine designated Bay Area transportation agencies, who



in turn award these monies to eligible projects within their county. Each year, the Air District's Board of Directors (Board) allocates funding and adopts policies and evaluation criteria that govern the expenditure of TFCA monies. On April 5, 2023, the Board authorized funding allocations of the sixty-percent portion of the TFCA revenue for use in FYE 2024, and cost-effectiveness limits for Air District-sponsored programs that will be implemented during FYE 2024. On May 17, 2023, the Board adopted policies and evaluation criteria that will govern use of the 60% portion during FYE 2024. This report discusses only the 60% Funds, which is the portion that is awarded directly by the Air District.

### **Program Revenues, Project Selection, and Results**

Attachment 3 shows a list of the Air District's sources of new revenue, including CMP, TFCA, CAP, MSIF and FARMER, by funding cycle, that is anticipated to be available for award to incentive projects in FYE 2024. Funding from each cycle must be awarded and liquidated (paid out) within two to four years of the date of award/receipt, depending on the funding source. As new projects are recommended for award, staff work to obligate (encumber) the oldest source/cycle of funding for which a specific project is eligible. For this reason, a portion of the oldest funding shown in Attachment 3 may have been awarded to projects in the previous fiscal year, and some of the newer funding may remain unallocated during the current year and will be awarded in future years.

Applications for grant funding received by the Air District are reviewed and evaluated using the eligibility criteria requirements of the respective governing policies and guidelines established by each funding source, e.g., CARB, the Board. At least quarterly, staff provides updates to the Policy, Grants, and Technology Committee and/or Board of Directors on the status of the CMP, TFCA, CAP, MSIF and FARMER incentive funding for the current fiscal year.

On April 6, 2022, the Board authorized the Executive Officer/Air Pollution Control Office (APCO) to approve projects with awards up to \$500,000. For all CMP, TFCA, CAP, MSIF and FARMER projects with proposed awards greater than \$500,000, staff bring recommendations of these projects to the Board for consideration.

### **DISCUSSION**

On July 1, 2023, the Air District had approximately \$145 million in incentive funds available for award in FYE 2024 from new revenue and prior year funds from the CMP, MSIF, CAP Incentives, FARMER, and TFCA programs. Between April 16, 2024, and May 15, 2024, staff completed the evaluation of two projects requesting over \$500,000, including:

- one school bus project with a proposed award of over \$500,000 that will replace one diesel and three compressed natural gas school buses with four electric school buses and will benefit priority areas, and,
- one agricultural equipment project that will replace two older diesel tractors with two cleanest-available diesel tractors, where the applicant, if the recommended project is approved, will receive two awards this fiscal year cumulatively totaling over \$500,000.

Staff is recommending approval of the allocation of up to \$2,046,084 from a combination of these funds for the two mobile source projects shown in Attachment 2. These projects were evaluated through the first-come, first-served solicitation that opened November 28, 2023, and closed on April 11, 2024. The recommended projects are estimated to reduce 0.92 tons of NOx, ROG, and PM emissions per year.

On May 15, 2024, the Policy, Grants & Technology Committee received a presentation about four other recommended projects that had been evaluated between November 28, 2023, and April 16, 2024, shown on Attachment 1, and the proposed process and selection criteria for a new competitive solicitation for electric charging infrastructure for medium- and heavy-duty vehicles and equipment. The Committee recommended that the Board of Directors approve the recommendations for this item. More information on these projects and the selection criteria can be found in item # 5 of the May 15, 2024, Policy, Grants & Technology Committee agenda.

Between July 1, 2023, and May 15, 2024, over \$79 million in funding has been awarded or recommended for award, with \$66 million remaining available. Staff continue to evaluate the applications received by the April 2024 application deadline and will bring recommendations for awards to projects requesting over \$500,000 to the Board for consideration in the coming months. In addition, staff have been working on the development of the new electric charging infrastructure solicitation to offer \$35 million in funds for projects that support the transition of heavy-duty fleets to zero-emission, which is tentatively scheduled to open this summer pending the Board's approval of the process and selection criteria.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

The Air District distributes the CMP, MSIF, CAP Incentive, FARMER, and TFCA funding to project sponsors on a reimbursement basis. The four recommended projects on Attachment 1 will be awarded a total of \$8,503,300. The two recommended projects listed on Attachment 2 will be awarded a total of \$2,046,084. These projects will be paid for by one or more of these state and local incentive fund sources upon project completion, expected within the next one to three years. Funding for administrative costs to implement these programs, including evaluating, contracting, and monitoring projects for multiple years, is provided by each funding source.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Daniel Langmaid  
Reviewed by: Minda Berbeco, Alona Davis, Adam Shapiro, and Karen Schkolnick

ATTACHMENTS:

1. Attachment 1: Recommended Projects with Grant Awards Greater than \$500,000 (evaluated 11/28/2023 to 4/16/24)
2. Attachment 2: Recommended Projects with Grant Awards Greater than \$500,000 (evaluated 4/16/24 to 5/15/24)
3. Sources of New Funding Revenues

## ATTACHMENT 1

### Recommended Projects with Grant Awards Greater than \$500k Evaluated between 11/28/2023 and 4/16/2024

Funding Sources: Carl Moyer Program, Transportation Fund for Clean Air, Mobile Source Incentive Fund, FARMER, and Community Air Protection Incentives

Project #	Applicant Name	Project Category	Project Description	Proposed Contract Award	Total Project Cost	Emissions Reductions (tons per year)			County	Benefits Disadvantaged or Low-income areas
						NOx	ROG	PM		
25MOY15	B & T Farms	Ag/ off-road	Replace a Tier-0 diesel-powered tractor with a Tier-4 tractor and a Tier-3 diesel-powered tractor with a Tier-4 tractor	\$ 582,800	\$ 958,304	1.41	0.15	0.08	Santa Clara	Yes
25MOY18	Amazon Recycling and Disposal Inc	Off-Road	Replace 5 pieces of older diesel-powered construction equipment with cleanest available Tier-4 diesel equipment including a Tier-0 shredder, a Tier-0 rubber-tired loader, a Tier-1 compact loader, a Tier-0 excavator, and a Tier-1 excavator.	\$ 3,897,100	\$ 4,916,385	22.45	2.19	1.33	Alameda, Contra Costa, and San Francisco	Yes
25MOY53	Morrison Chopping, LLC	Ag/off-road	Replace one Tier-0 and one Tier-3 diesel-powered utility tractors with two Tier-4 diesel powered tractors	\$ 873,400	\$ 1,465,554	2.02	0.19	0.11	Sonoma	Yes
25MOY85	Amnav Maritime, LLC	Marine	Replace two Tier-3 diesel-powered marine propulsion engines with two Tier-4 engines in a tugboat	\$ 3,150,000	\$ 4,395,334	16.88	2.11	0.33	Alameda	Yes
<b>4</b>	<b>Projects</b>			<b>Totals \$ 8,503,300</b>	<b>\$ 11,735,577</b>	<b>42.76</b>	<b>4.64</b>	<b>1.85</b>		

## ATTACHMENT 2

### Recommended Projects with Grant Awards Greater than \$500k Evaluated between 4/16/2024 and 5/15/2024

Funding Sources: Carl Moyer Program, Transportation Fund for Clean Air, Mobile Source Incentive Fund, FARMER, and Community Air Protection Incentives

Project #	Applicant Name	Project Category	Project Description	Proposed Contract Award	Total Project Cost	Emissions Reductions (tons per year)			County	Benefits Disadvantaged or Low-income areas
						NOx	ROG	PM		
25SPB64	Napa Valley USD	School Bus	Replace 1 diesel and 3 CNG school buses with 4 electric school buses	\$ 1,801,384	\$ 1,889,269	0.14	0.01	0.01	Napa	Yes
25MOY65*	McClelland's Dairy	Ag/ Off-road	Replace two Tier-0 agricultural diesel-powered tractors with with Tier-4 final agricultural diesel-powered tractors. This project is on this list because the applicant was previously awarded \$260,400 on 3/4/2024, so the combined award amounts from this and prior project total \$505,100 (exceeding the \$500k limit for delgated authority).	\$ 244,700	\$ 305,919	0.63	0.08	0.05	Sonoma	No
<b>2 Projects</b>				<b>Totals</b>	<b>\$ 2,046,084</b>	<b>\$ 2,195,188</b>	<b>0.78</b>	<b>0.09</b>	<b>0.05</b>	

\* McClelland's Dairy was previously approved for \$250,400 in funding for project # 25MOY1 on 3/4/2024. Awards to this applicant for project # 25MOY1 and proposed project # 25MOY65, if approved, will total \$505,100 in funding for this fiscal year 2023-2024.

### Attachment 3

#### Sources of Incentive Program Revenue (FYE 2024)<sup>1</sup>

Funding Source Cycle <sup>2</sup>	\$ for Projects and Programs (in Millions)	Award Date	Source
CMP Year 24	\$ 26.7*	3/16/2022	CARB
CMP Year 24 State Reserve	\$ 4.5	6/3/2022	CARB
CMP Year 25	\$ 13.6	2/22/2023	CARB
CMP Year 25 State Reserve	\$ 2.8	5/19/2023	CARB
CAPP Incentives Year 5	\$ 35.4*	6/23/2022	CARB
CAPP Incentives Year 6	\$ 32.7	12/27/2022	CARB
FARMER Year 5	\$ 2.4*	12/14/2022	CARB
TFCA 60% Fund FYE 2024	\$ 13.5	accrues monthly	\$4 DMV fees
Mobile Source Incentive Fund FYE 2024	\$ 11.2	accrues monthly	\$2 DMV fees
CMP Year 26	\$ 13.4	11/21/2023	CARB
<i>CMP Year 26 State Reserve</i>	<i>Up to \$2.4</i>	<i>TBD FYE 2024</i>	<i>CARB</i>
CAPP Incentives Year 7	\$ 31.9	11/20/2023	CARB
FARMER Year 6	\$ 1.2	11/13/2023	CARB
<b>Total Incentive Revenues</b>	<b>\$186.9</b>		

<sup>1</sup> This is not a complete listing of all sources of incentive funds managed by the Air District but covers the sources that are discussed in this report.

<sup>2</sup> Includes Carl Moyer Program (CMP), Community Air Protection (CAP) Incentives, Funding Agricultural Replacement Measures for Emissions Reduction (FARMER), and Transportation Fund for Clean Air (TFCA).

\* Some revenues were partially obligated to projects in fiscal year ending (FYE) 2023 and therefore full amounts may not have been available for award to projects in FYE 2024.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Approval of Transportation Fund for Clean Air Regional Fund Policies & Evaluation  
Criteria Commencing Fiscal Year Ending 2025

RECOMMENDED ACTION

Approve the proposed updates to the Transportation Fund for Clean Air (TFCA) Regional Fund Policies and Evaluation Criteria commencing in Fiscal Year Ending (FYE) 2025.

BACKGROUND

In 1991, the California State Legislature authorized the California Department of Motor Vehicles (DMV) to impose a \$4 surcharge on each motor vehicle registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District’s jurisdiction. The statutory authority and requirements for the TFCA are set forth in California Health and Safety Code Sections 44241, 44241.5, and 44242.

Sixty percent (60%) of TFCA funds are allocated annually by the Board to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air) and to a program referred to as the Regional Fund. The remaining forty percent (40%) of TFCA funds are passed through to the 40% Fund (also called the County Program Manager Fund), based on each county’s proportionate share of vehicle registration fees paid, and are awarded by the nine designated Bay Area Congestion Management Agencies within the Air District’s jurisdiction. On April 3, 2024, the Board approved an allocation of \$33.81 million in TFCA monies for award in FYE 2025 through the Regional Fund and to Air District sponsored programs. This includes an estimated \$13.46 million in new revenue and additional funds from prior years and interest.

The authorizing legislation requires the Board approve the policies governing the use of TFCA funds, which establish the eligibility and evaluation criteria for projects. The Regional Policies (Policies) include both general requirements, applicable to all Regional Fund projects, and project category-specific requirements. This report discusses the proposed updates to the Policies commencing in FYE 2025 and the public process through which these updates were developed.

The Policy, Grants & Technology Committee received a presentation on this item at its May 15, 2024, meeting and recommended that the Board of Directors approve the recommendations.

## DISCUSSION

### *Public Outreach Process*

On February 29, 2024, the Air District posted the draft Policies on its website and opened the public comment period, which closed on April 5, 2024. The public comment process was advertised via the Air District's TFCA grants email notification system and sent to more than 1,700 stakeholders, including representatives from each of the nine Bay Area Congestion Management Agencies. The updates proposed were presented and discussed at a public webinar on March 14. Attachment 3 provides a summary of the public comments submitted, along with staff's responses.

### *Proposed Updates*

Proposed updates were made to the current-year Policies based on feedback received through the public outreach process and comments received from stakeholders throughout the year. Language revisions were also made for clarification purposes. A red-lined copy of the Policies commencing in FYE 2025 is included as Attachment 2. Below is a summary of the key proposed updates:

- Increase the maximum cost-effectiveness for On-Road Zero- and Partial- Zero Emissions Vehicles to \$522,000 (policy #23) to align with the Carl Moyer Program cost-effectiveness limit.
- Revert the amount of time in which a grantee must commence a project from 24 to 12 months (policy #8).
- Allow for upgrades from a Class III or a Class II (non-buffered) to Class II buffered bike line as an eligible project category (policy #32).
- Update the evaluation criteria to prioritize projects in communities identified through the Assembly Bill (AB) 617 process, or that benefit Priority Populations as defined by SB 535 disadvantaged communities, AB 1550 low-income communities, and low-income households.

## BUDGET CONSIDERATION/FINANCIAL IMPACT

None. TFCA funds are generated from DMV registration fees and distributed to sponsors of eligible projects on a reimbursement basis. Administrative costs are also covered by TFCA.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Clair Keleher  
Reviewed by: Ken Mak, Minda Berbeco and Karen Schkolnick



ATTACHMENTS:

1. Proposed TFCA Regional Fund Policies Commencing in FYE 2025
2. Proposed TFCA Regional Fund Policies Commencing in FYE 2025 - Redlined Version
3. Public Comments and Responses

**TFCA REGIONAL FUND POLICIES  
AND EVALUATION CRITERIA COMMENCING FYE 2025**

The following policies apply to the Bay Area Air Quality Management District’s (Air District) Transportation Fund for Clean Air (TFCA) Regional Fund commencing fiscal year ending (FYE) 2025.

**BASIC ELIGIBILITY**

- 1. Eligible Projects:** Only projects that result in the reduction of motor vehicle emissions within the Air District’s jurisdiction are eligible. Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria.

Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, contracts, and other legally binding obligations at the time the Air District executes the project’s funding agreement.

- 2. TFCA Cost-Effectiveness:** Projects must not exceed the maximum cost-effectiveness (C-E) limit specified in Table 1, except for projects that are being co-funded by other Air District-administered programs (e.g., Carl Moyer Program). Emissions benefits for co-funded projects may be reported under other Air District-administered programs. Cost-effectiveness (\$/weighted ton) is the ratio of TFCA funds awarded to the sum of surplus emissions reduced, during a project’s operational period, of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM10 (particulate matter 10 microns in diameter and smaller).

**Table 1: Maximum Cost-Effectiveness for TFCA Regional Fund Projects**

<b>Policy #</b>	<b>Project Category</b>	<b>Maximum C-E (\$/weighted ton)</b>
23	On-Road Zero- and Partial- Zero- Emissions Vehicles	\$522,000
25	Hydrogen Stations	N/A*
26	Electric Vehicle Charging Infrastructure	N/A*
27	Vehicle Scrapping	\$50,000**
28	Existing Last-Mile Commuter Connections	Evaluated as part of the Spare the Air Program
29	Pilot Trip Reduction	\$500,000
30	Existing Regional Ridesharing Services	Evaluated as part of the Spare the Air Program
31	Bicycle Parking	\$250,000
32	Bikeways	\$500,000
33	Infrastructure Improvements for Trip-Reduction	\$500,000

\* These projects provide electric vehicle charging/hydrogen refueling infrastructure needed to enable emission reductions from electric and fuel cell electric vehicles. To maximize emissions reductions and public health benefits, projects will be evaluated based on project characteristics including, but not limited to, cost of the project, anticipated equipment usage, and anticipated benefits to environmental justice communities and communities highly impacted by air pollution but shall not be subject to a maximum cost-effectiveness limit.

\*\* Maximum C-E for vehicle scrapping if entirely funded by TFCA. If TFCA is used as a match for state funds, all emissions reductions will be claimed by the state program.

3. **Consistent with Existing Plans and Programs:** All projects must comply with the Transportation Control and Mobile Source Control Measures included in the Air District's most recently approved strategies for achieving and maintaining State and national ozone standards (2017 Clean Air Plan); those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919; and, when specified, other adopted federal, State, regional, and local plans and programs.
4. **Eligible Recipients and Authority to Apply:** Applicants must have the legal authority, as well as the financial and technical capability, to complete projects. In addition, the following conditions apply:
  - a. **Eligible Recipients:**
    - i. **Public agencies** are eligible to apply for all project categories.
    - ii. **Non-public entities** are eligible to apply for only Clean Air Vehicle Projects and advanced technology demonstrations that are permitted pursuant to HSC section 44241(b)(7).
  - b. **Authority to Apply:** Applicants must demonstrate that they have the authority to submit the application, to enter into a funding agreement, to carry out the project, and to bind the entity to perform these tasks by including either: 1) a signed letter of commitment from the applicant's representative with authority (e.g., Chief Executive or Financial Officer, Executive Director, or City Manager); or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, or Board of Directors).
5. **Viable Project and Matching Funds:** Applicants must demonstrate that they have adequate funds to cover all stages of their proposed project(s) from commencement through completion. Unless otherwise specified in policies #22 through 33, project applicants must provide evidence that they have at least 10% of the total eligible project costs (matching funds) from a non-Air District source available and ready to commit to the proposed projects.
6. **Minimum Grant Amount:** \$10,000 per project.
7. **Maximum Grant Amount:** the maximum TFCA grant award amounts are:
  - a. Each public agency may be awarded up to a total award of \$5,500,000 per agency per fiscal year; and
  - b. Each non-public entity may be awarded up to a total award of \$5,000,000 per entity per fiscal year.
8. **Readiness:** Unless otherwise specified in policies #22 through 33, projects must commence by the end of calendar year 2025 or within 12 months from the date of execution of the funding agreement with the Air District, whichever is later. For purposes of this policy, "commence" means either (a) a discrete, necessary and tangible action, such as the issuance of a purchase order to secure project vehicles or equipment or the delivery of the award letter for a construction contract, taken for a project to begin implementation, or (b) commencement or continuation of transportation service, such as last-mile commuter connections or ridesharing service, for which the project sponsor can provide documentation of date the action occurred.
9. **Maximum Two Years Operating Costs for Service-Based Projects:** Unless otherwise specified in policies #22 through 33, TFCA Regional Funds may be used to support up to two years of

operating costs for service- based projects (i.e., Trip Reduction Projects).

10. **Project Revisions:** The Air District will consider only requests for modifications to approved projects that are within the same project categories, achieve the same or better cost-effectiveness, comply with all TFCA Regional Fund Policies, and are in compliance with all applicable federal and State laws, and Air District rules and regulations. The Air District may also approve minor modifications, such as to correct typographical mistakes in the grant agreements or to change the name of the grantees, without re-evaluating the proposed modification in light of the regulations, contracts, and other legally binding obligations that are in effect at the time the minor modification was proposed.

## APPLICANT IN GOOD STANDING

11. **In Compliance with Air Quality Regulations:** Applicants must certify that, at the time of the application and at the time of issuance of the grant, they are in compliance with all local, state, and federal air quality regulations. Applicants who are in compliance with those laws, rules and regulations, but who have pending litigation or who have unpaid civil penalties owed to the Air District, may be eligible for funding, following a review and approval by the Air District. The Air District may terminate a grant agreement and seek reimbursement of distributed funds from a project sponsor who was not eligible for funding at the time of the grant.
12. **In Compliance with Agreement Requirements:** Project sponsors who have failed to meet contractual requirements such as project implementation milestones or monitoring and reporting requirements for any project funded by the Air District may not be considered eligible for new funding until such time as all of the unfulfilled obligations are met.
13. **Independent Air District Audit Findings and Determinations:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for three (3) years from the date of the Air District's final determination in accordance with HSC section 44242. Additionally, project sponsors with open projects will not be reimbursed until all audit recommendations and remedies have been satisfactorily implemented.

A failed fiscal audit means an uncorrected audit finding that confirms an ineligible expenditure of funds. A failed performance audit means an uncorrected audit finding that confirms a project was not implemented as set forth in the project funding agreement.

Project sponsors must return funds under any of the following circumstances:

- a. The funds were expended in a manner contrary to the TFCA Regional Funds' requirements and/or requirements of HSC Code section 44220 et seq;
- b. The project did not result in a surplus reduction of air pollution from the mobile sources or transportation control measures pursuant to the applicable plan;
- c. The funds were not spent for surplus reduction of air pollution pursuant to a plan or program to be implemented by the TFCA Regional Fund;
- d. The project sponsor failed to comply with the approved project scope, as set forth in the project funding agreement.

Applicants who failed to reimburse such funds to the Air District from prior Air District funded

projects will be excluded from future TFCA funding.

14. **Executed Funding Agreement:** Only a fully executed funding agreement (i.e., signed by both the project sponsor and the Air District) constitutes the Air District's award of funds for a project. Approval of an application for the project by the Air District Board of Directors or Air District's notices such as a transmittal letter announcing the proposed award do not constitute a final obligation on the part of the Air District to fund a project.

Applicants must sign funding agreements within 60 days from the date the agreements were transmitted to them in order to remain eligible for award of TFCA Regional Funds. Applicants may request, in writing, an extension of up to no more than 180 days from the transmittal date to sign the grant agreements. The request shall include the basis for an extended signature period. At its discretion, the Air District may authorize such an extension.

15. **Maintain Appropriate Insurance:** Project sponsors must obtain and maintain general liability insurance and additional insurance that is appropriate for its specific project type throughout the life of the project, with coverage being no less than the amounts specified in the respective funding agreement. Project sponsors shall require their subcontractors to obtain and maintain such insurance of the type and in the amounts required by the grant agreements.

#### INELIGIBLE PROJECTS

16. **Planning Activities:** The costs of preparing or conducting feasibility studies are not eligible. Other planning activities may be eligible, but only if the activities are directly related to the implementation of a specific project or program.
17. **Cost of Developing Proposals and Grant Applications:** The costs to prepare proposals and/or grant applications are not eligible.
18. **Duplication:** Projects that have previously received any TFCA funds, e.g., TFCA Regional Funds or 40% Funds (also called the County Program Manager Fund) , and that do not propose to achieve additional emission reductions are not eligible.

#### USE OF TFCA FUNDS

19. **Combined Funds:** Unless otherwise specified in policies #22 through 33, TFCA 40% Funds (also called the County Program Manager Fund) may not be combined with TFCA Regional Funds to fund a TFCA Regional Fund project.
20. **Administrative Costs:** Unless otherwise specified in policies #22 through 33, TFCA Regional Funds may not be used to pay for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant). In cases where administrative costs may be paid for by TFCA Regional Funds, they are limited to a maximum of 6.25% of total TFCA Regional Funds expended on a project and are only available to projects sponsored by public agencies. To be eligible for reimbursement, administrative costs must be clearly identified in the project budget at the time of application and in the funding agreement between the Air District and the project sponsor.
21. **Expend Funds within Two Years:** Project sponsors must expend the grant funding within two (2) years of the effective date of their grant agreement. Applicants may request a longer period in the application, by submitting evidence that a longer period is justified to complete the project

due to its unique circumstance. Project sponsors may request a longer period before the end of the agreements' second year in the event that significant progress has been made in the implementation of the project. If the Air District approves a longer period, the parties shall memorialize the approval and length of the extension formally (i.e., in writing) in the grant agreement or in an amendment to the executed grant agreement.

## ELIGIBLE PROJECT CATEGORIES

**To be eligible for funding from the TFCA Regional Fund, a proposed project must meet the purpose and requirements for the applicable Project Category.**

### Clean Air Vehicle Projects

22. Reserved.
23. **On-Road Zero- and Partial-Zero-Emissions Vehicles:** The project will help vehicle owners and operators achieve significant voluntary emission reductions by accelerating the deployment of zero- and partial-zero-emissions motorcycles, cars, light- and medium- duty vehicles, trucks, and buses:
  - a. Reserved.
  - b. Vehicles may be purchased or leased;
  - c. Eligible vehicle types are limited to plug-in hybrid-electric, plug-in electric, and fuel cell vehicles. Vehicles must also be approved by the CARB;
  - d. Project Sponsors may request authorization of up to 100% of the TFCA Funds awarded for each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle;
  - e. Projects that seek to scrap and replace a vehicle may qualify for additional TFCA funding toward the purchase or lease of a new vehicle. Costs related to the scrapping and/or dismantling of the existing vehicle are not eligible for reimbursement with TFCA funds;
  - f. Vehicles that are solely powered by gasoline, natural gas, or diesel, and retrofit projects are not eligible; and
  - g. The total amount of TFCA funds awarded may not exceed 100% of the project's eligible cost for School Buses and 90% of the project's eligible cost for all other vehicle types; the sum of TFCA funds awarded combined with all other grants and applicable manufacturer and local/state/federal rebates and discounts may not exceed total project costs.
24. Reserved.
25. **Hydrogen Stations:** The project is intended to accelerate the deployment of hydrogen fueling stations. Funding may be used for the purchase and installation of equipment for new dispensing facilities and for upgrades and improvements that expand access to existing refueling sites. The following additional conditions must also be met:
  - a. Stations must be located within the Air District's jurisdiction and be available and accessible to the public;
  - b. Equipment and infrastructure must be designed, installed, and maintained as required by

- the existing recognized codes and standards and approved by the local/State authority;
- c. Each station must be maintained and operated for a minimum of three years;
- d. TFCA funding may not be used to pay for fuel or on-going operations or maintenance costs;
- e. TFCA funding is limited to 25% of the total eligible project cost and may not exceed a maximum award amount of \$250,000 per station; and
- f. Stations must have received a passing score and/or received approval for funding from a State or federal agency.

26. **Electric Vehicle Charging Infrastructure:** The project is intended to accelerate the adoption of zero- emissions vehicles through the deployment of new electric vehicle charging stations:

- a. Each station must be maintained and operated for a minimum of three years;
- b. Project equipment must be certified by Underwriters Laboratories, Inc. or equivalent safety standard; and
- c. TFCA funding may not be used to pay for on-going operations or maintenance costs.

27. **Vehicle Scrapping:** The project is intended to accelerate the removal of highly polluting vehicles from Bay Area roads. Funding will be provided to owners of on-road motor vehicles who voluntarily scrap vehicles that meet the following requirements:

- a. Vehicles must be roadworthy and pass an inspection by the Air District or its designee;
- b. Vehicles must be currently registered with the DMV to an address within the Air District's jurisdiction and have had continuous registration to the same owner for a minimum of two years; and
- c. Owners may receive up to the total incentive amount offered for this program from the TFCA only or a combination of TFCA and other Air District programs. Program participants may not apply for funding from any other public agencies for scrapping.

#### Trip Reduction Projects

28. **Existing Last-Mile Commuter Connections:** The project will reduce single-occupancy vehicle commute-hour trips by providing the short-distance connection between a mass transit hub and one or more definable commercial hubs or employment centers:

- a. The project must provide local feeder bus or shuttle service between stations (e.g., rail stations, ferry stations, Bus Rapid Transit (BRT) stations, or airports) and a distinct commercial or employment location;
- b. The service's schedule must be coordinated to have a timely connection with the corresponding mass transit service;
- c. The service must be available for use by all members of the public;
- d. TFCA Regional Funds may be used to fund only shuttle services to locations that are underserved and lack other comparable service. For the purposes of this policy, "comparable service" means that there exists, either currently or within the last three years, a direct, timed, and publicly accessible service that brings passengers to within one-third (1/3) mile of the proposed commercial or employment location from a mass transit hub. A proposed service will not be deemed "comparable" to an existing service if the passengers' proposed

travel time will be at least 15 minutes shorter and at least 33% shorter than the existing service's travel time to the proposed destination;

- e. Reserved.
- f. TFCA Regional Funds may be used to fund services only during commuter peak-hours, i.e., 5:00-10:00 AM and/or 3:00-7:00 PM;
- g. Reserved.
- h. Project Sponsors must be either: (1) a public transit agency or transit district that directly operates the shuttle/feeder bus service, or (2) a city, county, or any other public agency; and
- i. Applicants must submit a letter of concurrence from all transit districts or transit agencies that provide service in the area of the proposed route, certifying that the service does not conflict with existing service.

29. **Pilot Trip Reduction:** The project will reduce single-occupancy commute-hour vehicle trips by encouraging mode-shift to other forms of shared transportation. Pilot projects are defined as projects that serve an area where no similar service was available within the past three years, or will result in significantly expanded service to an existing area. Funding is designed to provide the necessary initial capital to a public agency for the start-up of a pilot project so that by the end of the third year of the trip reduction project's operation, the project will be financially self-sustaining or require minimal public funds, such as grants, to maintain its operation:

- a. Applicants must demonstrate the project will reduce single-occupancy commute-hour vehicle trips and result in a reduction in emissions of criteria pollutants (i.e., ROG, NOx, and PM10);
- b. The proposed service must be available for use by all members of the public;
- c. Applicants must provide a written plan documenting steps that would be taken to ensure that the project will be financially self-sustaining or require minimal public funds to maintain its operation by the end of the third year;
- d. If the local transit provider is not a partner, the applicant must demonstrate they have attempted to get the service provided by the local transit agency. The transit provider must have been given the first right of refusal and determined that the proposed project does not conflict with existing service;
- e. Applicants must provide data and/or other evidence demonstrating the public's need for the service, including a demand assessment survey and letters of support from potential users; and
- f. Pilot trip reduction projects that propose to provide shuttle/feeder bus and ridesharing service projects must comply with all applicable requirements in policies #28 and #30.

30. **Existing Regional Ridesharing Services:** The project will provide carpool, vanpool, and other rideshare services. For TFCA Regional Fund eligibility, ridesharing projects must be comprised of riders from at least five counties within Air District's jurisdiction, with no one county accounting for more than 80% of all riders, as verified by documentation submitted with the application.

If a project includes ride-matching services, *only* ride-matches that are not already included in the Metropolitan Transportation Commission's (MTC) regional ridesharing program are eligible for TFCA Regional Funds. Projects that provide a direct or indirect financial transit or rideshare subsidy are also eligible under this category. Applications for projects that provide a direct or



indirect financial transit or rideshare subsidy *exclusively* to employees of the project sponsor are not eligible.

31. **Bicycle Parking:** The project will expand public access to new bicycle parking facilities. The project must be included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), countywide transportation plan (CTP), city general plan or area-specific plan, the MTC's Regional Active Transportation Plan, or other similar plan, and serve a major activity center (e.g. transit station, office building, or school). The bicycle parking facility must be publicly accessible and available for use by all members of the public.

TFCA Regional Funds may not be used to pay for costs related to maintenance, repairs, upgrades, rehabilitation, operations, or project administration.

Monies expended by the Project Sponsor to maintain, repair, upgrade, rehabilitate, or operate bicycle parking facilities are not eligible for use as matching funds.

32. **Bikeways:** The project will construct and/or install bikeways that are included in an adopted countywide bicycle plan, CMP, CTP, city general plan or area-specific plan, the MTC's Regional Active Transportation Plan, or other similar plan. To be eligible for funding, the purpose of bikeways that are included in an adopted city general plan or area-specific plan must be to reduce motor vehicle emissions or traffic congestion. Projects must have completed all applicable State and federal environmental reviews and either have been deemed exempt by the lead agency or have been issued the applicable negative declaration or environmental impact report or statement. All bikeway projects must follow applicable local and state standards.

Projects must reduce vehicle trips made for utilitarian purposes (e.g., work or school commuting) and cannot be used exclusively for recreational use. Projects must also meet at least one of the following conditions:

- a. Be located within one-half mile biking distance from the closer of a public transit station/stop (e.g., local, county-wide or regional transit stops/stations/terminals) or a bike share station;
- b. Be located within one-half mile biking distance from a major activity center that serves at least 2,500 people per day (e.g., employment centers, schools, business districts); or
- c. Be located within one-half mile biking distance from three activity centers (e.g., employment centers, schools, business districts).

Projects are limited to the following types of bikeways:

- a. Class I Bikeway (Bike Path), new or upgrade improvement from Class II or Class III Bikeway;
- b. New Class II Bikeway (Bike Lane) or upgrade improvement from either a Class III or a Class II (non-buffered) to a Class II buffered bike lane;
- c. New Class III Bikeway (Bike Route); or
- d. Class IV Bikeway (Separated Bikeway), new or upgrade improvement from Class II or Class III bikeway.

33. **Infrastructure Improvements for Trip-Reduction:** The project will expand the public's access to alternative transportation modes through the design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and physical improvements shall be identified in an approved area-

specific plan, redevelopment plan, general plan, or other similar plan.

**REGIONAL FUND EVALUATION CRITERIA:**

Applications may be reviewed on either a first-come, first-served basis or a competitive basis. Projects will be evaluated using the criteria listed below.

1. Eligible projects will be evaluated based on cost-effectiveness and conformity to additional specific requirements discussed in the adopted policies and project-specific solicitation guidance.
2. TFCA Regional Funds will be prioritized for projects that meet one or more of the following criteria:
  - a. Projects in communities identified through the Assembly Bill (AB) 617 (2017) process, or that benefit Priority Populations as defined by SB 535 disadvantaged communities, AB 1550 low-income communities, and low-income households; and
  - b. Projects in Priority Development Areas (PDAs).

**TFCA REGIONAL FUND POLICIES  
AND EVALUATION CRITERIA ~~FOR FYE 2024~~ COMMENCING FYE 2025**

The following policies apply to the Bay Area Air Quality Management District’s (Air District) Transportation Fund for Clean Air (TFCA) Regional Fund ~~for~~ commencing fiscal year ending (FYE) ~~2024~~2025.

**BASIC ELIGIBILITY**

- Eligible Projects:** Only projects that result in the reduction of motor vehicle emissions within the Air District’s jurisdiction are eligible. Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria.

Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, contracts, and other legally binding obligations at the time the Air District executes the project’s funding agreement.

- TFCA Cost-Effectiveness:** Projects must not exceed the maximum cost-effectiveness (C-E) limit specified in Table 1, except for projects that are being co-funded by other Air District-administered programs (e.g., Carl Moyer Program). Emissions benefits for co-funded projects may be reported under other Air District-administered programs. Cost-effectiveness (\$/weighted ton) is the ratio of TFCA funds awarded to the sum of surplus emissions reduced, during a project’s operational period, of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM10 (particulate matter 10 microns in diameter and smaller).

**Table 1: Maximum Cost-Effectiveness for TFCA Regional Fund Projects**

Policy #	Project Category	Maximum C-E (\$/weighted ton)
23	On-Road Zero- and Partial- Zero- Emissions Vehicles	<del>\$500,000</del> <u>\$522,000</u>
25	Hydrogen Stations	N/A*
26	Electric Vehicle Charging Infrastructure	N/A*
27	Vehicle Scrapping	\$50,000**
28	Existing Last-Mile Commuter Connections	Evaluated as part of the Spare the Air Program
29	Pilot Trip Reduction	\$500,000
30	Existing Regional Ridesharing Services	Evaluated as part of the Spare the Air Program
31	Bicycle Parking	\$250,000
32	Bikeways	\$500,000
33	Infrastructure Improvements for Trip-Reduction	\$500,000

\* These projects provide electric vehicle charging/hydrogen refueling infrastructure needed to enable emission reductions from electric and fuel cell electric vehicles. To maximize emissions reductions and public health benefits, projects will be evaluated based on project characteristics including, but not limited to, cost of the project, anticipated equipment usage, and anticipated benefits to environmental justice communities and communities highly impacted by air pollution but shall not be subject to a maximum cost-effectiveness limit.

\*\* Maximum C-E for vehicle scrapping if entirely funded by TFCA. If TFCA is used as a match for state funds, all emissions reductions will be claimed by the state program.

3. **Consistent with Existing Plans and Programs:** All projects must comply with the Transportation Control and Mobile Source Control Measures included in the Air District's most recently approved strategies for achieving and maintaining State and national ozone standards (2017 Clean Air Plan); those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919; and, when specified, other adopted federal, State, regional, and local plans and programs.
4. **Eligible Recipients and Authority to Apply:** Applicants must have the legal authority, as well as the financial and technical capability, to complete projects. In addition, the following conditions apply:
  - a. **Eligible Recipients:**
    - i. **Public agencies** are eligible to apply for all project categories.
    - ii. **Non-public entities** are eligible to apply for only Clean Air Vehicle Projects and advanced technology demonstrations that are permitted pursuant to HSC section 44241(b)(7).
  - b. **Authority to Apply:** Applicants must demonstrate that they have the authority to submit the application, to enter into a funding agreement, to carry out the project, and to bind the entity to perform these tasks by including either: 1) a signed letter of commitment from the applicant's representative with authority (e.g., Chief Executive or Financial Officer, Executive Director, or City Manager); or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, or Board of Directors).
5. **Viable Project and Matching Funds:** Applicants must demonstrate that they have adequate funds to cover all stages of their proposed project(s) from commencement through completion. Unless otherwise specified in policies #22 through 33, project applicants must provide evidence that they have at least 10% of the total eligible project costs (matching funds) from a non-Air District source available and ready to commit to the proposed projects.
6. **Minimum Grant Amount:** \$10,000 per project.
7. **Maximum Grant Amount:** the maximum TFCA grant award amounts are:
  - a. Each public agency may be awarded up to a total award of \$5,500,000 per agency per fiscal year; and
  - b. Each non-public entity may be awarded up to a total award of \$5,000,000 per entity per fiscal year.
8. **Readiness:** Unless otherwise specified in policies #22 through 33, projects must commence by the end of calendar year 20254 or within 1224 months from the date of execution of the funding agreement with the Air District, whichever is later. For purposes of this policy, "commence" means either (a) a discrete, necessary and tangible action, such as the issuance of a purchase order to secure project vehicles or equipment or the delivery of the award letter for a construction contract, taken for a project to begin implementation, or (b) commencement or continuation of transportation service, such as last-mile commuter connections or ridesharing service, for which the project sponsor can provide documentation of date the action occurred.
9. **Maximum Two Years Operating Costs for Service-Based Projects:** Unless otherwise specified in policies #22 through 33, TFCA Regional Funds may be used to support up to two years of

operating costs for service- based projects (i.e., Trip Reduction Projects).

10. **Project Revisions:** The Air District will consider only requests for modifications to approved projects that are within the same project categories, achieve the same or better cost-effectiveness, comply with all TFCA Regional Fund Policies, and are in compliance with all applicable federal and State laws, and Air District rules and regulations. The Air District may also approve minor modifications, such as to correct typographical mistakes in the grant agreements or to change the name of the grantees, without re-evaluating the proposed modification in light of the regulations, contracts, and other legally binding obligations that are in effect at the time the minor modification was proposed.

## APPLICANT IN GOOD STANDING

11. **In Compliance with Air Quality Regulations:** Applicants must certify that, at the time of the application and at the time of issuance of the grant, they are in compliance with all local, state, and federal air quality regulations. Applicants who are in compliance with those laws, rules and regulations, but who have pending litigation or who have unpaid civil penalties owed to the Air District, may be eligible for funding, following a review and approval by the Air District. The Air District may terminate a grant agreement and seek reimbursement of distributed funds from a project sponsor who was not eligible for funding at the time of the grant.
12. **In Compliance with Agreement Requirements:** Project sponsors who have failed to meet contractual requirements such as project implementation milestones or monitoring and reporting requirements for any project funded by the Air District may not be considered eligible for new funding until such time as all of the unfulfilled obligations are met.
13. **Independent Air District Audit Findings and Determinations:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for three (3) years from the date of the Air District's final determination in accordance with HSC section 44242. Additionally, project sponsors with open projects will not be reimbursed until all audit recommendations and remedies have been satisfactorily implemented.

A failed fiscal audit means an uncorrected audit finding that confirms an ineligible expenditure of funds. A failed performance audit means an uncorrected audit finding that confirms a project was not implemented as set forth in the project funding agreement.

Project sponsors must return funds under any of the following circumstances:

- a. The funds were expended in a manner contrary to the TFCA Regional Funds' requirements and/or requirements of HSC Code section 44220 et seq;
- b. The project did not result in a surplus reduction of air pollution from the mobile sources or transportation control measures pursuant to the applicable plan;
- c. The funds were not spent for surplus reduction of air pollution pursuant to a plan or program to be implemented by the TFCA Regional Fund;
- d. The project sponsor failed to comply with the approved project scope, as set forth in the project funding agreement.

Applicants who failed to reimburse such funds to the Air District from prior Air District funded

projects will be excluded from future TFCA funding.

14. **Executed Funding Agreement:** Only a fully executed funding agreement (i.e., signed by both the project sponsor and the Air District) constitutes the Air District's award of funds for a project. Approval of an application for the project by the Air District Board of Directors or Air District's notices such as a transmittal letter announcing the proposed award do not constitute a final obligation on the part of the Air District to fund a project.

Applicants must sign funding agreements within 60 days from the date the agreements were transmitted to them in order to remain eligible for award of TFCA Regional Funds. Applicants may request, in writing, an extension of up to no more than 180 days from the transmittal date to sign the grant agreements. The request shall include the basis for an extended signature period. At its discretion, the Air District may authorize such an extension.

15. **Maintain Appropriate Insurance:** Project sponsors must obtain and maintain general liability insurance and additional insurance that is appropriate for its specific project type throughout the life of the project, with coverage being no less than the amounts specified in the respective funding agreement. Project sponsors shall require their subcontractors to obtain and maintain such insurance of the type and in the amounts required by the grant agreements.

## INELIGIBLE PROJECTS

16. **Planning Activities:** The costs of preparing or conducting feasibility studies are not eligible. Other planning activities may be eligible, but only if the activities are directly related to the implementation of a specific project or program.
17. **Cost of Developing Proposals and Grant Applications:** The costs to prepare proposals and/or grant applications are not eligible.
18. **Duplication:** Projects that have previously received any TFCA funds, e.g., TFCA Regional Funds or ~~40% Funds (also called the County Program Manager Fund) County Program Manager Funds~~, and that do not propose to achieve additional emission reductions are not eligible.

## USE OF TFCA FUNDS

19. **Combined Funds:** Unless otherwise specified in policies #22 through 33, TFCA ~~County Program Manager~~40% Funds (also called the County Program Manager Fund) may not be combined with TFCA Regional Funds to fund a TFCA Regional Fund project.
20. **Administrative Costs:** Unless otherwise specified in policies #22 through 33, TFCA Regional Funds may not be used to pay for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant). In cases where administrative costs may be paid for by TFCA Regional Funds, they are limited to a maximum of 6.25% of total TFCA Regional Funds expended on a project and are only available to projects sponsored by public agencies. To be eligible for reimbursement, administrative costs must be clearly identified in the project budget at the time of application and in the funding agreement between the Air District and the project sponsor.
21. **Expend Funds within Two Years:** Project sponsors must expend the grant funding within two (2) years of the effective date of their grant agreement. Applicants may request a longer period in the application, by submitting evidence that a longer period is justified to complete the project

due to its unique circumstance. Project sponsors may request a longer period before the end of the agreements' second year in the event that significant progress has been made in the implementation of the project. If the Air District approves a longer period, the parties shall memorialize the approval and length of the extension formally (i.e., in writing) in the grant agreement or in an amendment to the executed grant agreement.

## ELIGIBLE PROJECT CATEGORIES

**To be eligible for funding from the TFCA Regional Fund, a proposed project must meet the purpose and requirements for the applicable Project Category.**

### Clean Air Vehicle Projects

22. Reserved.
23. **On-Road Zero- and Partial-Zero-Emissions Vehicles:** The project will help vehicle owners and operators achieve significant voluntary emission reductions by accelerating the deployment of zero- and partial-zero-emissions motorcycles, cars, light- and medium- duty vehicles, trucks, and buses:
  - a. Reserved.
  - b. Vehicles may be purchased or leased;
  - c. Eligible vehicle types are limited to plug-in hybrid-electric, plug-in electric, and fuel cell vehicles. Vehicles must also be approved by the CARB;
  - d. Project Sponsors may request authorization of up to 100% of the TFCA Funds awarded for each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle;
  - e. Projects that seek to scrap and replace a vehicle may qualify for additional TFCA funding toward the purchase or lease of a new vehicle. Costs related to the scrapping and/or dismantling of the existing vehicle are not eligible for reimbursement with TFCA funds;
  - f. Vehicles that are solely powered by gasoline, natural gas, or diesel, and retrofit projects are not eligible; and
  - g. The total amount of TFCA funds awarded may not exceed 100% of the project's eligible cost for School Buses and 90% of the project's eligible cost for all other vehicle types; the sum of TFCA funds awarded combined with all other grants and applicable manufacturer and local/state/federal rebates and discounts may not exceed total project costs.
24. Reserved.
25. **Hydrogen Stations:** The project is intended to accelerate the deployment of hydrogen fueling stations. Funding may be used for the purchase and installation of equipment for new dispensing facilities and for upgrades and improvements that expand access to existing refueling sites. The following additional conditions must also be met:
  - a. Stations must be located within the Air District's jurisdiction and be available and accessible to the public;
  - b. Equipment and infrastructure must be designed, installed, and maintained as required by



- the existing recognized codes and standards and approved by the local/State authority;
- c. Each station must be maintained and operated for a minimum of three years;
- d. TFCA funding may not be used to pay for fuel or on-going operations or maintenance costs;
- e. TFCA funding is limited to 25% of the total eligible project cost and may not exceed a maximum award amount of \$250,000 per station; and
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- b. Vehicles must be currently registered with the DMV to an address within the Air District's jurisdiction and have had continuous registration to the same owner for a minimum of two years; and
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- b. The service's schedule must be coordinated to have a timely connection with the corresponding mass transit service;
- c. The service must be available for use by all members of the public;
- d. TFCA Regional Funds may be used to fund only shuttle services to locations that are underserved and lack other comparable service. For the purposes of this policy, "comparable service" means that there exists, either currently or within the last three years, a direct, timed, and publicly accessible service that brings passengers to within one-third (1/3) mile of the proposed commercial or employment location from a mass transit hub. A proposed service will not be deemed "comparable" to an existing service if the passengers' proposed

travel time will be at least 15 minutes shorter and at least 33% shorter than the existing service's travel time to the proposed destination;

- e. Reserved.
- f. TFCA Regional Funds may be used to fund services only during commuter peak-hours, i.e., 5:00-10:00 AM and/or 3:00-7:00 PM;
- g. Reserved.
- h. Project Sponsors must be either: (1) a public transit agency or transit district that directly operates the shuttle/feeder bus service, or (2) a city, county, or any other public agency; and
- i. Applicants must submit a letter of concurrence from all transit districts or transit agencies that provide service in the area of the proposed route, certifying that the service does not conflict with existing service.

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- a. Applicants must demonstrate the project will reduce single-occupancy commute-hour vehicle trips and result in a reduction in emissions of criteria pollutants (i.e., ROG, NOx, and PM10);
- b. The proposed service must be available for use by all members of the public;
- c. Applicants must provide a written plan documenting steps that would be taken to ensure that the project will be financially self-sustaining or require minimal public funds to maintain its operation by the end of the third year;
- d. If the local transit provider is not a partner, the applicant must demonstrate they have attempted to get the service provided by the local transit agency. The transit provider must have been given the first right of refusal and determined that the proposed project does not conflict with existing service;
- e. Applicants must provide data and/or other evidence demonstrating the public's need for the service, including a demand assessment survey and letters of support from potential users; and
- f. Pilot trip reduction projects that propose to provide shuttle/feeder bus and ridesharing service projects must comply with all applicable requirements in policies #28 and #30.

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If a project includes ride-matching services, *only* ride-matches that are not already included in the Metropolitan Transportation Commission's (MTC) regional ridesharing program are eligible for TFCA Regional Funds. Projects that provide a direct or indirect financial transit or rideshare subsidy are also eligible under this category. Applications for projects that provide a direct or

indirect financial transit or rideshare subsidy *exclusively* to employees of the project sponsor are not eligible.

31. **Bicycle Parking:** The project will expand public access to new bicycle parking facilities. The project must be included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), countywide transportation plan (CTP), city general plan or area-specific plan, the MTC's Regional Active Transportation Plan, or other similar plan, and serve a major activity center (e.g. transit station, office building, or school). The bicycle parking facility must be publicly accessible and available for use by all members of the public.

TFCA Regional Funds may not be used to pay for costs related to maintenance, repairs, upgrades, rehabilitation, operations, or project administration.

Monies expended by the Project Sponsor to maintain, repair, upgrade, rehabilitate, or operate bicycle parking facilities are not eligible for use as matching funds.

32. **Bikeways:** The project will construct and/or install bikeways that are included in an adopted countywide bicycle plan, CMP, CTP, city general plan or area-specific plan, the MTC's Regional Active Transportation Plan, or other similar plan. To be eligible for funding, the purpose of bikeways that are included in an adopted city general plan or area-specific plan must be to reduce motor vehicle emissions or traffic congestion. Projects must have completed all applicable State and federal environmental reviews and either have been deemed exempt by the lead agency or have been issued the applicable negative declaration or environmental impact report or statement.

All bikeway projects must ~~follow applicable local and state standards, where applicable, be consistent with design standards published in the California Highway Design Manual or conform to the provisions of the Protected Bikeway Act of 2014.~~

Projects must reduce vehicle trips made for utilitarian purposes (e.g., work or school commuting) and cannot be used exclusively for recreational use. Projects must also meet at least one of the following conditions:

- a. Be located within one-half mile biking distance from the closer of a public transit station/stop (e.g., local, county-wide or regional transit stops/stations/terminals) or a bike share station;
- b. Be located within one-half mile biking distance from a major activity center that serves at least 2,500 people per day (e.g., employment centers, schools, business districts); or
- c. Be located within one-half mile biking distance from three activity centers (e.g., employment centers, schools, business districts).

Projects are limited to the following types of bikeways:

- a. Class I Bikeway (Bike Path), new or upgrade improvement from Class II or Class III Bikeway;
- b. New Class II Bikeway (Bike Lane) or upgrade improvement from either a Class III or a Class II (non-buffered) to a Class II buffered bike lane;
- c. New Class III Bikeway (Bike Route); or
- d. Class IV Bikeway (Separated Bikeway), new or upgrade improvement from Class II or Class III bikeway.

33. **Infrastructure Improvements for Trip-Reduction:** The project will expand the public's access to alternative transportation modes through the design and construction by local public agencies of

physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.

**REGIONAL FUND EVALUATION CRITERIA:**

Applications may be reviewed on either a first-come, first-served basis or a competitive basis. Projects will be evaluated using the criteria listed below.

1. Eligible projects will be evaluated based on cost-effectiveness and conformity to additional specific requirements discussed in the adopted policies and project-specific solicitation guidance.
2. TFCA Regional Funds will be prioritized for projects that meet one or more of the following criteria:
  - a. Projects in ~~Highly Impacted Communities or Episodic Areas as defined in the Air District's Community Air Risk Evaluation (CARE) Program, in other~~ communities identified through the Assembly Bill (AB) 617 (2017) process, or that benefit Priority Populations as defined by SB 535 disadvantaged communities, AB 1550 low-income communities, and low-income households; and
  - b. Projects in Priority Development Areas (PDAs).

**Attachment 3: Comments Received and Staff Responses to Proposed TFCA Regional Fund Policies Commencing in FYE 2025**

Commenter & Agency	Comment	Staff Response
<p>Celestine Do  <b>San Francisco Bay Area Rapid Transit District</b></p>	<p>Bicycle Parking:                      Question: what is the basis for disallowing usage of TFCA Regional Funds for maintenance, repair, upgrade, rehab or operation of bike parking facilities?</p>	<p>All TFCA projects must achieve surplus emission reductions. Generally, maintenance and upgrades to bike parking do not achieve surplus emissions reductions and these projects are not cost-effective. Air District staff will continue to explore whether allowing upgrades to bicycle parking could result in surplus emission reductions in the future.</p>
	<p>[Proposed changes by commenter to TFCA Regional Policy #33 in red]                       Infrastructure Improvements for Trip-Reduction:                      The project will expand the public’s access to alternative transportation modes through the design and construction <del>{by local public agencies}</del> of publicly accessible physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and physical improvements shall be identified in an approved area specific plan, redevelopment plan, general plan, <del>station access plan</del> or other similar plan.</p>	<p>The authorizing legislation for the Transportation Fund for Clean Air states that the design and construction need to be sponsored by a local public agency.</p> <p>This policy is designed to “expand the public’s access” so adding the term “publicly accessible physical improvements” is redundant and already addressed in the policy language.</p> <p>The legislation also requires that the physical improvements be identified in the plans listed in the policy language. Station access plans can be considered under “other similar plan.”</p>
	<p>Infrastructure Improvements for Trip-Reduction:</p> <ol style="list-style-type: none"> <li>1. Clarify “physical improvements that support development projects that achieve motor vehicle emission reductions”: Does it include a transit-oriented development itself (like housing/mixed use buildings?) Or only bike/ped/transit improvements associated with development projects (I assume the development projects here mean housing/commercial developments?)</li> </ol>	<p>The authorizing legislation for the Transportation Fund for Clean Air limits the eligible physical improvements to those designed and constructed by local public agencies and those that are identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.</p>

**Attachment 3: Comments Received and Staff Responses to Proposed TFCA Regional Fund Policies Commencing in FYE 2025**

Commenter & Agency	Comment	Staff Response
	<p>a. I'd assume that TOD itself may not be eligible in the current policy; but placing housing and jobs next to transit significantly helps mode shifts, and therefore achieve motor vehicle emission reductions.</p> <p>b. Off-site improvements and TODs are designed and constructed by BART's partner developers. The phrase "the design and construction by local public agencies of physical improvements" limits eligible projects under this category.</p> <p>c. I suggest not limiting it to "local public agencies" and also allow development projects to be eligible under this category (maybe to fund TDM measures like a bike parking room for tenants, etc)</p> <p>2. "The projects and physical improvements shall be identified in an approved area[1]specific plan, redevelopment plan, general plan, or other similar plan." Not many approved specific plans or general plans specify certain improvements. They are usually very general like 'improve access to BART.' Can we use this general policy? In addition, many of these plans are outdated, and they may not reflect the latest thinking/best practices for improvements. I'd suggest deleting this sentence, or change it to say the projects identified in the approved plans get more points?</p>	<p>In relation to TOD projects, TFCA funding can support infrastructure improvements such as a pedestrian-way that would encourage vehicle emission reductions.</p> <p>More examples of the types of eligible physical improvements will be included in the solicitation guidance document and the Air District encourages potential applicants with projects to reach out and discuss their project's eligibility in more detail prior to submitting an application.</p> <p>Regarding "partner developers," see the response to the previous comment regarding sponsorship by a local agency.</p>

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute a Sponsorship Contract with Veloz to Support Electric  
Vehicle Sales Throughout California and the Bay Area

RECOMMENDED ACTION

Recommend the Board of Directors approve renewal of the annual sponsorship agreement contract with Veloz of \$50,000.00 for the 2023-2024 and 2024-2025 contract years.

BACKGROUND

Veloz is a multi-stakeholder public awareness campaign for electric vehicles. They develop events and programming garnering state and national attention and bring together high-powered, diverse board members from the public and private sectors. Veloz is a 501(c)(3) nonprofit organization dedicated to engaging public-private partnerships, programs, policy engagement, and a public awareness campaign to overcome barriers to infrastructure electrification and promoting the electric vehicle movement.

The Air District has sponsored Veloz since they began in 2017. In the past, the Air District has held positions on Veloz’s Board of Directors, as well as been speakers at various statewide Veloz events. The Air District has continued to support the Electric For All campaign and have included links to their consumer tools when we are promoting or discussing electric vehicles.

DISCUSSION

The Air District sponsorship agreement with Veloz will help the Air District advance our climate action programming. As part of this sponsorship agreement, Veloz will participate, promote, and assist outreach efforts, including:

- Leadership role in meetings/forums
- Leadership role in working groups, workshops, webinars, and networking opportunities
- Air District name and logo listed as Champion Members on Veloz.org website
- Complimentary passes to leading industry news and networking opportunities



Veloz has provided exemplary services to the Air District and is a valued non-governmental organization partner. Air District staff recommends renewal of the Veloz sponsorship agreement.

The 2023-2024 contract and invoice processing were delayed in 2023 while the Air District was updating its Administrative Code and supporting policies regarding sponsorships. A new sponsorship policy was drafted and approved which now requires all contracts over \$50,000 to go to the Board for approval. Veloz continued to provide the Air District with the benefits of the "Championship Member" level though they did not receive payment.

The 2024-2025 contract and invoice in the amount of \$50,000 are also being proposed for Board approval for "Championship Member" level.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding for the 2023/2024 contract is budgeted in Program 128 FYE 2024. Funding for 2024/2025 is programmed into the 128 budget for FYE 2025.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Lisa Fasano  
Reviewed by: Viet Tran

ATTACHMENTS:

1. Veloz 2023 - 2024 Draft Contract
2. Veloz 2024 - 2025 Draft Contract

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**SPONSORSHIP AGREEMENT**

**CONTRACT NO. XXX**

1. PARTIES - The parties to this Sponsorship Agreement (Agreement) are the Bay Area Air Quality Management District (AIR DISTRICT), whose address is 375 Beale Street, Suite 600, San Francisco, CA, 94105; and **Veloz** (VELOZ), whose address is 400 Capitol Mall, Suite 900, Sacramento, CA 95814.
  
2. RECITALS
  - A. AIR DISTRICT is the regional agency with primary responsibility for regulating stationary source air pollution in the San Francisco Bay Area in the State of California. AIR DISTRICT is authorized to enter into this Agreement under California Health and Safety Code Section 40701.
  
  - B. VELOZ is a 501(c)(3) non-profit organization dedicated to engaging public-private partnerships, programs, policy engagement and public awareness campaigns to overcome barriers to infrastructure electrification and promoting the electric vehicle movement.
  
  - C. AIR DISTRICT seeks to enhance awareness of its commitment to achieving clean air to protect the public's health and the environment. As such, AIR DISTRICT desires to sponsor VELOZ in its ongoing work to overcome barriers to electrification and promoting the electric vehicle movement, and also desires to acquire from VELOZ certain advertising and promotional benefits as described herein, and VELOZ desires to provide such benefits and assistance to AIR DISTRICT in exchange for AIR DISTRICT sponsorship in accordance with the terms and provisions of this Agreement.
  
3. TERM - The term of this Agreement shall be July 1, 2023 to June 30, 2024 (Term), unless terminated earlier as provided herewith.
  
4. TERMINATION – AIR DISTRICT any and all payments made by AIR DISTRICT pursuant to this Agreement.
  - B. Either party may terminate this Agreement for breach by the other party.
    - i) Failure to perform any agreement or obligation contained in this Agreement or failure to perform the services in a satisfactory manner shall constitute a breach of the Agreement.
  
    - ii) The non-breaching party may terminate the Agreement by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and the date by which such breach must be cured.
  
    - iii) If VELOZ fails to perform any obligation under this Agreement, DISTRICT,

at its sole discretion, may perform, or cause the performance of, the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the payment otherwise due to VELOZ for work performed under this Agreement. AIR DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, VELOZ under this Agreement.

- iv) The notice of breach shall be provided in accordance with the notice requirements set forth in section 12.
  - v) The non-breaching party reserves all rights under law and equity to enforce this Agreement and recover any damages.
5. ADVERTISING AND PROMOTION - VELOZ will provide to AIR DISTRICT the advertising and promotional benefits as described in Attachment A attached hereto.
6. SPONSORSHIP PAYMENT SCHEDULE - In support of VELOZ's ongoing work to overcome barriers to electrification and promoting the electric vehicle movement and in consideration for VELOZ providing to AIR DISTRICT the advertising and promotional benefits as described in Attachment A, AIR DISTRICT shall pay VELOZ a sponsorship payment in the amounts described in Attachment B hereto according to the payment schedule described in Attachment B hereto.
7. NON-EXCLUSIVITY – AIR DISTRICT expressly acknowledges that VELOZ may have other sponsors whose advertising or brands are displayed in connection with VELOZ activities sponsored by AIR DISTRICT. AIR DISTRICT expressly agrees that it is not granted any exclusive rights that would in any manner limit the rights of VELOZ to seek other sponsors and to display advertising or brands of those sponsors, except as may be expressly set forth in Attachment A hereto. To the extent that any right of exclusivity has been granted, the express terms of that right are described in Attachment A hereto.
8. DELIVERY OF PROMOTIONAL MATERIALS – AIR DISTRICT shall be responsible for delivering its promotional materials to VELOZ prior to the publication deadline for each VELOZ publication in which such materials will be published, as long as VELOZ has provided written notice of the publication deadline to AIR DISTRICT.
9. PARTIES' TRADEMARKS - Each party shall be entitled, from time to time, to make reasonable use of the other party's name, trade name, trademarks, and logos in connection with advertising or promotional materials; provided, however, that a party shall do so only with the prior written approval of the other party, which approval shall not be unreasonably withheld. Notwithstanding anything stated herein, no ownership rights are granted or transferred in connection with either party's use of the other party's name, trade name, or trademarks.
10. INDEMNIFICATION
- A. VELOZ shall indemnify and hold harmless AIR DISTRICT, and AIR DISTRICT's officers, employees and agents, from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages, arising out of the performance of this Agreement; but only in proportion to and to the extent such liability, loss, expense (including reasonable attorneys' fees), or claims for injury or

damages are caused by or result from the negligent or intentional acts or omissions of VELOZ or its officers, agents, or employees. This provision shall survive the expiration or termination of this Agreement.

11. INSURANCE

A. VELOZ shall maintain the following Insurance:

- i) Workers' compensation and employers' liability insurance as required by California law or other applicable statutory requirements for any persons employed by VELOZ for the Event.
- ii) Occurrence-based commercial general liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each occurrence. Such insurance shall include its officers, agents, and employees as additional insureds for the Event and shall be primary with respect to any insurance maintained by AIR DISTRICT.
- iii) Business automobile liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each accident covering each automobile used by VELOZ in connection with the Event. Such insurance shall include coverage for owned, hired, and non-owned vehicles.

B. Within thirty (30) days following execution of this Agreement, VELOZ shall furnish properly-executed certificates of insurance for all required insurance. VELOZ shall notify DISTRICT in writing fifteen (15) days prior to cancellation or modification of any required insurance policy. Any such modifications are subject to pre-approval by AIR DISTRICT.

12. NOTICES - All notices that are required under this Agreement shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail, facsimile, or regular first-class mail. In the case of e-mail and facsimile communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail and facsimile communications shall be deemed to have been received on the date of such transmission, provided such date was a business day and delivered prior to 4:00 p.m. Pacific Time. Otherwise, receipt of e-mail and facsimile communications shall be deemed to have occurred on the following business day. In the case of regular mail notice, notice shall be deemed to have been delivered on the mailing date and received five (5) business days after the date of mailing.

AIR DISTRICT: Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
Attn: Lisa Fasano

VELOZ: Veloz  
400 Capitol Mall, Suite 900  
Sacramento, CA 95814  
Attn: Josh Boone

13. ADDITIONAL PROVISIONS - All attachment(s) to this Agreement are expressly incorporated herein by this reference and made a part hereof as though fully set forth.

14. AUDIT / INSPECTION OF RECORDS – If this Agreement exceeds \$10,000, pursuant to California Government Code Section 8546.7, all records, documents, conditions and activities of VELOZ, and its subcontractors, related to the services provided hereunder, shall be subject to the examination and audit of the California State Auditor and other duly authorized agents of the State of California for a period of three (3) years after final payment under this Agreement. VELOZ hereby agrees to make such records available during normal business hours for inspection, audit, and reproduction by any duly authorized agents of the State of California or AIR DISTRICT. VELOZ further agrees to allow interviews of any of its employees who might reasonably have information related to such records by any duly authorized agents of the State of California or AIR DISTRICT. All examinations and audits conducted under this section shall be strictly confined to those matters connected with the performance of this Contract, including, but not limited to, the costs of administering this Agreement.
15. RELATIONSHIP OF THE PARTIES - Nothing contained herein shall imply any partnership, joint venture or agency relationship between the parties and neither party shall have the power to obligate or bind the other in any manner whatsoever, except to the extent herein provided.
16. ASSIGNMENT - No party shall assign, sell, license, or otherwise transfer any rights or obligations under this Agreement to a third party without the prior written consent of the other party, and any attempt to do so shall be void upon inception.
17. WAIVER - No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies. Further, the failure of a party to enforce performance by the other party of any term, covenant, or condition of this Agreement, and the failure of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.
18. FORCE MAJEURE - Neither AIR DISTRICT nor VELOZ shall be liable for or deemed to be in default for any delay or failure in performance under this Agreement or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, judicial orders, governmental controls, regulations or restrictions, inability to obtain labor or materials or reasonable substitutes for labor or materials necessary for performance of the services, or other causes, except financial, that are beyond the reasonable control of AIR DISTRICT or VELOZ, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if the cause of the force majeure event is due to party's own

action or inaction, then such cause shall not excuse that party from performance under this Agreement.

19. SEVERABILITY - If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them will not be affected.
20. HEADINGS - Headings on the sections and paragraphs of this Agreement are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of, the provisions of this Agreement.
21. DUPLICATE EXECUTION - This Agreement may be executed in separate, duplicate counterparts. Each signed counterpart shall have the force and effect of an original, and all such counterparts together shall constitute one and the same instrument.
22. GOVERNING LAW - Any dispute that arises under or relates to this Agreement shall be governed by California law, excluding any laws that direct the application to another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Agreement, including mediation, shall be San Francisco, California.
23. ATTORNEYS' FEES – In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys' fees and costs.
24. ENTIRE AGREEMENT AND MODIFICATION - This Agreement represents the final, complete, and exclusive statement of the agreement between the parties, and it supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Agreement by, nor is any party relying upon, any representation or warranty outside those expressly set forth herein. This Agreement may be amended only by mutual agreement of the parties in writing and signed by both parties.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

VELOZ

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_  
Josh Boone  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel

DRAFT

## **ATTACHMENT A**

### **AIR DISTRICT'S ADVERTISING AND PROMOTIONAL BENEFITS**

In recognition of AIR DISTRICT's sponsorship of VELOZ ongoing work towards overcoming barriers towards electrification and promoting the electric vehicle movement, VELOZ will provide AIR DISTRICT with the following advertising and promotional benefits and assistance with AIR DISTRICT outreach efforts during the term of this agreement:

- AIR DISTRICT leadership role in meetings/forums;
- AIR DISTRICT leadership role in working groups, workshops, webinars and networking opportunities;
- AIR DISTRICT name and logo listed as Champion Members on Veloz.org website; and
- Complimentary passes to leading industry news and networking opportunities.

DRAFT



**ATTACHMENT B**

**SPONSORSHIP FEE AND PAYMENT SCHEDULE**

AIR DISTRICT shall pay VELOZ the amount of Fifty Thousand Dollars (\$50,000) to sponsor the initiatives and for advertising and promotional benefits and assistance set forth in Attachment A. Payment shall be made upon execution of this Agreement and submission of an invoice.

**Total cost of Agreement not to exceed \$50,000.**

DRAFT

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**SPONSORSHIP AGREEMENT**

**CONTRACT NO. 2024.073**

1. **PARTIES** - The parties to this Sponsorship Agreement (Agreement) are the Bay Area Air Quality Management District (DISTRICT), whose address is 375 Beale Street, Suite 600, San Francisco, CA, 94105; and **Veloz** (VELOZ), whose address is 400 Capitol Mall, Suite 900, Sacramento, CA 95814.
  
2. **RECITALS**
  - A. DISTRICT is the regional agency with primary responsibility for regulating stationary source air pollution in the San Francisco Bay Area in the State of California. DISTRICT is authorized to enter into this Agreement under California Health and Safety Code Section 40701.
  
  - B. VELOZ is a 501(c)(3) non-profit organization dedicated to engaging public-private partnerships, programs, policy engagement and public awareness campaign to overcome barriers to infrastructure electrification and promoting the electric vehicle movement.
  
  - C. DISTRICT seeks to enhance awareness of its commitment to achieving clean air to protect the public's health and the environment. As such, DISTRICT desires to sponsor VELOZ in its ongoing work to overcome barriers to electrification and promoting the electric vehicle movement, and also desires to acquire from VELOZ certain advertising and promotional benefits as described herein, and VELOZ desires to provide such benefits and assistance to DISTRICT in exchange for DISTRICT sponsorship in accordance with the terms and provisions of this Agreement.
  
3. **TERM** - The term of this Agreement shall be July 1, 2024 to June 30, 2025 (Term), unless terminated earlier as provided herewith.
  
4. **TERMINATION** –
  - A. Either party may terminate this Agreement. In the event of such termination, VELOZ shall refund to DISTRICT any and all payments made by DISTRICT pursuant to this Agreement.
  
  - B. Either party may terminate this Agreement for breach by the other party.
    - i) Failure to perform any agreement or obligation contained in this Agreement or failure to perform the services in a satisfactory manner shall constitute a breach of the Agreement.
  
    - ii) The non-breaching party may terminate the Agreement by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and

- the date by which such breach must be cured.
- iii) If VELOZ fails to perform any obligation under this Agreement, DISTRICT, at its sole discretion, may perform, or cause the performance of, the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the payment otherwise due to VELOZ for work performed under this Agreement. DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, VELOZ under this Agreement.
  - iv) The notice of breach shall be provided in accordance with the notice requirements set forth in section 12.
  - v) The non-breaching party reserves all rights under law and equity to enforce this Agreement and recover any damages.
5. ADVERTISING AND PROMOTION - VELOZ will provide to DISTRICT the advertising and promotional benefits as described in Attachment A attached hereto.
6. SPONSORSHIP PAYMENT SCHEDULE - In support of VELOZ's ongoing work to overcome barriers to electrification and promoting the electric vehicle movement and in consideration for VELOZ providing to DISTRICT the advertising and promotional benefits as described in Attachment A, DISTRICT shall pay VELOZ a sponsorship payment in the amounts described in Attachment B hereto according to the payment schedule described in Attachment B hereto.
7. NON-EXCLUSIVITY - DISTRICT expressly acknowledges that VELOZ may have other sponsors whose advertising or brands are displayed in connection with VELOZ activities sponsored by DISTRICT. DISTRICT expressly agrees that it is not granted any exclusive rights that would in any manner limit the rights of VELOZ to seek other sponsors and to display advertising or brands of those sponsors, except as may be expressly set forth in Attachment A hereto. To the extent that any right of exclusivity has been granted, the express terms of that right are described in Attachment A hereto.
8. DELIVERY OF PROMOTIONAL MATERIALS - DISTRICT shall be responsible for delivering its promotional materials to VELOZ prior to the publication deadline for each VELOZ publication in which such materials will be published, as long as VELOZ has provided written notice of the publication deadline to DISTRICT.
9. PARTIES' TRADEMARKS - Each party shall be entitled, from time to time, to make reasonable use of the other party's name, trade name, trademarks and logos in connection with advertising or promotional materials; provided, however, that a party shall do so only with the prior written approval of the other party, which approval shall not be unreasonably withheld. Notwithstanding anything stated herein, no ownership rights are granted or transferred in connection with either party's use of the other party's name, trade name, trademarks.
10. INDEMNIFICATION
- A. VELOZ shall indemnify and hold harmless DISTRICT, and DISTRICT's officers, employees and agents, from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages, arising out of the performance of this Agreement; but only in proportion to and to the extent such liability, loss, expense

(including reasonable attorneys' fees), or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of VELOZ or its officers, agents, or employees. This provision shall survive the expiration or termination of this Agreement.

11. INSURANCE

- A. VELOZ shall maintain the following Insurance:
  - i) Workers' compensation and employers' liability insurance as required by California law or other applicable statutory requirements for any persons employed by VELOZ for the Event.
  - ii) Occurrence-based commercial general liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each occurrence. Such insurance shall include DISTRICT and its officers, agents, and employees as additional insureds for the Event and shall be primary with respect to any insurance maintained by DISTRICT.
  - iii) Business automobile liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each accident covering each automobile used by VELOZ in connection with the Event. Such insurance shall include coverage for owned, hired, and non-owned vehicles.
- B. Within thirty (30) days following execution of this Agreement, VELOZ shall furnish properly-executed certificates of insurance for all required insurance. VELOZ shall notify DISTRICT in writing fifteen (15) days prior to cancellation or modification of any required insurance policy. Any such modifications are subject to pre-approval by DISTRICT.

12. NOTICES - All notices that are required under this Agreement shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail, facsimile, or regular first class mail. In the case of e-mail and facsimile communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail and facsimile communications shall be deemed to have been received on the date of such transmission, provided such date was a business day and delivered prior to 4:00 p.m. Pacific Time. Otherwise, receipt of e-mail and facsimile communications shall be deemed to have occurred on the following business day. In the case of regular mail notice, notice shall be deemed to have been delivered on the mailing date and received five (5) business days after the date of mailing.

DISTRICT: Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
Attn: Lisa Fasano

VELOZ: Veloz  
400 Capitol Mall, Suite 900  
Sacramento, CA 95814  
Attn: Josh Boone

13. ADDITIONAL PROVISIONS - All attachment(s) to this Agreement are expressly incorporated herein by this reference and made a part hereof as though fully set forth.
14. AUDIT / INSPECTION OF RECORDS – If this Agreement exceeds \$10,000, pursuant to California Government Code Section 8546.7, all records, documents, conditions and activities of VELOZ, and its subcontractors, related to the services provided hereunder, shall be subject to the examination and audit of the California State Auditor and other duly authorized agents of the State of California for a period of three (3) years after final payment under this Agreement. VELOZ hereby agrees to make such records available during normal business hours for inspection, audit, and reproduction by any duly authorized agents of the State of California or DISTRICT. VELOZ further agrees to allow interviews of any of its employees who might reasonably have information related to such records by any duly authorized agents of the State of California or DISTRICT. All examinations and audits conducted under this section shall be strictly confined to those matters connected with the performance of this Contract, including, but not limited to, the costs of administering this Agreement.
15. RELATIONSHIP OF THE PARTIES - Nothing contained herein shall imply any partnership, joint venture or agency relationship between the parties and neither party shall have the power to obligate or bind the other in any manner whatsoever, except to the extent herein provided.
16. ASSIGNMENT - No party shall assign, sell, license, or otherwise transfer any rights or obligations under this Agreement to a third party without the prior written consent of the other party, and any attempt to do so shall be void upon inception.
17. WAIVER - No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies. Further, the failure of a party to enforce performance by the other party of any term, covenant, or condition of this Agreement, and the failure of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.
18. FORCE MAJEURE - Neither DISTRICT nor VELOZ shall be liable for or deemed to be in default for any delay or failure in performance under this Agreement or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, judicial orders, governmental controls, regulations or restrictions, inability to obtain labor or materials or reasonable substitutes for labor or materials necessary for performance of the services, or other causes, except financial, that are beyond the reasonable control of DISTRICT or VELOZ, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if

the cause of the force majeure event is due to party's own action or inaction, then such cause shall not excuse that party from performance under this Agreement.

19. SEVERABILITY - If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them will not be affected.
20. HEADINGS - Headings on the sections and paragraphs of this Agreement are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of, the provisions of this Agreement.
21. DUPLICATE EXECUTION - This Agreement may be executed in separate, duplicate counterparts. Each signed counterpart shall have the force and effect of an original, and all such counterparts together shall constitute one and the same instrument.
22. GOVERNING LAW - Any dispute that arises under or relates to this Agreement shall be governed by California law, excluding any laws that direct the application to another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Agreement, including mediation, shall be San Francisco, California.
23. ATTORNEYS' FEES – In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys' fees and costs.
24. ENTIRE AGREEMENT AND MODIFICATION - This Agreement represents the final, complete, and exclusive statement of the agreement between the parties, and it supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Agreement by, nor is any party relying upon, any representation or warranty outside those expressly set forth herein. This Agreement may be amended only by mutual agreement of the parties in writing and signed by both parties.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be duly executed on their behalf by their authorized representatives.

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

VELOZ

By: \_\_\_\_\_  
Philip M. Fine  
Executive Officer/APCO

By: \_\_\_\_\_  
Josh Boone  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Alexander G. Crockett  
General Counsel

DRAFT

## ATTACHMENT A

### DISTRICT'S ADVERTISING AND PROMOTIONAL BENEFITS

In recognition of DISTRICT's sponsorship of VELOZ ongoing work towards overcoming barriers towards electrification and promoting the electric vehicle movement, VELOZ will provide DISTRICT with the following advertising and promotional benefits and assistance with DISTRICT outreach efforts during the term of this agreement:

- DISTRICT leadership role in meetings/forums;
- DISTRICT leadership role in working groups, workshops, webinars and networking opportunities;
- DISTRICT name and logo listed as Champion Members on Veloz.org website; and
- Complimentary passes to leading industry news and networking opportunities.

DRAFT



**ATTACHMENT B**

**SPONSORSHIP FEE AND PAYMENT SCHEDULE**

DISTRICT shall pay VELOZ the amount of Fifty Thousand Dollars (\$50,000) to sponsor the initiatives and for advertising and promotional benefits and assistance set forth in Attachment A. Payment shall be made upon execution of this Agreement and submission of an invoice.

**Total cost of Agreement not to exceed \$50,000.**

DRAFT

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization of Funding Allocation and Cost-Effectiveness Limits for the  
Transportation Fund for Clean Air in Fiscal Year Ending 2025 - 60% Funds

RECOMMENDED ACTION

- Approve the proposed allocation of the estimated new TFCA monies to the programs and projects listed in Table 1 for Fiscal Year Ending (FYE) 2025 that will be funded by the 60% portion of the TFCA; and
- Authorize the proposed cost-effectiveness limits for the Air District-sponsored programs and projects listed in Table 2 that would be paid for by the TFCA 60% Fund.

BACKGROUND

In 1991, the California State Legislature authorized the Department of Motor Vehicles to impose a \$4 surcharge on motor vehicles registered in the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District’s jurisdiction. Those funds are directed to the Air District and administered under the Transportation Fund for Clean Air (TFCA). The statutory authority for the TFCA is set forth in California Health and Safety Code (HSC) Sections 44241 and 44242, including a requirement that the Air District’s Board of Directors adopt cost-effectiveness criteria that maximizes emissions reductions and public health benefits.

The authorizing legislation allows the Air District to award these funds to public agencies for all project categories, while non-public agencies including private businesses, non-profits, and residents may only be awarded funds for projects that reduce emissions from vehicle-based projects. Up to sixty percent of TFCA funds may be awarded by the Air District to eligible projects and programs that are implemented directly by the Air District (e.g., Spare the Air and Vehicle Buy Back) and for distribution to eligible applicants through the TFCA Regional Fund. The remaining forty percent of TFCA funds are passed through to the TFCA 40% Fund (also called the County Program Manager Fund) based on each county’s proportionate share of vehicle registration fees paid and are awarded by the nine designated agencies within the Air District’s jurisdiction.

This report discusses the proposed allocation of the 60% portion of new TFCA monies that will be available in FYE 2025 for distribution by the Air District and the proposed updates to the cost-effectiveness limits for the Air District-sponsored TFCA-funded programs and projects. Staff will return later this year with recommendations for cost-effectiveness criteria for the TFCA Regional Fund projects and the 40% Fund.

The Policy, Grants & Technology Committee received a presentation on this item at its March 20, 2024, meeting and recommended that the Board of Directors approve the recommendations.

DISCUSSION

In developing this recommendation, staff considered input received from stakeholders along with factors such as regulatory requirements scheduled to be phased-in in the near-term for truck and bus fleets, cost-effectiveness of clean air vehicle projects, and the demand for funding for certain project categories. Staff also considered feedback from the Policy, Grants, and Technology committee and the former Mobile Source and Climate Impacts Committee to prioritize the most cost-effective categories that benefit priority communities and have additional public health benefits.

Staff estimates that approximately \$24 million in new TFCA monies will accrue in FYE 2025, with \$13.46 million available for allocation to the 60% portion. Of this, \$11.65 will be available for distribution for programs and projects and \$1.81 million for administrative and audit expenses. Staff recommends that the \$11.65 million in new 60% TFCA monies be allocated to the program categories listed below in Table 1.

**Table 1 - Proposed Programs and TFCA Funding Allocation for FYE 2025 (in Millions)**

<b>Program Categories</b>	<b>Estimated New TFCA Monies</b>	<b>Estimated Carryover</b>	<b>Estimated Total Funds Available in FYE 2025<sup>c</sup></b>
<b>Clean Air Vehicles</b>	\$4.00	\$11.00	\$15.00
<b>Trip Reduction</b>	\$3.00	-	\$3.00
<b>Air District Sponsored Programs<sup>a</sup></b>	\$4.65	\$9.35	\$14.00
<b>Total Funding Available for Projects and Programs:</b>	<b>\$11.65</b>	<b>\$20.35</b>	<b>\$32.00</b>
<b>Admin &amp; Audit<sup>b</sup></b>	\$1.81	-	\$1.81
<b>Total Funding</b>	<b>\$13.46</b>	<b>\$20.35</b>	<b>\$33.81</b>

<sup>a</sup> \$11.36 million is proposed for allocation to the Vehicle Buy Back Program.

<sup>b</sup> HSC Section 44233 authorized up to 6.25% of projected revenues can be used for administrative costs.

<sup>c</sup> In the event a program category is undersubscribed, the Executive Officer/APCO may reallocate up to 20% of each program category’s allocation to other categories based on demand, cost-effectiveness, and technology availability.

The estimate for new revenue in the column labeled "Estimated New TFCA Monies" is based on the amount of DMV revenue received in FYE 2023. Table 1 also shows an estimated \$20.35 million in carryover funds available to augment the new monies. Carryover funds include unobligated TFCA funds from prior years, projects recently completed under budget or canceled, and estimated interest accrued in FYE 2024.

The following narrative provides additional information on the proposed programs and projects listed in Table 1.

### ***Clean Air Vehicles***

Accelerating the adoption of zero-emission vehicles is a key strategy in reducing on-road motor vehicle emissions, improving air quality, protecting the climate, and reducing reliance on fossil fuels. Electrification of all sectors of transportation, including light-duty passenger cars and heavy-duty trucks and buses, is essential in helping the region achieve local, state, and federal criteria pollutants and GHG emissions reduction targets.

The TFCA-funded incentive programs work to complement other Air District efforts to increase adoption of zero-emission vehicles and equipment that include outreach activities and forums that promote new technologies, share best practices, and encourage local agencies to adopt supporting policies and local ordinances. The Air District's efforts, in combination with other initiatives, have contributed to the Bay Area's high adoption rate of light-duty Electric Vehicles (EV) and deployment of zero-emission medium- and heavy-duty trucks and buses in the region.

The authorizing legislation allows the award of TFCA funds for clean air vehicle projects to both public and non-public entities. For FYE 2025, staff is recommending TFCA funds be allocated to support the following project categories to accelerate the region's transition to zero-emission vehicles:

- ***EV Charging Stations:*** To support adoption of passenger EVs by helping to expand access to public charging by prioritizing installation of EV charging stations in multi-family dwellings and impacted communities.
- ***Zero-emission Medium- and Heavy- Duty Vehicles and Infrastructure:*** To accelerate the adoption of zero-emission trucks and buses for private and public fleets, including school districts, and the installation of supporting refueling infrastructure.
- ***Clean Cars for All:*** To augment funding from other sources to provide incentives to qualifying low-income residents to purchase new and used light-duty EVs or to transition to clean mobility options. CCFA has historically been funded through the state's California Climate Investments (CCI) initiative, Volkswagen Mitigation settlement fund, and TFCA.

## ***Trip Reduction***

Reducing single-occupancy motor vehicle trips through active transportation such as biking and walking is another strategy in reducing mobile source emissions. The authorizing legislation requires that sponsors of trip reduction projects be public agencies.

For FYE 2025, staff is recommending TFCA funds be allocated for ***Bicycle Facilities***, to support the installation of new bikeways and secure bicycle parking to encourage and enable increased use of active modes of transportation such as walking, biking, and mode shift away from the use of motor vehicles for short first- and last- mile connections to mass transit.

### ***Other Air District-Sponsored Programs:***

Staff is also recommending that TFCA funds in FYE 2025 be used to reduce motor vehicle trips and increase the adoption of clean air vehicles via Air District-sponsored programs.

- ***Spare the Air:*** To provide funding to support this public outreach program for the summer ozone season to conduct advertising, media, and educational activities aimed at reducing vehicle miles traveled and emissions by behavior modification.
- ***Commuter Benefits Program:*** To support the Air District's conducting compliance assistance and outreach to companies and government agencies, including education, outreach, monitoring, and tracking of Bay Area employers subject to the legislative requirements.
- ***Enhanced Mobile Source Inspections:*** To support the enhanced inspection patrols for reporting smoking vehicles and enforcement of the state's drayage truck regulation and related truck/mobile source regulations conducted at and adjacent to the Port of Oakland.
- ***Vehicle Buy Back:*** To support the retirement and scrappage of older polluting vehicles, as well as implementation-related expenses including mail-outs to owners with qualifying vehicles, dismantling services, staff labor, and outreach. This program continues to be one of the Air District's most cost-effective incentive programs for reducing air pollution emitted from mobile sources. Historically, monies from the Carl Moyer (Moyer) and Mobile Source Incentive Fund (MSIF) programs were used to fund the incentives paid to program participants. However, over time, the participation rate in this program has decreased drastically due to the limits in the Carl Moyer guidelines on both the amount of money that can be paid as an incentive and the maximum cost-effectiveness limit. Staff is proposing shifting program costs to the TFCA, which would allow the Air District more flexibility in making programmatic changes in the near term to quickly improve program participation. Staff will also be working over the coming year with CARB to make updates to the Moyer Guidelines, with the hope of having the option for shifting costs back to the Moyer and/or MSIF. This proposed allocation reflects an increase in TFCA funding for the Vehicle Buy Back program in FYE 2025. The increase in cost is primarily due to the shifting of costs that were formerly paid for by Moyer and MSIF, and TFCA administrative monies. In addition, staff anticipates increases in costs associated with increases in incentive amounts, staff labor, outreach, and overall participation.

### ***TFCA Cost-Effectiveness***

The TFCA authorizing legislation requires the Air District to adopt cost-effectiveness criteria to maximize emissions reductions and public health benefits. Cost-effectiveness (C/E) is one of the key criteria used to evaluate and select projects to be funded by TFCA. In addition to reducing pollutants, TFCA-funded projects provide other co-benefits such as conserving energy and reducing GHG emissions; reducing traffic congestion, and improving physical fitness and public safety by facilitating active modes of transportation such as walking and biking.

Due to their overlapping target audience and shared goals, staff will be evaluating the emission reduction benefits from all Air District sponsored outreach and education programs collectively under the Spare the Air umbrella, including the Commuter Benefits program. Staff recommends maintaining the same maximum C/E limit as the prior year for all programs. The proposed cost-effectiveness limits and project operational period (POP) for each of the Air District-sponsored programs is shown in Table 2:

**Table 2 – Proposed Cost-Effectiveness and POP for Air District-Sponsored Programs**

<b>Program Categories</b>	<b>Max. C/E</b>	<b>POP</b>
	<b>(per ton of emissions reduced)</b>	<b>(in Years)</b>
<b>Spare the Air &amp; Commuter Benefits</b>	\$500,000	1
<b>Enhanced Mobile Source Inspections</b>	\$500,000	1
<b>Vehicle Buy Back</b>	\$50,000*	3
<b>Clean Cars for All</b>	\$522,000	3

\*Maximum cost-effectiveness for vehicle scrapping if entirely funded by TFCA. If TFCA is used as a match for state funds, all emissions reductions will be claimed by the state program.

### **BUDGET CONSIDERATION/FINANCIAL IMPACT**

The Air District distributes “pass-through” funds to grantees on a reimbursement basis and project funds may also be used for costs related to the implementation of authorized programs. Administrative costs for TFCA are provided by the funding source.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Minda Berbeco, Ph.D.  
Reviewed by: Karen Schkolnick

ATTACHMENTS:

None

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization to Execute a Contract with TTEC Digital for Development and  
Implementation of a Public Records Management System

RECOMMENDED ACTION

Recommend the Board of Directors Authorize the Executive Officer/APCO to enter into a contract with TTEC Digital (TTEC) in an amount not to exceed \$217,412.50 for development and implementation of a Public Records Management (PRM) System with five years of support services. This amount includes a one-time cost of \$79,912.50 for the development of the PRM system, and an annual cost of \$27,500 for support services over five years.

BACKGROUND

The Air District's current PRM system is outdated and no longer meets the Air District's needs. Meanwhile, the public's requests for public records under the California Public Records Act continue to increase significantly and require substantial resources.

Staff therefore seek to upgrade to a modern PRM system to aid the Air District in responding to requests, including document collection, review, and release, and communication with requestors. The selected firm will design, build, and implement a custom PRM system to aid the Air District in responding to public records requests and will provide support services for the following five years.

DISCUSSION

On September 20, 2023, the Air District opened Request for Proposals (RFP) No. 2023-039 to solicit proposals to develop a PRM system. RFP No. 2023-039 was open for four weeks. A total of six vendors submitted proposals for consideration. The vendors included, in alphabetical order:

- ECS Imaging, Inc.,
- JustFOIA, Inc.,
- Ray Morgan Company/Ubeo.



- PRI Management Group,
- ShareSquared, Inc., and
- TTEC Digital.

The proposals were reviewed and evaluated by a panel of Air District staff from the Legal Division (including the Public Records Coordinator and attorneys who work on Public Records Act issues) and Information Services Operations.

Proposals from TTEC Digital and ShareSquared, Inc. scored the highest and were invited to provide a demonstration of their proposed solutions. While TTEC Digital and ShareSquared, Inc. both proposed leveraging Microsoft’s existing technology to build a PRM system, TTEC Digital staff demonstrated extensive experience and knowledge in building PRM systems that can be tailored to fully meet the Air District’s needs to enable the Air District to respond to PRA requests efficiently and effectively. TTEC Digital’s bid is higher than ShareSquared, Inc.’s, with a total cost of \$79,912.50 for the development of the PRM system, compared to \$46,310. However, the panel agreed that TTEC Digital offers the best value to the Air District as they are more experienced and can develop a far superior PRM system that will save the Air District time and resources for many years to come.

**Table 1: RFP No. 2023-039 Scoring Summary**

<b>Vendor</b>	<b>Proposal Score (/120 pts)</b>	<b>Demo Score (/70 points)</b>	<b>Total Score (/190 pts)</b>
TTEC Digital	101.25	60	161.25
ShareSquared, Inc.	97.75	43.25	141
ECS Imaging, Inc.	77.75	N/A	77.75
Ray Morgan Company/ Ubeo	75.5	N/A	75.5
JustFOIA, Inc.	73.25	N/A	73.25
PRI Management Group	65.5	N/A	65.5

Staff recommends entering into a Master Services Agreement with TTEC Digital to develop and implement a PRM system for the Air District and to provide services for ongoing support for up to five years.

**BUDGET CONSIDERATION/FINANCIAL IMPACT**

The proposed contract would authorize expenditures in an amount not to exceed \$217,412.50 over a five-year term, subject to budget appropriations in future years. This amount includes a one-time cost of \$79,912.50 for the development of a PRM system and an annual cost of \$27,500 for managed services. Funding for the initial cost for system development is included in the Legal Division Professional Services 201 budget for FYE 2024. Staff will propose costs of the managed services for inclusion in future years’ budgets. The proposed contract includes a termination clause that will allow the Air District to terminate the contract without penalty in the event funds are not appropriated in future years.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Carrie Schilling  
Reviewed by: Alexander Crockett

ATTACHMENTS:

1. RFP 2023 039 Public Records Management System
2. TTEC Digital BAAQMD MSA 2024
3. Dynamics On-Prem 8.2 to D365 RFP V2 SOW 2024-05-28
4. Public Records Tracker Support Agreement Medal Plan May 24, 2024



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

September 20, 2023

Request for Proposals# 2023-039

**Public Records Management System**

**SECTION I – SUMMARY**..... 1  
**SECTION II – BACKGROUND**.....2  
**SECTION III – SCOPE OF WORK**.....2  
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**SECTION V – PROPOSAL FORMAT, CONTENT, AND SUBMITTAL**.....5  
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**SECTION I – SUMMARY**

The Bay Area Air Quality Management District (“Air District”) seeks proposals for a public records management (“PRM”) system for responding to California Public Records Act (“CPRA”) requests. The selected firm will provide a PRM system that meets the Air District’s needs and assist the Air District with implementation and post implementation of day-to-day operations. The PRM system must be compatible with Microsoft (MS) Office 365 Suite.

To respond to this Request for Proposals (“RFP”), an interested firm should submit one (1) electronic copy (in Adobe Acrobat PDF file format) of its proposal to the Air District’s Procurement Portal (“Portal”):

Cynthia Zhang, Staff Specialist  
Bay Area Air Quality Management District  
375 Beale Street, Suite 600; San Francisco, CA 94105  
Portal link: <https://baaqmd.bonfirehub.com>

**Proposals must be received by  
4:00 p.m. Pacific Time (PT) on Friday, October 20, 2023 (“deadline”).  
Late proposals will not be considered.**

Proposals must address all information requested in this RFP. A proposal may add information not requested in this RFP, but the information should be in addition to, not instead of, the requested information and format. Minority business enterprises, women’s business enterprises, veteran’s business enterprises, local businesses, and certified green businesses are encouraged to submit proposals. **Any questions regarding this**

**RFP should be submitted through the Portal.**

## **SECTION II – BACKGROUND**

### **A. Air District Overview**

The Air District is the government agency responsible for protecting air quality in the San Francisco Bay Area. The Air District is tasked with regulating stationary sources of air pollution in the nine counties that surround San Francisco Bay: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, southwestern Solano, and southern Sonoma counties. It is governed by a 24-member Board of Directors composed of locally elected officials from each of the nine counties. The Air District's mission is to create a healthy breathing environment for every Bay Area resident, while protecting and improving public health, air quality and the global climate.

The Air District aims to achieve its mission through many strategic goals, including: reducing and eliminating health problems caused by air pollution, achieving and maintaining air quality standards, leading the Bay Area's efforts to fight global climate change, creating high-quality regulatory programs, and applying environmental best practices in all operations. To do so, the Air District regulates air pollution emissions from stationary emission sources such as factories, refineries, and power plants, and from smaller facilities like gas stations and dry cleaners. The Air District ensures that such facilities comply with air pollution laws and regulations, provides incentives to replace older, higher-emitting vehicles and equipment with cleaner alternatives, and gives grants and provides outreach to encourage healthy clean air choices by businesses and consumers. The Air District implements these efforts with an equity focus, aiming to reduce air quality disparities and promote environmental justice by targeting local air pollution in overburdened communities.

### **B. Public Records Management System**

The Air District's current PRM system is outdated and no longer meets the Air District's needs. The Air District seeks a new PRM system to aid the Air District in responding to requests under the CPRA, including document collection, review, and release; and communication with requestors.

## **SECTION III – SCOPE OF WORK**

The selected firm will provide a PRM system to aid the Air District in responding to requests under the CPRA, including document collection, review, and release; and communication with requestors. The Air District desires a fully functional PRM system within ninety (90) days after execution of a contract.

### **PRM System and Implementation Services**

1. Provide a PRM system that includes, or can be customized or configured to include, the following features:
  - Public Records Requests tracking and routing
  - Auto-response to requests
  - Dashboards to manage requests

- Activity management
  - Track emails and communications
  - Auditing capabilities
  - Fee tracking
  - Portal for the public
  - CPRA compliant
  - Integration with MS Office 365
2. Design and configure the PRM system to meet Air District needs.
  3. Migrate legacy data to the new PRM system.
  4. Provide training for administrators and end-users, as needed.
  5. Provide post implementation support for day-to-day operations, including technical support.

## **SECTION IV – INSTRUCTIONS TO PROPOSERS**

### **A. General**

1. Interested firms must create an account through the Portal described in this RFP to view RFP documents and addenda, and to submit questions and proposal documents.
2. All proposals must be made in accordance with the conditions of this RFP. Failure to address any of the requirements is grounds for rejection of the proposal.
3. All information should be complete, specific, and as concise as possible.
4. Proposals should include any additional information that the proposer deems pertinent to the understanding and evaluation of the proposal.
5. The Air District may modify the RFP or issue supplementary information or guidelines during the proposal preparation period prior to the deadline. Please check the [Portal](#) for updates prior to the deadline.
6. All proposals shall constitute firm offers valid for ninety (90) days from the deadline. Once submitted, proposals may be withdrawn, modified and resubmitted through the Portal up until the deadline.
7. The Air District reserves the right to reject any and all proposals.
8. All questions must be in written form and submitted through the Portal no later than **4:00 p.m. PT on Thursday, October 5, 2023**. Proposers will not be able to submit questions after this time. All questions will be answered in writing and posted on the [Portal](#) by **6:00 p.m. PT on Friday, October 13, 2023**.
9. The cost for developing the proposal is the responsibility of the proposer, and shall not be chargeable to the Air District.

### **B. Submittal of Proposals**

All proposals must be submitted according to the specifications set forth in Section V (A) – Contents of Proposal, and this section. Failure to adhere to these specifications may be cause for the rejection of the proposal.

1. Deadline – All proposals are due no later than 4:00 p.m. PT on Friday, October 20, 2023, and must be submitted via the Portal to:

Cynthia Zhang, Staff Specialist  
Bay Area Air Quality Management District  
375 Beale Street, Suite 600; San Francisco, CA 94105  
Portal link: <https://baaqmd.bonfirehub.com>

2. Uploading large documents may take significant time, depending on the size of the file(s) and internet connection speed. Proposers should plan sufficient time before the deadline to finalize their submissions and complete the uploading process. Proposers will not be able to submit documents after the deadline. Proposals received after the deadline will not be considered.
3. Signature – All proposals must be signed by an authorized representative of the bidder.
4. Submittal – Submit one (1) electronic copy (in Adobe Acrobat PDF file format) to the Portal. Electronic submissions submitted via the Portal will be acknowledged with a confirmation email receipt. Late proposals will not be accepted. Any correction or re-submission of proposals will not extend the submittal deadline.
5. Grounds for Rejection – A proposal may be rejected if it arrives after the deadline, or is not in the prescribed format, or is not signed by an individual authorized to represent the firm.
6. Disposition of the Proposals – All responses to this RFP become property of the Air District and will be kept confidential until a recommendation for award of a contract has been announced. Thereafter, submittals are subject to public inspection and disclosure under the California Public Records Act. If a respondent believes that any portion of its submittal is exempt from public disclosure, it may mark that portion “confidential.” The Air District will use reasonable means to ensure that such confidential information is safeguarded, but will not be held liable for inadvertent disclosure of the information. Proposals marked “confidential” in their entirety will not be honored, and the Air District will not deny public disclosure of any portion of submittals so marked.

By submitting a proposal with portions marked “confidential,” a respondent represents it has a good faith belief that such portions are exempt from disclosure under the California Public Records Act and agrees to reimburse the Air District for, and to indemnify, defend, and hold harmless the Air District, its officers, employees, and agents, from and against any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs, and expenses, including without limitation, attorneys’ fees, expenses, and court costs of any nature whatsoever, arising from or relating to the District’s non-

disclosure of any such designated portions of a proposal.

7. Modification – Once submitted, proposals, including the composition of the contracting team, may be altered up until the deadline. Proposals may not be modified after the deadline.

**C. Interviews and Demonstrations**

1. The Air District, at its option, may request a demonstration of the proposed solution.
2. The Air District, at its option, may interview proposers. The interviews will be for the purpose of clarifying the proposals.
3. Submittal of new proposal material at an interview will not be permitted.
4. Interviews may involve a presentation and/or a question-and-answer session.

**SECTION V – PROPOSAL FORMAT, CONTENT, AND SUBMITTAL**

**A. Contents of Proposal**

Submitted proposals should follow the format outlined below and include all requested information. Failure to submit proposals in the required format may result in the proposal being eliminated from evaluation and consideration.

1. Technical Proposal
  - a. Cover Letter (Section I) – Include the name, address, and telephone number of the firm, and signed by the person(s) authorized to represent the firm.
  - b. Contact Information – Provide the following information about the firm:
    - Address and telephone number of office nearest to San Francisco, California and the address and phone number of the office that each of the proposed staff members are based out of if different.
    - Name of firm’s representative designated as the contact and email address.
    - Name of project manager, if different from the individual designated as the contact.
  - c. Table of Contents – Clearly identify material contained in the proposal by section.
  - d. Summary (Section II) – State overall approach to the RFP, including the objectives and scope of work.
  - e. Experience and Qualifications (Section III) – Provide a statement of your firm’s background and related experience in providing similar services to

governmental organizations, if any. Describe the technical capabilities of the firm.

- f. Proposed Solution (Section IV) - Provide a comprehensive overview of the proposed solution and service delivery model. Describe features and capability of the solution in addressing the Air District's needs. Please include screenshots of the solution where appropriate. Describe the technical features and functionality of the solution that are standard features, features that are available for an add-on fee, and customized features that require additional development to meet the Air District's need. Identify any additional proposed features, functions, or capabilities that the Air District should consider to meet the stated purpose.
- g. Implementation Approach and Methodology (Section V) – Provide a detailed description of the implementation approach and methodology:
  - i. Describe your implementation methodology and approach. This includes the tools and techniques that will be used.
  - ii. Describe the roles and responsibilities of both the Air District and the firm's staff during each phase of implementation. In addition, provide an estimated level of effort and skillset required by Air District staff during implementation.
  - iii. Provide a project schedule that includes all tasks, deliverables, milestones, and resources required. The Air District seeks a detailed understanding of the work plan that will be followed to ensure success.
  - iv. Provide a migration methodology and approach for moving existing data (including users, permissions, templates, and documents) to the new PRM system.
  - v. Describe your user acceptance testing methodology and criteria for success. Also, outline the responsibilities of the Air District staff during user acceptance testing.
  - vi. Describe your training strategy/plan that includes current and future employees of the Air District in the use of the PRM system as well as other functions/features that Air District staff will need to use to administer the PRM system.
- h. Project Schedule (Section VI) – Provide projected milestones or benchmarks for deploying a fully functional PRM system within the Air District's desired timeframe.
- i. References (Section VII) - Provide a minimum of three (3) references of PRM system(s) that your firm has implemented in the last two years, including company name or government entity, contact name, title, phone number and e-mail address for all references listed. For each reference, include a description of services provided and dates the services were provided.
- j. Project Organization (Section VIII) – Describe the proposed management structure, program monitoring procedures, and organization of the proposed team. Provide a statement addressing your firm's ability and willingness to commit and maintain staffing to successfully conclude the



project on the proposed project schedule.

- k. Assigned Personnel (Section IX) – Provide the following information about the staff to be assigned to the project:
  - List all key personnel assigned to the project by level and name. Provide a description of their background, along with a summary of their experience in providing similar services for governmental agencies, and any specialized expertise they may have. Background descriptions can be a resume, curriculum vitae, or summary sheet. Substitution of project manager or staff will not be permitted without prior written approval of the Air District's assigned program manager.
  - Provide a statement of the availability of staff in any local office with requisite qualifications and experience to conduct the requested project.
  - Provide a statement of education and training programs provided to, or required of, the staff identified for participation in the project. Make particular mention of with reference to experience dealing with governmental agencies, procedures, and environmental regulations.
- l. Subcontractors (Section X) – List any subcontractors that will be used, the work to be performed by them, and the total number of hours or percentage of time they will spend on the contract.
- m. Retention of Working Papers (Section XI) – All working papers are the property of the Air District. Include a statement acknowledging that if your firm is awarded the contract, you will retain project related papers and related reports for a minimum of five (5) years.
- n. Conflict of Interest (Section XII) – Address possible conflicts of interest with other clients affected by contractors' actions performed by the firm on behalf of the Air District. The Air District recognizes that prospective proposers may have contracts to perform similar services for other clients. Include a complete list of such clients for the past three (3) years with the type of work performed and the total number of years performing such tasks for each client. The Air District reserves the right to consider the nature and extent of such work in evaluating the proposal.
- o. Additional Data (Section XIII) – Provide other essential data that may assist in the evaluation of the proposal.

## 2. Cost Proposal

- a. Itemize all applicable costs including, but not limited to annual license and maintenance cost for up to five (5) years, costs for implementation, data migration, technical support; and any other costs as deemed necessary.
- b. If professional services are required, list the fully-burdened hourly rates and

the total number of hours estimated for each level of professional and administrative staff to be used to perform the tasks required by this RFP.

- c. Include a list of anticipated reimbursable expenses, such as expenses for travel, presentation materials, supplies, deliveries, black/white and color printouts and copies, faxes, photo scans, copywriting and copyediting services and the rate charged for each.
- d. Any other fees or charges.

**SECTION VI – PROPOSAL EVALUATION**

A panel of Air District staff will evaluate all proposals. The panel will recommend the selection of the contractor to the Air Pollution Control Officer (APCO), who will, in turn, make a recommendation to the Air District Board of Directors. The Air District Board of Directors may be required to approve the contract to carry out the work described in this RFP. A link to a typical contract for professional services used by the Air District is included in Section VII.

Proposals will be evaluated on the following criteria:

<b>Criteria</b>	<b>Description</b>	<b>Points</b>
Functionality	Ability of the proposed solution to address the needs of the Air District, including technical features and capabilities of the proposed solution.	30
Expertise	Technical expertise, size and structure of the firm and personnel assigned to RFP tasks; firm’s ability to perform and complete the work in a professional and timely manner.*	20
Skill	Past experience of the firm and, in particular, experience of the team working on projects of similar scope for other governmental agencies.	20
Approach	Responsiveness of the proposal, based upon a clear understanding of the work to be performed.	20
Cost	Cost or cost effectiveness and resource allocation strategy.	20
References	Quality and applicability of references.	10
	<b>Total</b>	<b>120</b>

\* “Size and structure of firm” refers to the ability of a firm’s size to meet the needs

of the Air District. It does not give absolute preference to larger or smaller firms.

If two or more proposals receive the same number of points, the Air District will accept the lower cost offer.

## **SECTION VII – SAMPLE CONTRACT**

A sample contract to carry out the work described in this RFP is available on the Air District's website at <http://www.baaqmd.gov/about-the-air-district/request-for-proposals-rfp-rfq/samples-previous>. (Click the + to the left of Sample Contracts, and then click on the Master Services Contract link)



## TTEC DIGITAL MASTER SERVICES AGREEMENT

This Master Services Agreement (the "Agreement") is by and between the TTEC Digital, LLC, with an office at 6312 S. Fiddler's Green Circle, Suite 100N, Greenwood Village, CO 80111 ("TTEC" or "Service Provider") and Bay Area Air Quality Management District, with an office at 375 Beale Street, Suite 600 San Francisco, CA 94105 ("Client") and is entered into as of the date of the last signature (the "Effective Date").

### 1. Definitions.

1.1 "Affiliate" shall mean any entity that controls, is controlled by, or is under common control with TTEC. "Control" means the direct or indirect ownership of more than fifty percent (50%) of the voting securities of an entity or possession of the right to vote more than fifty percent (50%) of the voting interest in the ordinary direction of the entity's affairs.

1.2 "Authorized User" shall mean an employee of Client, or of a person to whom Client has outsourced services, who is authorized to access the Services as either a named user, concurrent user or otherwise. Client shall be responsible for the acts and omissions of its Authorized Users as if they were the acts and omissions of Client.

1.3 "Client Materials" shall mean (i) Client provided tools, systems software, databases, hardware, Personal Data, designs and data (whether owned by, or licensed to, Client), and (ii) Client Intellectual Property and any other pre-existing or independently developed materials provided by Client in connection with Client's use of the Services. Client Materials are the Confidential Information (as defined below) of Client.

1.4 "Documentation" shall mean TTEC's documentation which is delivered or made available to Client as part of the Services under this Agreement.

1.5 "Intellectual Property" means all past, present, and future works of authorship, materials, information, software, programs, tools, processes, workflows, documents, drawings, designs, forms, plans, reports, manuals, specifications, business methods and other intellectual property, including all intangible legal rights, titles and interests evidenced by or embodied in all: (i) inventions (regardless of patentability and whether or not reduced to practice), improvements thereto, and patents, patent applications, and patent disclosures, together with all reissues, continuations, continuations in part, revisions, extensions, and reexaminations thereof; (ii) trademarks, service marks, trade dress, logos, trade names, and corporate names, together with translations, adaptations, derivations, and combinations thereof, including goodwill associated therewith, and applications, registrations, and renewals in connection therewith; (iii) any work of authorship, regardless of copyrightability, copyrightable works, copyrights and applications, registrations, and renewals in connection therewith; (iv) trade secrets and Confidential Information; and (v) all rights associated with the foregoing and all other proprietary rights and any other similar rights, in each case on a worldwide basis, and copies and tangible embodiments thereof, in whatever form or medium.

1.6 "Intellectual Property Rights" means all past, present, and future rights of the following types, which may exist or be created under the laws of any jurisdiction in the world: (a) rights associated with works of authorship, including exclusive exploitation rights, copyrights, moral rights, and mask works; (b) trademark and trade name rights and similar rights and their associated goodwill; (c) trade secret rights; (d) patents and industrial property rights; (e) other proprietary rights in intellectual property of every kind and nature; and (f) rights in or relating to registrations, renewals, extensions, combinations, divisions, and reissues of, applications for, and protection of any of the rights referred to in subsections (a) through (e) of this sentence.

1.7 "TTEC Materials" shall mean all software, tools, methodologies, processes, techniques, ideas, know-how, documentation, technical information, technology, and other items whose Intellectual Property Rights belong or are licensed to TTEC and that are delivered to Client or used by TTEC in providing the Services.

1.8 "TTEC Offerings" shall mean the Services and TTEC Materials. "TTEC Offerings" do not include Products (as defined in Exhibit A) or Provider (as defined in Exhibit A) services.

1.9 "TTEC Parties" shall mean TTEC's subcontractors, agents and Affiliates.

"TTEC Parties" do not include Providers.

1.10 "Services" shall mean the applicable scope, services and/or deliverables described in each applicable Statement of Work Quote or other ordering document (each, the "SOW") executed by the parties pursuant to this Agreement. A Client-issued purchase order shall not be the SOW under this Agreement. "Services" do not include Products or Provider services.

1.11 "Third Party Materials" shall mean all software, products, hardware tools, methodologies, processes, programs, services, data, information, materials, documentation, and other items whose Intellectual Property Rights belong to or are licensed from a third party.

### 2. Services.

2.1 "Scope of Services/Engagement." TTEC will provide Services to Client for which the scope, fees, pricing, and operational terms shall be specifically described in a mutually agreed SOW executed by authorized representatives of the parties.

2.2 "Client Requirements." It is expressly understood that the Services to be performed under this Agreement are a collaborative undertaking between TTEC and Client and, as such, it will be necessary for Client to provide and perform, at Client's expense, Client's requirements and obligations as set forth in the applicable SOW.

2.3 "Client Decisions and Consents." TTEC shall be entitled to rely on, and Client shall be responsible for, all decisions, instructions and approvals of Client project, administrative and other personnel in connection with the Services. Client shall be responsible for procuring all Client and/or third-party consents, licenses, approvals or permissions from Client, and/or Client's customers, vendors and licensors as may be necessary to enable TTEC to perform the Services.

2.4 "Use of Services." Client will use the Services solely for its internal business purposes in accordance with this Agreement, and the applicable SOW and will not use the Services in any manner that violates any applicable law or governmental regulation.

### 3. Invoicing and Payment.

3.1 "Invoicing and Payment." Unless otherwise noted in the SOW, TTEC will invoice Client on a monthly basis for the Services fees, authorized travel and other expenses, and other agreed charges. Client shall pay all invoiced amounts that are not subject to good faith dispute within thirty (30) calendar days from the date of the invoice. Invoices unpaid after thirty (30) calendar days will bear interest the lesser of one and a half (1.5%) percent per month or the highest rate allowed by law. Client will not withhold any undisputed fees. In the event that Client disputes any charges contained in an invoice, Client shall timely pay all undisputed fees and within thirty (30) calendar days from Client's receipt of the invoice provide a written explanation of the basis for the dispute and the amount of any fees withheld. The parties agree to undertake good faith negotiations within thirty (30) calendar days from TTEC's receipt of such explanation to resolve such dispute, utilizing the Change Control Process if needed. If the parties are unable to resolve a fee dispute within such sixty (60) calendar days period, either party may seek any legal or equitable relief available to it. Client agrees to pay any collection costs (including attorney's fees) incurred by TTEC in collecting any late payments. In addition, if Client fails to make timely payment of undisputed fees or charges, and without limitation of any other rights or remedies available to it, TTEC reserves the right to suspend any Services, including Third Party Materials, without penalty to TTEC. Such suspension of Services shall not relieve Client of its payment obligations under this Agreement or the applicable SOW.

3.2 "Expenses." Unless otherwise noted in the SOW, Client shall reimburse TTEC for all expenses reasonably incurred by TTEC in connection with the performance of the Services, including, but not limited to, travel and lodging expenses, communications charges and the cost of supplies, which will be invoiced when and as they are incurred.

3.3 "Taxes and Other Regulatory Charges." All amounts payable under this Agreement are exclusive of all taxes, levies, duties, tariffs, or other governmental or regulatory charges or expenses or withholdings TTEC is required to collect or remit to



applicable tax authorities including, without limitation, any value added tax, withholding tax, sales, goods and services tax or customs duties (collectively, "Taxes"). Client shall pay any and all applicable Taxes, however designated, incurred as a result of or otherwise in connection with this Agreement, the Services, or Products, excluding Taxes based upon the net income of TTEC. If Client asserts in writing that specified amounts are not subject to Taxes and provides TTEC with a valid exemption certificate, TTEC will refrain from collecting and remitting Taxes with respect to such specified amounts.

3.4 **Audit.** Each party shall maintain complete records of its activities under this Agreement for at least three (3) years following termination of this Agreement. Each party agrees to allow the other party, upon at least ten (10) business days advance written notice, to audit such party's business records specifically relating to this Agreement as kept in the normal course of business to ensure compliance with the terms and conditions of this Agreement. If the audit reveals that either party has failed to comply with the terms of this Agreement, such party shall immediately become compliant and reimburse the other party for any unpaid amounts due (net of any discovered under-billing) and, if the noncompliance reflects a variance of ten percent (10%) or more, the reasonable cost of the audit. In the event that the audit reveals that a party owes the other party money, whether or not such amounts were properly billed at the outset, the owing party shall reimburse the other party for any amounts due. All audits shall be conducted during the audited party's normal business hours, must be conducted in a manner that does not unreasonably interfere with the business operations of the party being audited, and each party may conduct an audit no more than once per calendar year.

#### 4. **Change Control.**

4.1 **Change Control Process.** If Client wishes to make a change to any of the Services, or TTEC wishes to make any changes to the Services that will impact the delivery (including but not limited to the delivery timeline) or cost to Client of the Services (including the provision of any "New Services"), such party shall submit to the other party a Change Order, Change Request, or Project Change Form (each, a "PCF"), detailing the proposed change. No PCF will take effect unless signed by both parties. The parties will negotiate the proposed change and the PCF in good faith. Neither party shall have any obligation with respect to a change under this Section unless and until a PCF has been executed by both parties and delivered. Neither party shall unreasonably withhold or delay its approval of a PCF. "New Services" shall be defined as Services provided or to be provided by TTEC to Client that: (i) are materially different from the Services or represent significant cumulative changes that are not caused by TTEC (e.g., a new system or process introduced by Client) or are suggested by TTEC and approved by the Client and that have a material effect on the existing Services, (ii) require materially different levels of effort, skill, resources or expense from the TTEC, or (iii) for which there is no current charging methodology or price. The parties shall adhere to the foregoing change request procedures for any New Services, changes to existing Services, or where otherwise required by this Agreement.

4.2 **Changes in Cloud Services.** Unless otherwise set forth in the SOW, the following language shall apply to any cloud services that are part of a TTEC Offering: TTEC may change or modify the Services at any time and TTEC will only be required to notify Client of a change or modification to the Services in advance if the change or modification: (i) is not within industry standards and/or customary in the industry; and (ii) does not extend and/or enhance the functionalities or architecture of the Services. If TTEC notifies Client of a change as required in this Section and Client does not wish to use the Services after notification of such change, Client may, within forty-five (45) calendar days of notification, provide TTEC with written notice of termination of the applicable SOW. If Client does not provide such written notice to TTEC within such forty-five (45) calendar days period, Client shall be deemed to have accepted such change or modification to the Services, and the applicable SOW shall continue in full force and effect. Nothing in this Section shall require TTEC to continue to provide any portion of the Services if this would result in TTEC violating the rights of any third party or any applicable law.

4.3 **Issue Management.** Client shall provide all necessary information to and cooperate fully with TTEC to facilitate the early identification and timely resolution of

issues related to Services under this Agreement and/or the SOW. When an issue cannot be resolved in a reasonable time, the parties will agree on an appropriate mechanism and procedure for escalating and resolving the issue, which may include engaging the dispute resolution process pursuant to Section 11.13 (Disputes and Mediation). To the extent an identified issue is to be researched and/or a recommendation developed or reviewed by TTEC personnel, appropriate mutually agreed charges may apply to the time spent addressing the issue. The issue management process may also result in a change to the scope of the work as set forth in this Agreement.

#### 5. **Confidential Information.**

5.1 In the course of the Services, either party may provide certain of its Confidential Information to the other. "Confidential Information" shall mean any information or data that is disclosed by or on behalf of a party (in such capacity, the "Disclosing Party") to the other party (in such capacity the "Receiving Party") under or in contemplation of this Agreement or otherwise in connection with the Services and that (a) if in tangible form or other media that can be converted to readable form, is marked confidential when disclosed, (b) if intangible, is clearly identified as confidential when disclosed or (c) whether tangible or intangible, concerns the Disclosing Party's past or present vendors, clients, business partners, plans, strategies, financial condition or documents, pricing, software, product and service offerings, methodologies, models, architectures, or other proprietary technology or Intellectual Property or should otherwise be reasonably understood to be confidential or proprietary to the Disclosing Party given the nature of the information and the context in which it was disclosed.

5.2 Confidential Information shall not include: (i) information that was known to Receiving Party prior to receipt as demonstrated in written records; (ii) information that, at the time of disclosure to Receiving Party, was generally available to the public, or which after disclosure becomes generally available to the public, through no fault of Receiving Party; or (iii) information that is hereafter made available to Receiving Party from any third party having a right to do so on a non-confidential basis.

5.3 Each Receiving Party shall hold the Disclosing Party's Confidential Information in strictest confidence and exercise at least the same standard of care to prevent the disclosure of such Confidential Information as it exercises to prevent the disclosure of its own Confidential Information, but no less than a reasonable standard of care. Receiving Party may disclose Confidential Information of the Disclosing Party to its legal advisors, auditors or other advisors who require this information to provide advice to the Receiving Party in relation to this Agreement on a "need to know" basis. The Receiving Party may also disclose that portion of the Disclosing Party's Confidential Information it is required by law, regulation, subpoena, government order or judicial order to disclose, provided that Receiving Party promptly notifies the Disclosing Party upon such request for disclosure, unless prohibited by law, regulation or facially valid order from making such notification.

5.4 The Receiving Party shall not: (i) make any use or copies of the Confidential Information of the Disclosing Party except as contemplated by this Agreement, (ii) acquire any right in or assert any lien against the Confidential Information of the Disclosing Party, (iii) sell, assign, lease, or otherwise dispose of any Confidential Information of the Disclosing Party to third parties, (iv) commercially exploit such information, including through derivative works, (v) reverse engineer, decompile or disassemble any Confidential Information, or (vi) refuse for any reason (including a default or material breach of this Agreement by the Disclosing Party) to return promptly to the Disclosing Party the Confidential Information of Disclosing Party if requested to do so.

5.5 Upon expiration or termination of this Agreement, the Receiving Party shall return or destroy, as the Disclosing Party may direct, all documentation in any medium that contains, refers to, or relates to the Disclosing Party's Confidential Information and may retain one copy in Receiving Party's confidential files for archival purposes. In addition, the Receiving Party shall take all reasonable steps to make sure that its employees, representatives, and agents comply with these confidentiality provisions.



5.6 The obligations imposed under this Section will remain in effect with respect to Confidential Information for a period of three (3) years following termination or expiration of this Agreement with respect to Confidential Information that does not qualify as a trade secret under applicable law and, with respect to trade secrets, for so long as such Confidential Information remains a trade secret.

5.7 Data Privacy. For the purpose of this Agreement "Data Subjects" shall mean identified or identifiable persons to whom Personal Data (as defined below) relates. For the purpose of this Agreement "Personal Data" shall mean any information relating to an identified or identifiable person. For the purpose of this Agreement "Data Protection Laws" shall mean any applicable law or regulation concerning data protection that governs the processing of Personal Data under this Agreement. Client represents and covenants, on behalf of itself and its affiliates, that Client or Client's customers (as the case may be) has (and shall have in the future) all rights, title, licenses and authorization in and to Personal Data as necessary to provide such Personal Data to TTEC and/or Provider and has provided any and all notices to and received any and all consents from Data Subjects to allow TTEC to perform the Services without violating the Data Protection Laws. Client agrees to indemnify and keep indemnified and defend at its own expense TTEC against all costs, claims, damages or expenses incurred by TTEC or for which TTEC may become liable due to any failure of Client to comply with any of its obligations under Data Protection Laws (including, but not limited to, providing applicable notices to Client's customers).

## 6. Warranties and Disclaimers.

6.1 General Warranty. Each party represents and warrants that it has the legal right and authority to enter into this Agreement and has the legal power to do so.

6.2 Service Warranty. TTEC warrants that it will perform the Services in a competent and workmanlike manner, in accordance with applicable industry standards and in material conformity with the applicable SOW or PCF, and any Documentation. The warranty shall not apply: (i) if the Services are not used in accordance with this Agreement, any SOW or PCF, and any Documentation; (ii) if the defect is caused by or arising from the use of any Third-Party Materials not provided by TTEC as part of the Services; or (iii) if the defect is caused by any Client Materials. Notwithstanding anything else in this Agreement to the contrary, all equipment provided by TTEC for Client to use to access the Services is provided "AS IS" without warranty of any kind.

6.3 THE WARRANTIES IN THIS SECTION ARE EXCLUSIVE AND TTEC EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, AND FITNESS FOR A PARTICULAR USE OR PURPOSE, OR ANY WARRANTIES THAT THE TTEC OFFERINGS OR WORK PRODUCT WILL BE ERROR-FREE OR OPERATE WITHOUT INTERRUPTION; OR THAT THE TTEC OFFERINGS OR WORK PRODUCT WILL PROVIDE ANY SPECIFIC RESULTS OR MEET THE REQUIREMENTS OF CLIENT.

6.4 If the Services do not conform to the foregoing warranty, and Client provides notice of such non-conformity with reasonable specificity within fifteen (15) calendar days after the performance of the relevant Services, then TTEC will use commercially reasonable efforts to re-perform the relevant Services in a materially conforming manner. The foregoing states Client's exclusive remedy and TTEC's entire liability in the event of a non-conformity with the warranty provided in this Section.

6.5 Warranties and Obligations of Client. Client represents, warrants and covenants that: (i) Client has the legal right and authority, and will continue to own or maintain the legal right and authority, during the Term of this Agreement, to provide any Client Materials as contemplated under this Agreement and combine them with the TTEC Materials necessary for TTEC to provide the TTEC Offerings; (ii) the Client Materials are free of all viruses, Trojan horses, and comparable elements which could harm the systems or software used by TTEC to provide the TTEC Offerings; and (iii) the performance of Client's obligations and the use of the TTEC Offerings will not violate any applicable laws, regulations or any provision of this Agreement.

## 7. Intellectual Property Rights.

7.1 Ownership of IP. The parties acknowledge and agree that: (i) TTEC and its suppliers or licensors shall retain all right, title, and interest in and to the TTEC Offerings (including, without limitation, any releases, bug-fixes, workarounds, updates, upgrades, derivatives and/or modifications thereto and copies thereof) and related documentation, and that ownership of all patent, copyright, trade secret, moral rights, and other Intellectual Property Rights embodied therein or pertaining thereto shall be and remain the sole property of TTEC; (ii) all Client Materials are and shall remain the property of Client, and (iii) all third parties (including but not limited to Providers) assert their retention of all right, title, and interest in and to the Third Party Materials (including, without limitation, any releases, bug-fixes, workarounds, updates, upgrades, derivatives and/or modifications thereto and any copies thereof) and related documentation, and that ownership of all patent, copyright, trade secret, and other Intellectual Property Rights therein shall be and remain the sole property of the relevant third party. Client hereby grants to TTEC the right and license to reproduce, distribute, modify, perform, display and otherwise use the Client Materials in connection with providing the TTEC Offerings, and for analytic, statistical, security, quality control, and similar purposes, including by using Client Materials in aggregate form (e.g., to analyze systems performance). TTEC hereby grants to Client the right to reproduce, distribute, modify, perform, display and otherwise use any TTEC Materials incorporated into a deliverable by TTEC for the purpose of the applicable SOW.

7.2 Restrictions on Use. Client will not: (i) make TTEC Offerings or any TTEC Confidential Information available to any individual or entity who is not an Authorized User or any person that is located in an out-of-scope Client location, if applicable, except as expressly permitted under this Agreement; (ii) copy or retain any portion of the TTEC Offerings or any TTEC Confidential Information, except as expressly permitted under this Agreement; (iii) directly or indirectly, attempt to derive source code or other trade secrets from TTEC; (iv) decompile, reverse-engineer, adapt, alter, create derivative works based on, modify, enhance, or translate the TTEC Offerings or any TTEC Confidential Information in whole or in part; (v) resell, assign, rent, give, transfer, pass title to, lease, copy, provide access to or sublicense (including without limitation on a timeshare, subscription service, hosted service or outsourced basis) the TTEC Offerings, TTEC Confidential Information, or any Third Party Materials to anyone (for use in its business operations or otherwise and other than to provide access to the foregoing to its Authorized Users as expressly permitted by this Agreement); (vi) infringe the Intellectual Property Rights of any entity; (vii) interfere with or disrupt the TTEC systems used to host the TTEC Offerings, other equipment or networks connected to the TTEC Offerings, or disobey any requirements, procedures, policies or regulations of networks connected to the TTEC Offerings made known to Client; (viii) obfuscate, remove, or alter any TTEC or TTEC licensor trademark, service mark, trade name, logo, patent or copyright notice, confidentiality or proprietary legend, or other notices or markings on the TTEC Offerings; or (ix) use the TTEC Offerings for any unlawful purpose or any purpose not expressly authorized in this Agreement or the applicable SOW. Client shall take all necessary action (for example, disabling passwords) to ensure that any former employees and/or contractors do not access or use the TTEC Offerings.

7.3 Development. Nothing in this Agreement shall preclude TTEC from developing for itself, or for others, materials which are competitive with those produced as a result of the Services provided hereunder, irrespective of their similarity to items which may be delivered to Client pursuant to this Agreement.

7.4 Trademarks. Both parties acknowledges that any symbols, trademarks, trade names, and service marks ("Trademarks") adopted by the other party or any third party belong to either the other party or the relevant third party, respectively, and that both parties shall have no rights in such Trademarks of the other party or any third party, except as approved by the relevant party or the relevant third party, as the case may be, in writing.

## 8. Indemnification.

8.1 TTEC Indemnification. TTEC, at its expense shall, to the extent it is liable,



(a) indemnify and defend Client from and against any third party claim that Client's use of the Services, in accordance with the terms and conditions of this Agreement, infringes a trade secret, patent or copyright (in each case existing on the date of this Agreement) or (b) arises out of any violation of or failure to comply with Section 7 ( Intellectual Property Rights) and TTEC shall pay all final judgment awards against Client or settlement costs in connection with such claim or action.

8.2 **Exclusions.** TTEC and its Affiliates will have no liability, and Client shall indemnify and defend TTEC, for any claim of infringement or misappropriation to the extent based on: (i) Client's misuse or modification of such Services or use of such Services other than as directed or approved by TTEC; (ii) Client's failure to use corrections or enhancements made available by TTEC; (iii) Client's use of such Services in combination with any service, product or information not owned or developed, or approved for use in combination with such Services, by TTEC; (iv) information, direction, specification or materials provided by Client or any third party; or (v) any breach of any of the terms of this Agreement or any negligence, willful or fraudulent act or omission of or by the Client, its officers or employees, agents or contractors. Nothing contained herein shall be deemed to obligate TTEC to defend and/or indemnify Client for any infringement caused by any Third-Party Materials or Products.

8.3 **Alternatives.** If any portion of the Services are held to, or TTEC believes it is likely to be held to, constitute such an infringement, TTEC will have the right at its sole option and expense, to: (i) substitute or modify the Services so that they are non-infringing and have all material functionalities; and/or (ii) obtain for Client a license to continue using the Services; and (iii) if (i) and (ii) are not commercially reasonable, terminate the applicable SOW as to the infringing portion of the Services and refund to Client a pro rata portion of any unused pre-paid fees paid by Client with respect to the infringing portion of the Services. The remedies stated in this Section constitute Client's sole and exclusive remedies and the entire liability of TTEC Parties with respect to any infringement.

8.4 **Client Indemnification.** Client shall indemnify and defend, at its expense, any claim or action brought against TTEC or its Affiliates that (i) alleges that Client Materials, as provided by Client to TTEC under this Agreement and used within the scope of this Agreement, infringes any copyright, trade secret, patent or other proprietary right, or (iii) arises out of any violation of or failure to comply with Section 7 (Intellectual Property Rights) (including, without limitation, for any breach or misuse by Client or any Authorized User of Third Party Materials); and Client shall pay all final judgment awards against TTEC or its Affiliates or settlement costs in connection with such claim or action.

8.5 **Conditions to Indemnification.** The application of the foregoing indemnities is conditional upon the party seeking indemnification: (i) notifying the other in writing of a claim or suit promptly, but in any event not more than thirty (30) calendar days (provided that any delay in providing such notice will relieve the indemnifying party from its obligations solely to the extent it is prejudiced thereby); (ii) providing reasonable cooperation (at the indemnifying party's expense); (iii) granting the indemnifying party full authority to defend or settle the claim or suit, provided that the indemnified party shall be entitled to participate, at its own expense, in the defense of the claim or suit on a monitoring, non-controlling basis; and (iv) not making any settlement in respect of the claim or taking any action which may prejudice the indemnifying party's defense of the claim. The indemnifying party shall not acquiesce in any judgment or enter into any settlement without the prior written consent of the indemnified party if such judgment or settlement admits fault or creates an obligation or liability on the part of, or does not include an unconditional release of, the indemnified party.

9. **Limitation of Liability.**

9.1. To the maximum extent permitted under applicable law, neither party nor its affiliates, officers, employees, and agents, licensors and suppliers, shall have any liability to the other party whether in contract, strict liability, tort (including, without limitation, negligence) or otherwise for special, consequential, exemplary, incidental, indirect or punitive loss, damage, expenses or for loss of business, data, revenue, profits, goodwill, data, interruption of business, deletion or loss of data, cost to recreate

data, or use, even if it has been advised of the possibility of such damages or if they are foreseeable and even if a remedy fails of its essential purpose.

9.2. In no event shall the cumulative amount of either party's liability (whether in contract, tort, negligence, strict liability in tort or by statute or otherwise) to the other party or to any third party concerning performance or non-performance of the Services or supply or non-supply of any work product or TTEC Materials, or sale of any Product, or in any other manner related to or under this Agreement, for any and all claims, as applicable: (i) exceed the Services fees paid or payable by Client to TTEC under the applicable SOW or PCF pursuant to the terms of this Agreement during the twelve (12) month period preceding the event giving rise to the cause or action or claim; or (ii) if TTEC is providing Product to Client, be in excess of the net purchase price of the specific Product giving rise to a claim.

9.3 Nothing in this Agreement shall exclude or limit either Party's (or their respective affiliates) liability for (i) either party's willful misconduct (including any indemnity obligations arising from such party's willful misconduct), (ii) for bodily injury, death and tangible property damages caused by a party's negligence (including any indemnity obligations for bodily injury, death and tangible property damages caused by such party's negligence), or (iii) any fees due and payable by Client to TTEC under this Agreement or any SOW or PCF.

9.4 **Co-Liability.** If either party is negligent or otherwise at fault or strictly liable without fault, then such party's obligations under this Agreement shall continue, but the party shall be liable to the other party only for the percentage of responsibility for the damage or injuries attributable to such party.

9.5 TTEC's liability for any failure to achieve service levels / performance objectives shall be limited to those credits, as applicable, set forth in the applicable SOW.

9.6 The allocations of liability in this Section represent the agreed, bargained-for understanding of the parties and each party's compensation hereunder reflects such allocations. The limitations on liability and types of damages stated in this Agreement are intended by the parties to apply regardless of the form of any lawsuit or claim a party may bring, whether in tort, contract or otherwise, and regardless of whether any limited remedy provided in this Agreement fails of its essential purpose. This Section is not intended to limit or exclude a party's liability for any matter for which liability cannot be limited or excluded by law.

10. **Term and Termination.**

10.1 **Term.** The initial term of this Agreement shall commence on the Effective Date and shall continue for a period of five (5) years ("Initial Term"). Upon completion of the Initial Term, the Agreement shall automatically renew for consecutive one (1) year terms (each a "Renewal Term"), unless either party gives written notice of its intent not to renew at least ninety (90) calendar days prior to the then current term. For purposes of this Agreement, Initial Term and Renewal Term(s) may collectively be referred to as "Term".

10.2 **Termination for Breach.** In addition to any other rights or remedies available to the non-breaching party at law or in equity, upon material breach that the breaching party fails to cure within thirty (30) calendar days of receiving written notice of such breach, the non-breaching party may, upon written notice to the breaching party, terminate the applicable SOW or this Agreement if there are no active SOW at the time of breach.

10.3 **Termination for Insolvency.** Either party may demand assurances or may terminate this Agreement or the SOW by written notice to the other party as follows: (i) upon the discovery, upon information and belief, that the other party has become insolvent; (ii) the institution by or against the other party of receivership, or bankruptcy proceedings, or any other proceedings for the settlement of such party's debts; or (iii) upon the other party making an assignment for the benefit of creditors.



10.4 **Duties upon Termination.** In the event of any termination or non-renewal pursuant to this Section, Client shall pay TTEC for all Services rendered, Products ordered, expenses incurred by TTEC, and any noncancelable and/or nonrecoverable costs incurred by TTEC on behalf of the Client under this Agreement, or any SOW or PCF.

11. **General Provisions.**

11.1 **Survival.** Each party's obligations under this Agreement, which by their nature would continue beyond the termination, cancellation or expiration of this Agreement (including, without limitation, any obligation to indemnify the other party hereunder and the provisions relating to payment, limitations of liability, confidentiality, Intellectual Property, Taxes, audit, dispute resolution, choice of law, venue and waiver of jury trial) shall survive termination or expiration of this Agreement.

11.2 **Compliance with Laws and Regulations.** Each of the parties will perform its obligations under this Agreement and any applicable SOW in compliance with all laws, ordinances and regulations (including, but not limited to, all United States export laws) applicable to it and will obtain and maintain in full force and effect, any permits, licenses, consents, approvals and authorizations necessary for the performance of its obligations hereunder. Client shall provide TTEC with all necessary legal and regulatory compliance guidelines, if applicable, to be used by TTEC in the performance of the Services, including, but not limited to, any updates or other developments affecting such compliance guidelines. The parties shall effectuate processes to administer and validate such compliance, if applicable. Subject to the terms and conditions of the applicable SOW, TTEC shall take reasonable steps to perform the Services in a manner that enables Client to remain in compliance with applicable laws and regulations.

11.3 **Non-Waiver.** Neither party shall be deemed to have waived any provision hereof, or any right hereunder, unless such waiver is in a writing executed by a duly authorized representative of such party. No waiver by either party of any provision hereof or right hereunder shall constitute a subsequent waiver of such provision or such right, or a waiver of any other provision or right.

11.4 **Severability.** If any provision of this Agreement is found invalid by a court of competent jurisdiction, such provision shall be severed and/or modified to the extent necessary to cure such invalidity, and this Agreement, so modified, shall remain in full force and effect.

11.5 **Relationship of the Parties.** This Agreement does not constitute a partnership, franchise, joint venture, agency or employment relationship. Each party is an independent contractor and as such, does not have any authority to bind or commit the other.

11.6 **Notices.** All notices and other communications required or permitted under this Agreement shall be in writing and shall be deemed given the first business day after being delivered by an internationally recognized overnight courier delivery service to the other party to the addresses set forth below, or to such other address or individual as the parties may specify from time to time by written notice to the other party. Notwithstanding the foregoing, any notice for the sole purpose of changing the address at which a party receives notices may be sent to the other party by first-class mail or air mail, postage prepaid. All notices shall be sent to the parties' addresses as set forth herein.

If sent to TTEC:

Address: TTEC Digital, LLC  
6312 S. Fiddler's Green Circle, Suite 100N  
Greenwood Village, CO 80111  
Attention: Legal Department

If sent to Client:

Address: **Bay Area Air Management District**  
**375 Beale Street, Suite 600**  
**San Francisco, CA 94105**

**Attention:**

11.7 **Employee Non-Solicit.** During the period beginning with the Effective Date and ending one (1) year after all Services have been performed, neither party will (directly or indirectly), without the written consent of the other party, solicit, entice or offer employment or engage as a consultant any employee of the other who was substantially involved in providing, receiving, or evaluating Services. The foregoing shall not apply to non-targeted solicitations contained in periodicals, on web sites or in other media of general communication or to the extent that any such employee has ceased to be employed by a party for at least one (1) year prior to being solicited.

11.8 **Force Majeure.** Neither party shall be liable for any delay or failure in performing its obligations under this Agreement, or for any loss or damage resulting therefrom, due to causes beyond its control, including, but not limited to, acts of God, the public enemy, major equipment failures, cyber-attacks, inability to obtain materials or services, failures of telecommunications / internet providers, riots, strikes, civil commotion, fires, pestilence, natural catastrophes, epidemics, fluctuations or non-availability of electrical power, or government demands/requirements. In the event of such failure or delay, the date of delivery or performance shall be extended for a period not to exceed the duration of the failure or delay; provided, that the party affected by such delay is using commercially reasonable efforts to mitigate or eliminate the cause of such delay or its effects. Each party shall notify the other in writing promptly of any failure or delay in, and the effect on, its performance. Nothing in this Section shall relieve Client from making timely payment to TTEC of any undisputed fees or charges for Services performed, Product ordered, and noncancelable commitments or expenses incurred for or on behalf of Client pursuant to an applicable SOW.

11.9 **Delay.** TTEC shall not be liable for any delay or failure in performance due to or arising in connection with: (i) any instructions of Client or any information provided by Client or its agents to TTEC; (ii) any act or omission of Client or any third-party supplier of Client; (iii) any breach by Client of any of its obligations hereunder or under any SOW; or (iv) the inaccuracy or non-occurrence of any assumption stated in any SOW. Client shall be responsible for the amount of any increased costs incurred by the TTEC as a result thereof and any impacted deadlines / milestones will be automatically extended by an amount of time reasonably required to compensate for such delay. TTEC will provide Client with reasonable prior written notice of any such delay or failure and will provide documentation of costs incurred.

11.10 **Integration / Merger.** This Agreement, including all SOWs and/or PCFs executed pursuant to this Agreement, contains the entire agreement between the parties and supersedes all prior agreements, arrangements and communications, whether oral or written, with respect to the subject matter of this Agreement. Client will not require TTEC or its employees to sign or otherwise enter into, any additional agreements, addendums, or other documents not specifically referenced and incorporated in this Agreement nor require TTEC or its employees to undergo any security or background checks not expressly set forth in this Agreement as a condition of TTEC performing Services under this Agreement.

11.11 **Order of Precedence.** Unless otherwise set forth in the applicable SOW, in the event of a conflict between any term of this Agreement, the SOW or a PCF, the following order of precedence shall apply: (i) PCF; (ii) SOW; and (iii) Agreement.

11.12 **Amendments.** This Agreement, including any SOWs, PCFs and attachments, may not be modified or amended except in writing signed by a duly authorized representative of each party.

11.13 **Disputes and Mediation.** Upon the occurrence of any dispute, controversy or claim arising under or in connection with this Agreement (including disputes as to the creation, validity, interpretation, breach or termination of this Agreement) that have not been resolved despite diligent good faith efforts by the day-to-day account managers of the parties (a "Dispute"), each of the parties will appoint a designated senior executive who is not involved in the general operation of the Services related to the Dispute and whose task it will be to meet for the purpose of endeavoring to resolve the Dispute. The designated executives will initially meet within ten (10) business days of





the commencement of the Dispute and then shall diligently meet thereafter as often as necessary to negotiate in good faith a resolution of the Dispute. All proposals, discussion and information exchanged during this informal process will be considered settlement discussions and proposals and will be inadmissible in any subsequent proceedings (legal, administrative, or otherwise). If no settlement is reached in the informal dispute discussions, either party may, if it reasonably determines that the informal dispute process was unsuccessful, give notice to the other party that it wishes to pursue non-binding mediation and designate either JAMS (or a similar organization) as mediators. Neither party may unreasonably withhold, condition, or delay consent to the selection of mediator. The parties agree to pay their own costs and to equally share the cost of mediation services. The parties agree to be represented at the mediation meeting by individuals with full decision-making authority regarding the Dispute. Notwithstanding the above, nothing in this Section will prevent either party from resorting to judicial proceedings if interim relief from a court is necessary to prevent serious or irreparable injury to one party or to others, or a complaint must be filed prior to the running of the applicable statute of limitations.

11.14 Choice of Law / Venue. This Agreement shall be governed in all respects by the following governing laws without regard to any conflicts of law principles, decisional law, or statutory provision that would require or permit the application of another jurisdiction's substantive law:

11.14.1 If the applicable TTEC entity is incorporated in the United States, then the laws of the State of Texas shall govern;

11.14.2 If the applicable TTEC entity is incorporated in Canada, then the laws of the Province of Ontario shall govern;

11.14.3 If the applicable TTEC entity is incorporated in the United Kingdom, then the laws of England and Wales shall govern;

11.14.4 If the applicable TTEC entity is incorporated in the European Union, then the laws of the Netherlands shall govern; or

11.14.5 If the applicable TTEC entity is incorporated in Australia, then the laws of the State of New South Wales shall govern.

The parties agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement. Notwithstanding anything in this Agreement to the contrary, TTEC may seek injunctive or other equitable relief in any court of competent jurisdiction to protect any actual or threatened: (i) misappropriation or infringement of its intellectual property rights or those of its licensors or (ii) breach of TTEC's confidentiality rights, and Client hereby submits to the exclusive jurisdiction of such courts and waives any objection on the basis of improper venue, inconvenience of the forum or any other grounds. In any action or suit to enforce any right or remedy under this Agreement or to interpret any provision of this Agreement, the prevailing party shall be entitled to recover its costs, including reasonable attorney's fees. Except for actions for nonpayment, breach of confidentiality, or breach of TTEC's or third party or Provider proprietary rights, no action, regardless of form, arising out of this Agreement may be brought by either party more than three (3) years after the cause of action has accrued.

11.15 WAIVER OF JURY TRIAL. IF THE PARTIES CHOICE OF LAW IS A COMMON LAW JURISDICTION, THE PARTIES HERETO, AFTER CONSULTING (OR HAVING HAD AN OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT, INCLUDING ANY LITIGATION REGARDING THE ENFORCEMENT OF THIS AGREEMENT OR ANY SOW OR ANY RELATED AGREEMENT.

11.16 No Third-Party Beneficiaries. Neither this Agreement nor the provision of the Services shall be construed to create any duty or obligation on the part of TTEC to any third parties. This Agreement does not provide any third party with any right, privilege, remedy, claim or cause of action against TTEC, its Affiliates, officers, employees, agents, and contractors.

11.17 Client Purchase Orders. The terms and conditions of any purchase order, acknowledgment or other similar form issued by Client are intended solely for

administrative convenience and no term or condition therein shall alter, amend or affect any provision of this Agreement or any SOW, even if signed by either or both parties.

11.18 Assignment. This Agreement may not be assigned by either party without the prior approval of the other, except that no such approval shall be required for assignment in the event of a transfer in a (i) transaction involving a change in control of a party hereto or (ii) sale or other disposition of all or substantially all of the assets of the business or operations of a party hereto directly related to this Agreement. TTEC may also assign this Agreement to an affiliated company without Client's prior written approval. This Agreement will be binding upon and inure to the benefit of the parties and their respective representatives, successors and permitted assigns. In addition, TTEC may provide the Services through any of its Affiliates and subsidiaries, each of which shall be referred to as "TTEC" for purposes of the Services that it provides under this Agreement. For purpose of this Section, a spinoff of TTEC from its parent company into an independent, publicly traded company shall not constitute a change of control.

11.19 Subcontractors. TTEC may subcontract the performance of all or any portion of the Services, without prior written consent from Client to its standard subcontractors and third party manufacturers; provided however that TTEC will not, as a result of any subcontracting arrangement, be relieved of any of its obligations under this Agreement and shall continue to be responsible for any subcontractor acts or omissions.

11.20 Anti-Corruption. Each party agrees that it has not entered into this Agreement with a corrupt motive to obtain or retain business or secure an unfair business advantage and it shall fully comply with anti-corruption laws. Each party represents that it has an anti-corruption and anti-bribery policy in place and that it has not made and will not make or facilitate improper or illegal payments.

11.21 Insurance. During the Term of this Agreement the parties shall each maintain appropriate professional indemnity, liability, employers' liability and other common customary risk insurance with a reputable insurance company.

11.22 Required Filings and Publicity. Neither party will use publicly the other party's name or refer to the other party in any way in or with the media, including, but not limited to, in advertising, without the other party's prior written consent; provided, however, that either party may make disclosures or filings required to comply with applicable laws, including filings with regulatory agencies, such as the United States Securities and Exchange Commission, or disclosures or filings required to comply with the rules of a national securities exchange or automated quotations systems such as the National Association of Securities Dealer's Automated Quotations (NASDAQ); and either party may include the other party's name and a mutually agreed factual description of the work performed under this Agreement in employee communications, in its list of references, in the experience segment of proposals to third parties, in internal business planning documents, in its or its affiliates' annual report to stockholders, and whenever required by reason of legal, accounting, or regulatory requirements.

11.23 Sales of Provider Hardware, Software, Software Subscription Services and/or Pass-Through Maintenance Services. The parties agree that the terms and conditions for the sale of hardware, software, software subscription services and/or pass-through maintenance services of or by a Provider shall be subject to Exhibit A to this Agreement and said Exhibit A is fully incorporated into this Agreement.



11.24 Counterparts and Authority. This Agreement may be signed in multiple counterparts, each of which will be considered an original, and all of which will be considered one and the same document. This Agreement may be executed by electronic signatures (such as through the exchange of signed PDFs) and/or encrypted digital signatures (such as through the use of DocuSign, Adobe eSign or otherwise). Each party represents and covenants on its own behalf that the individual signing this Agreement on its behalf is fully authorized to sign on behalf of and bind it, and that it has the power and authority to enter into it.

**CLIENT**

Bay Area Air Quality Management District

\_\_\_\_\_  
Full Corporate Name

\_\_\_\_\_  
Signed

By: \_\_\_\_\_

Title: \_\_\_\_\_

**TTEC**

TTEC Digital, LLC

\_\_\_\_\_  
Full Corporate Name

\_\_\_\_\_  
Signed

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_  
(to be filled in by the last signatory)



**EXHIBIT A**

**Sales of Provider Hardware, Software, Software Subscription Services and/or Pass-Through Maintenance Services.**

1. Client desires that, from time to time, TTEC order hardware, software, software subscription services, pass-through cloud services and/or pass-through maintenance services (the "Products") from various third-party manufacturers or third-party providers (the "Provider") on its behalf. Accordingly, the parties agree that the following terms and conditions shall solely apply for the sale or provision of the Products:
2. **Bill of Materials and Orders.** Upon Client's request, TTEC may provide Client with a Bill of Materials, Product quote, or similar document (each, a "BOM") noting Product quantities and pricing which is valid for thirty (30) calendar days from issuance, or such other period as set forth in the applicable BOM. This BOM is not an offer. If the BOM is acceptable to Client, Client may issue an order (such as the issuance of a purchase order) to TTEC ("Order"), referencing the BOM and this Agreement, which TTEC may accept or reject in its sole discretion. Once issued by Client, any Order will be non-cancelable without the prior written consent of TTEC. The terms and conditions of any Order, acknowledgment or other similar form issued by Client is intended solely for administrative convenience and no term or condition therein shall alter, amend or affect any provision of this Agreement even if signed by either or both parties. An omission of reference to this Agreement in the Order will not affect the application of this Agreement to such Order.
3. **Products or Services.** Client acknowledges and agrees: (i) they have received, accepted and agreed to be bound by the Provider's End User License Agreement or End User Agreement, (each, a "EULA"), and (ii) they have received, accepted and agreed to be bound by the Provider's applicable terms and conditions for the software subscription services, hardware and/or pass-through maintenance services purchased by Client (the "Provider Terms") In some cases, TTEC may be a party to the EULA, instead of the Provider and Provider may be a third party beneficiary, and in other cases, TTEC is not a party and is not a third party beneficiary of the EULA or Provider Terms.
4. **PRODUCT WARRANTIES.** EXCEPT AS EXPLICITLY STATED OTHERWISE IN ANY EULA OR PROVIDER TERMS, CLIENT ACKNOWLEDGES THAT TTEC IS NOT THE MANUFACTURER OF ANY OF THE PRODUCTS AND NOT THE PROVIDER OF THIRD-PARTY SERVICES. EXCEPT AS EXPLICITLY STATED OTHERWISE IN ANY EULA OR PROVIDER TERMS, ANY WARRANTIES ARE PROVIDED SOLELY BY THE PROVIDER, AND TTEC MAKES NO WARRANTIES WHATSOEVER, INCLUDING WITHOUT LIMITATION, TITLE, INFRINGEMENT, THE MERCHANTABILITY OF THE PRODUCTS OR THEIR FITNESS FOR ANY PARTICULAR PURPOSE, AND ANY IMPLIED WARRANTIES THAT MIGHT ARISE THROUGH USAGE OF TRADE, COURSE OF DEALING, OR COURSE OF PERFORMANCE. EXCEPT AS EXPLICITLY STATED OTHERWISE IN ANY EULA OR PROVIDER TERMS, TTEC SHALL HAVE NO DUTY TO DEFEND, INDEMNIFY, OR HOLD HARMLESS CLIENT FROM OR AGAINST ANY DAMAGES OR COSTS INCURRED BY CLIENT ARISING FROM THE INFRINGEMENT OF PATENTS OR OTHER INTELLECTUAL PROPERTY BY PRODUCTS OR SERVICES. FURTHERMORE, NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS EXPANDING OR ADDING TO ANY WARRANTY OR INDEMNITY OR CHANGING ANY TERM OR CONDITION IN ANY EULA OR PROVIDER TERMS.
5. **Provider Confidential Information.** Client hereby acknowledges that Client may access or receive information hereunder relating to the Products and to Provider which is of a confidential and proprietary nature ("Provider Confidential Information"). Such Provider Confidential Information shall be consider as Confidential Information under the MSA and each party shall treat it accordingly.
6. **Export Controls.** The Products may be subject to United States or other international technology control or export laws and regulations. Client must comply with all applicable United States or other international technology control export laws and regulations that apply to the Products. These laws include restrictions on destinations, end users, and end use that the Client must comply with. Client is responsible for screen for prohibited uses and obtaining any required licenses, government approvals or other authorizations.



## **TTEC DIGITAL STATEMENT OF WORK**

This Statement of Work (“SOW”), by and between TTEC Digital, LLC (“TTEC”) and Bay Area Air Quality Management District – (“BAAQMD” or “Client”) is entered into as of the date of the last signature below, the “SOW Effective Date”, pursuant to and governed by the terms of a certain Master Services Agreement (the “Agreement”) dated effective September 27<sup>th</sup>, 2023. In the event of a conflict between SOW and the Agreement, this SOW shall govern and control to the extent of such conflict. Terms not otherwise defined herein shall have the meaning given to them in the Agreement.

### **Project Description**

BAAQMD is transitioning away from its existing on-premise Public Records Tracker (“PRT”) and implementing PRT in Microsoft 365. TTEC will provide professional services to support the transition.

### **Scope**

#### **Initiate and Define**

TTEC is responsible for the following:

#### **1 - Kickoff Meeting - Internal**

- Internal onboarding from TTEC Sales to TTEC project team

#### **2 - Kickoff Meeting - Client**

- In this phase, TTEC will provide Client with an overview of the project, set clear expectations, and prepare for the PRT transition.

#### **3 - PRT Upgrade Discovery and Design.**

- Sessions to review, validate existing PRT functionality with the latest version of PRT for Dynamics 365 Online 9.x, and to identify any features/gaps between PRT versions.
- Up to 4 (2) hour sessions to focus on review of the following focus areas:
  - Environment overview
  - Solution disparity
  - Legacy data review
  - Code review
  - Business process review
  - Retainment of legacy features as necessary.
- Sessions to be conducted remotely and to be used to review internal documentation and create use cases for implementation task user stories.

#### **4 - Documentation of Requirements in Azure DevOps**

- Hours for documentation of business requirements as user stories in Microsoft’s Azure DevOps for use during the migration/upgrade implementation.
- Timeboxed at 16 hours

#### **5 - Internal Review**

- Internal review/hand-off for documentation of use cases (user stories) identified during functional business requirement sessions.

**Build**

TTEC is responsible for the following:

**6 - Onboarding into system, access to D365**

- TTEC consultant access and onboarding

**7 - Provision and Configure Dynamics 365 in BAAQMD Environments**

- Includes hours to provision and configure Dynamics 365 environments (Assumes 3 Environments: Production, Sandbox and Development).

**8 - Import Baseline Public Records Tracker**

- Hours for the import of the PRT in all environments (development, User Acceptance Testing (“UAT”), and production).

**9 - Configuration of PRT Model-Driven Application (“App”)**

- Configuration of Microsoft’s PRT model-driven App in Dynamics 365 Online per BAAQMD requirements to support existing PRT configuration includes the following:
  - Environment settings
  - Behavior
  - Features
  - Collaboration
  - Auditing
  - Document management
  - App settings
- Timeboxed up to 40 hours.

**10 - Power App Portal Configuration for PRT**

- Configuration of Power Pages (formerly known as Power App Portals) per BAAQMD requirements. Hours include the configuration of the following:
  - Power Pages homepage
  - Website setting
  - Site map/navigation
  - Branding
  - Public Record Request web forms
  - Views
  - User profiles
  - Web roles
  - This assumes the use of a Power Pages template.
- This includes refactoring and adjustments to existing functionality, as needed.

**11 – Portal Authentication Identification**

- Hours for dedicated for authentication, identity management, invitations, profile/account management.

- Assumes the use of Azure Business to Consumer (“B2C”) Authentication, using Out of the Box (“OOTB”) Azure B2C authentication templates.
- Timeboxed at 24 hours

**12 – Repoint Domain from ADX portal to Power Pages – production only**

- Time allocated to the repointing of the Automatic Data Exchange (“ADX”) portal domain to the new Power Pages portal.
- Timeboxed at 10 Hours. BAAQMD is responsible for providing the Secure Socket Layer (“SSL”) certificates for their domain in .pfx format.

**13 – Exchange/User Mailbox Configuration**

- Work with the BAAQMD M365 global administration to manage the setup and configuration of the native Exchange integration. Includes the set-up of test emails for each environment (development, UAT, and production) for testing notifications.

**14 – Validate and Remediate Existing PRT Process Automation**

- Includes hours for refactoring legacy workflows to Power Automate flows, as determined in requirements phase.
- Timeboxed at 16 hours.

**Test and Train**

TTEC is responsible for the following:

**15 – Train the Trainer**

- Conduct train the trainer sessions for Client leads to prepare the team to conduct UAT.
- TTEC team will participate in 2 (2 hour) training session to support the Client

**16 – Administration (“Admin”) Training**

- Conduct Admin training for managing the Microsoft PRT application.
- TTEC team will participate in a 2 (2 hour) training session to support the Client.

**17 – Power Pages (Portal) Admin Training**

- Conduct Admin training for managing the PRT application.
- TTEC Team will participate in a 2 (2 hour) training session to support the client.

**18 - UAT Kickoff**

- UAT kickoff presentation. TTEC will provide one 2-hour presentation to demonstrate end-to-end functionality ahead of UAT test sessions.
- BAAQMD to provide test scripts.

### **19 - UAT**

- Address assigned UAT tickets entered in the agreed upon tracking system / tool and assigned to TTEC resources. Provide morning and end of day status calls. A “UAT Room” TEAMS meeting will be opened every day and for the agreed upon hours. UAT is 1 week in duration.

### **Deploy**

TTEC is responsible for the following:

### **20 - Solution Deployment**

- Deployment of updates to PRT and import into the UAT/production environments during project implementation.

### **21 - Go Live Planning and Deployment**

- Go live preparation which will include checklist review, planning, and deployment of PRT into Microsoft 365 production environment including and post-deployment tasks/configuration as well as smoke testing.

### **Transition and Accept**

TTEC is responsible for the following:

### **22 - Post Go-Live Hyper Care**

- Address assigned hyper care tickets entered in the agreed upon tracking system / tool and assigned to TTEC resources. A “War Room” TEAMS meeting will be opened every day for the agreed upon hours to provide Hypercare Support. Hyper care is 1 week in duration.

### **Out of Scope**

- Data migration
- Migration of existing solution
- Compliance with laws, regulations, and requirements for legal notices and/or disclaimers related to the functionalities of the services identified herein, which includes but is not limited to chat and/or recording functionality. TTEC recommends that Client consult their attorney about any legal requirements in their jurisdiction related to software functionalities including those related to chat, and recording, including privacy and recording notices.

In addition to the above, any item not explicitly identified as “in-scope” is out-of-scope of the Services under this SOW.



**Pricing**

Project Phase	Hours	Extended Price
1 - Initiate and Define	58.25	\$11,253.75
2 - Build	297.50	\$40,031.25
3 - Test and Train	54.00	\$9,753.75
4 - Deploy	78.00	\$12,026.25
5 - Transition and Accept	44.50	\$6,847.50
<b>Implementation Estimate</b> Hourly Rate: \$210.00 per hour GDC Hourly Rate: \$75.00 per hour  Billed as Time & Materials		<b>\$79,912.50</b> 532.25 Hours

This quote ID QUO-09243-Y1J4K9 expires on **06/27/2024**.

Role	Hours
Dynamics 365 Senior Consultant	199.75
Global Delivery Consultant (GDC) Dynamics 365 Consultant	236.00
Project Manager	96.50

**Assumptions and Dependencies**

- Dates and timelines noted in this SOW are **estimates only** and are provided for initial planning purposes.
- TTEC may delegate or subcontract the performance of all or any portion of its duties hereunder.
- TTEC employs a global workforce. Our diverse team of professionals performing work outlined in this SOW may reside in multiple locations and countries.
- TTEC and Client will jointly manage the project defined under this SOW. Client will designate a Project Manager to act as a primary point of contact for the TTEC project team. The Client Project Manager will have access to the project stakeholders and be responsible for the follow-up and timely completion of Client tasks. Client recognizes that delays in making its decisions and completing its tasks may extend the targeted completion dates and impact the costs associated with the project.
- Client changes to key project stakeholders, including project managers, may impact the project schedule and costs.
- TTEC will develop the project document deliverables using existing TTEC templates. The inclusion of additional information per Client request will be accommodated through a change request.
- Requests for services outside of the scope of this SOW will be handled through the TTEC change request process. Upon notification of request, TTEC will confirm the scope and the requirements





needed to assess cost and/or schedule impact. Once requirements are confirmed, TTEC will deliver a Change Order (“CO”) for Client approval within 7 - 10 business days.

- Client will notify the TTEC Project Manager of any project scheduling changes no less than 72 hours prior to such published event as indicated by the project timeline or milestone chart specified in the project plan. A Change Order may be required for modifications to the original project timeline.
- TTEC will perform configurations remotely.

### **Project Specific Assumptions**

- TTEC team members will be granted the required access to Dataverse environments sufficient to build and deploy the solutions.
- Client team will be available for build iteration/reviews and will be an active participant in the build process to ensure self-sufficiency and the ability to support the platform after project closure.
- All sessions will be remote with participants using Microsoft TEAMS meeting for audio, video and screen sharing meetings.
- Client will provide access to business subject matter experts on a timely basis. Delays may occur otherwise.
- Client has latest Chrome browser Installed
- Assumes the use of Azure B2C Authentication, using OOTB Azure B2C Authentication templates.
- Dynamics 365 is capable of multiple languages. The system will be setup for English only.
- Client will provide required licenses to TTEC team to complete the PRT setup.
- Assumes this environment is in Microsoft Commercial Cloud.
- Train the trainer method will be used for training. Help content will use the Microsoft out of the box help system.
- Client will be responsible for cleansing data, prior to go live. Ability not to do this on-time will cause delays.
- Client testing will occur over a 1 period.
- Client will create UAT test scripts.

Services under and pursuant to this SOW will be provided during regular business hours of Monday through Friday, 8:00 am - 5:00 pm, local time based on Client location where the Services are provided or received, excluding TTEC company holidays (“Regular Business Hours”). Excepting any emergency circumstances resulting in a need for work outside of Regular Business Hours, if any Services under this SOW are required to be provided outside of Regular Business Hours, the parties shall use commercially reasonable efforts to agree in writing, at least ten (10) days in advance, upon the provision and scope of Services to be provided outside of Regular Business Hours. Client will be invoiced and agrees to pay for any and all Services provided outside of Regular Business on any day other than a holiday (whether or not agreed upon in advance), at 150% the hourly rate for the applicable resources. TTEC’s observed holidays, to include the Friday and Monday of the holiday weekend, are out-of-scope.

### **Invoicing and Payment.**

- This SOW is valid for 30 days unless otherwise specified in the pricing summary. If Client has not accepted the SOW within a 30-day period or as otherwise specified in pricing summary, by virtue of an authorized signature, then this may no longer be valid.
- Note: Any travel and applicable taxes are not included in the pricing summary above.
- Travel time will be invoiced at 50% of regular hourly rates. Client will be charged for automobile mileage at the current allowable federal rate (i.e., the rate allowed for tax purposes). Travel time and mileage within the local area will not be invoiced.
- Failure of Client to make payments on time as due hereunder may result in suspension of Services or the Subscription(s) at TTEC’s discretion and without prejudice to any other rights or remedies



available to TTEC at law or in equity. Any suspension shall not relieve Client of its payment obligations hereunder.

- The professional services under this SOW are Time and Materials (T&M) based fees and will be invoiced at the end of each month at the applicable hourly rate(s) defined in this SOW. Client understands and agrees that actual fees invoiced may be less than or greater than the estimate reflected in the pricing summary section and will be based on actual time worked in support of the project under this SOW.

**Billing Profile Information:**

Billing Address: \_\_\_\_\_

Billing Contact Name: \_\_\_\_\_

Contact Phone: \_\_\_\_\_

Contact Email: \_\_\_\_\_

No change to current billing information

**TTEC Digital, LLC**

**Bay Area Air Quality Management District**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

(To be filled in by last signatory)



## **TTEC Digital Statement of Work**

This Statement of Work (“SOW”), by and between TTEC Digital, (“TTEC”) and Bay Area Air Quality Management District - BAAQMD (“Client”) is entered into as of the date of the last signature below, the “SOW Effective Date”, pursuant to and governed by the terms of a certain Master Services Agreement (the “Agreement”) dated effective September 27<sup>th</sup>, 2023. In the event of a conflict between the SOW and the Agreement, this SOW shall govern and control to the extent of such conflict. Terms not otherwise defined herein shall have the meaning given to them in the Agreement.

### **Details**

TTEC support is offered via e-mail, telephone, and web portal for the Public Records Tracker (PRT) solution developed by TTEC for BAAQMD.

### **Supported Products**

The following products are supported through this SOW:

- Public Records Tracker (“PRT”)
- Dynamics 365 related to the PRT solution developed by TTEC

### **In Scope**

Support is provided for ad-hoc, break-fix and administrative support. Virtual Admin support provides support services to keep your system running and to add minor enhancements.

- ✓ Customer Success Management
  - Assigned Account Executive/Customer Success Manager (“CSM”)
  - Semi-annual business reviews
- ✓ Incident Management
  - TTEC will provide support the Customer IT in an escalated fashion
  - Tier 2 and Tier 3 Support
  - Single Point of Contact (“SPOC”)
  - 8-hour response Service Level Agreement (“SLA”)
- ✓ Extended Support
  - Minor and Major Changes
  - One-hundred forty-four hours (144) annually

### **How It Works:**

- Kickoff Meeting & Orientation – Delivered remotely via Teams.
  - Introductions of Client stakeholders
    - Client business owner/lead
    - Client technical lead (Administrator)
  - Client provides a business and system overview to TTEC support resources to ensure that TTEC understands the supported environment, including integrations to other systems.
    - Primary business case for technology investment (e.g., to improve top line revenue, increase marketing conversion rates, etc.)
    - High-level system overview: cloud, version, customizations
    - Third-party add-ins (marketing; configure, price, quote (“CPQ”)); etc.)
    - Integrations with other applications



- TTEC outlines the program.
  - Review support rules of engagement
  - TTEC support contact/channels will be provided (Login Credentials, etc.)

### Case Administration

- One case will be created for each identified issue or error.
- Each case has a 30-minute minimum charge.
- All work can be performed remotely via e-mail, telephone, and screen share. If travel is needed both parties must agree to travel charges, expenses, and reimbursement prior to travel.
- The kick-off and orientation meetings are a billable activity and will be recorded against allotted hours.

### Out of Scope

- Planned functionality enhancements, system upgrades or large lists of needs requires a separate project with scope, milestones, and deliverables.
- Training services of any kind outside of knowledge transfer as part of a case.

In addition to the above, any item not explicitly identified as “in-scope” is out-of-scope of the Services under this SOW.

### The following are examples of typical support requests:

- Escalation to Microsoft for Microsoft product related issues
- Add/modify users and associated security roles
- User privilege errors resulting from user modified security roles
- Administrative training
- “How do I?” assistance requests
- Review of new features and functionality
- System error impacting users.
- Log In issues and concerns
- Security concern and issues
- Support for Dynamics 365 related to the PRT solution

### Pricing

Description	Pricing
<b>Public Records Tracker Gold Support Plan –144 Hours Annually / Total of 60 Months</b> Overage Hourly Rate: \$205.00 per hour (Billed as Time and Material)	<b>\$27,500 annually</b>
<b>Total Cost (5 years):</b>	<b>\$137,500</b>
<b>Total Contract Value:</b>	<b>\$137,500</b>



### Additional Information

**Effective Start Date:** Post go-live of PRT project

**Agreement Length:** 60 Months

### Hours of Operation

TTEC’s client support portal is available 24-hours per day. E-mail created support and telephone support is provided from 8:00 a.m. – 5:00 p.m. Client Local Time, Monday – Friday, excluding TTEC holidays (“Business Hours”). Support initiated outside Business Hours will receive a response within the response time provided above. Response time is calculated based on Business Hours.

### Limitations

TTEC will work on cases opened by Client in a professional and workmanlike manner. TTEC will make all reasonable efforts to resolve problems but does not guarantee that a resolution can be found. Where the root cause is identified as a product defect for Microsoft technologies or any third-party products TTEC cannot guarantee a resolution. TTEC will open a Microsoft case to resolve problems. TTEC will open support cases with support departments of third-party companies if the Client has a current support agreement with the related third-party company. TTEC does not accept any liability for products or systems not being available for use or for lost or corrupted data or software, or the provision of services and support. TTEC will not be liable for lost profits, loss of business, or other consequential, special, indirect, or punitive damages, even if advised of the possibility of such damages, or for any claim by any third-party.

### Non-Transferable

Coverage is non-transferable and is valid for Client only. Resale or transfer of support plans is strictly prohibited and will be grounds for termination or non-renewal of the Agreement.

### Invoicing and Payment.

- If Client has not accepted the SOW within a 30-day period or as otherwise specified in pricing summary, by virtue of an authorized signature, then this SOW may no longer be valid.
- Note: Any travel and applicable taxes are not included in this summary.
- Support services fees will be invoiced on an annual basis and shall be due in accordance with the Agreement. Any hours in excess of the allotted annual hours will be invoiced at the agreed upon rate.
  - Hours do not roll-over from SOW to SOW.

### Billing Profile Information:

Billing Address: \_\_\_\_\_

Billing Contact Name: \_\_\_\_\_

Contact Phone: \_\_\_\_\_

Contact Email: \_\_\_\_\_

No change to current billing information



**TTEC Digital, LLC**

**Bay Area Air Quality Management District -  
BAAQMD**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_  
(To be filled in by last signatory)

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Authorization for Attendance and Compensation for Board of Directors and Advisory  
Council Members to Attend the Air & Waste Management Association's Annual  
Conference in Alberta, Canada

RECOMMENDED ACTION

Authorize the attendance and compensation of \$200 per meeting, up to a maximum of \$200 per day, for Board member John Gioia and Advisory Council Member Professor Michael T. Kleinman, Ph.D. to attend the Air & Waste Management Association's 117<sup>th</sup> Annual Conference & Exhibition, *Emissions Reductions for Sustainable Energy Futures*, from June 24, 2024, to June 27, 2024, in Calgary, Canada, pursuant to the Air District's Administrative Code and Meeting Compensation and Expense Reimbursement Policy.

BACKGROUND

The Air & Waste Management (AWMA) is a nonprofit, nonpartisan professional organization enhancing knowledge and expertise by providing a neutral forum for information exchange, professional development, networking opportunities, public education, and outreach to more than 5,000 environmental professionals in 65 countries. AWMA promotes global environmental responsibility and increases the effectiveness of organizations to make critical decisions that benefit society.

The Air District has been a long-time partner organization with AWMA, with various staff, executive leadership and Board Members attending as members and presenters for previous AWMA Annual Conferences.

For members of the Air District's Board of Directors, pursuant to Section 2.9 and 2.10 of the Administrative Code, members are authorized to receive \$200 per meeting compensation for attendance at meetings, plus reimbursement for travel expenses, if authorized by the Board of Directors pursuant to Section 1.1.3 of the Air District's Meeting Compensation and Expense Reimbursement Policy.

For members of the Air District's Advisory Council, pursuant to Section 4.5 of the Administrative Code, members are authorized to receive \$200 per meeting compensation for attendance at meetings, plus reimbursement for travel expenses, if authorized by the Board of Directors pursuant to Section 1.3.2 of the Air District's Meeting Compensation and Expense Reimbursement Policy.

### DISCUSSION

For out-of-state and international travel to attend conferences, conventions, legislative advocacy trips and other compensable and reimbursable meetings covered by the Air District's Administrative Code, the Chair of the Board shall nominate Board members to attend such meetings for approval by the Board of Directors in consultation with the Executive Officer/Air Pollution Control Officer (APCO), and Air District staff. While the Chair and Vice Chair shall have priority to represent the Air District at any event, in considering which other Board members may be selected for travel and represent the Air District, the Chair shall consider a number of criteria as detailed in the Air District's Meeting Compensation and Expense Reimbursement Policy.

With this consideration, the Air District will greatly benefit from Director Gioia's participation and Advisory Council member Professor Kleinman's participation in the AWMA Annual Conference with opportunities for learning and collaborating with other industry, academia, and policymakers. The conference theme, *Emissions Reductions for Sustainable Energy Futures*, aligns well with the Air District's mission statement and various Air District programs. Director Gioia's attendance at the conference is directly related to his work on the Air District's Board of Directors and Professor Kleinman's is directly related to his work on the Advisory Council.

### BUDGET CONSIDERATION/FINANCIAL IMPACT

Costs for travel to attend this conference, including travel expenses and compensation for meeting attendance, are estimated at \$3,000 per person. Funds to cover these costs are included in the Fiscal Year Ending 2024 budget for the Board of Directors, Program 121 (for Director Gioia) and in the Fiscal Year Ending 2024 budget for the Advisory Council, Program 123 (for Professor Kleinman). Total travel expenses and compensation are estimated at \$6,000.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Vanessa Johnson and Justine Buenafior  
Reviewed by: Philip M. Fine



ATTACHMENTS:

None

BOARD MEETING DATE: June 5, 2024

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee (Committee) held a meeting on Wednesday, May 8, 2024. The following is a summary of the meeting.

RECOMMENDED ACTION:

None; receive and file.

Mark Ross, Vice Chair (Currently no Chairperson)  
Stationary Source Committee

MR:mh

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**Committee Members**

**Roll Call:**

Present, In-Person (Bay Area Metro Center, 375 Beale Street, Temazcal Room, San Francisco, California, 94105): Vice Chairperson Mark Ross; and Directors Ken Carlson and John Gioia.

Present, In-Person Satellite Location (Office of Contra Costa County Supervisor, John Gioia, Conference Room, 11780 San Pablo Ave., Suite D, El Cerrito, CA 94530): Director Steve Young.

Present, In-Person Satellite Location (Santa Rosa Junior College, Doyle Library, 1501 Mendocino Avenue, Room 148, Santa Rosa, California, 95401): Director Lynda Hopkins.

Absent: Directors Otto Lee and Vicki Veenker.

**Call to Order**

Vice Chair Ross called the meeting to order at 10:01 a.m.

*For additional details of the Stationary Source Committee Meeting, please refer to the webcast, which can be found [here](#). Please use the webcast's index to view specific agenda items.*

**CONSENT CALENDAR**

- 3. **APPROVAL OF THE DRAFT MINUTES OF THE STATIONARY SOURCE COMMITTEE MEETING OF MARCH 13, 2024**

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Carlson made a motion, seconded by Director Gioia, to **approve** the Draft Minutes of the Stationary Source Committee Meeting of March 13, 2024; and the motion **carried** by the following vote of the Committee:

AYES: Carlson, Gioia, Ross, Young.  
NOES: None.  
ABSTAIN: Hopkins.  
ABSENT: Lee, Veenker.

**INFORMATIONAL ITEMS**

**4. ATTAINMENT PLANNING FOR THE PRIMARY ANNUAL PM<sub>2.5</sub> NATIONAL AMBIENT AIR QUALITY STANDARDS**

Mark Tang, Planning & Climate Protection Assistant Manager, gave the staff presentation *Attainment Planning for the Primary Annual Particulate Matter (PM)<sub>2.5</sub> National Ambient Air Quality Standards (NAAQS)*, including: outcome; outline; presentation for information only; NAAQS; progress and updates; PM<sub>2.5</sub> Design Value trends; designations and attainment planning roadmap (non-attainment scenario); non-attainment State Implementation Plan (SIP) elements; other considerations for non-attainment designations; PM Reduction Plan (attainment scenario); and next steps.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed whether exceptional events are included in Slide #7, which shows PM<sub>2.5</sub> design value trends; whether the Air District currently has the staff capacity for SIP development and implementation; how a standard may be set, if there is no known threshold for harmful PM<sub>2.5</sub> health effects; whether the Air District has modeling or monitoring improvements that will help with attainment and maintenance of the NAAQS; settlements from Reg 6-5 (Regulation 6 Rule 5: Particulate Emissions from Petroleum Refinery Fluidized Catalytic Cracking Units); whether the Air District should focus primarily on impacted areas, or

have a region-wide approach that treats all communities the same; and which air monitors are included for attainment calculations.

Committee Action

None; receive and file.

**5. UPDATE ON MITIGATION OPTIONS FOR WOODSMOKE IMPACTS**

Dr. Julia Luongo, Senior Air Quality Engineer, gave the staff presentation *Updates on Mitigation Options for Woodsmoke Impacts*, including: outcome; outline; requested action; background on woodsmoke; impetus for this policy initiative; PM<sub>2.5</sub> Design Value trends; emissions summary; woodburning devices and health impacts; woodburning device types and alternatives; current rules; our woodsmoke programs; White Paper development; gap analysis – other rules and programs; potential policy mechanisms; policy mechanisms for burn curtailment; policy mechanisms for devices and outreach; potential paths and objectives; potential paths may employ a suite of policy options; further studies in the next phase of this policy initiative; and next steps.

Public Comments

Public comments were given by Tony Fisher, Coalition for Clean Air.

Committee Comments

The Committee and staff discussed range of proposed stringencies and approaches for mitigating air quality and health impacts from residential wood combustion emissions; whether the Air District’s Community Advisory Council and stakeholders will be asked to provide input; the perception that the Air District’s existing woodsmoke regulations are already disregarded by the public, and anticipated pushback regarding increased stringency; the need to retrofit existing homes before the elimination of ambiance burning can occur; whether fires in fireplaces that lack inserts (designed to boost the efficiency of traditional fireplaces, converting them into a closed system that limits heat loss) are considered ambiance burning; whether ambiance burning differs from burning for cooking, sole source heat, and backup heat during outages; whether the Air District has considered new regulations for rural or agricultural areas that experience colder weather with more frequent outages and need to burn extra wood to reduce build up; the desire to avoid creating unintended consequences for people who live in rural areas, while pursuing ambitious woodburning regulations; the request for data on woodsmoke in urban versus rural communities; Environmental Protection Agency-certified pellet stoves; the suggestion of selecting language carefully, so as not to give the public or media the impression that the Air District is immediately banning all ambiance burning; the desire to lower the point of sale for fireplace decommissioning costs; whether the Air District has jurisdiction over indoor air quality; and the suggestion of providing the Board with introductory information regarding PM levels.

Committee Action

None; receive and file.

**OTHER BUSINESS**

**6. PUBLIC COMMENT ON NON-AGENDA MATTERS**

No requests received.

**7. COMMITTEE MEMBER COMMENTS**

None.

**8. TIME AND PLACE OF NEXT MEETING**

Wednesday, July 17, 2024, at 10:00 a.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Stationary Source Committee members and members of the public will be able to either join in-person or via webcast.

**Adjournment**

The meeting was adjourned at 11:33 a.m.

**Attachments**

#3 – Draft Minutes of the Stationary Source Committee Meeting of March 13, 2024

#4 – Attainment Planning for the Primary Annual PM<sub>2.5</sub> National Ambient Air Quality Standards

#5 – Update On Mitigation Options for Woodsmoke Impacts

BOARD MEETING DATE: June 5, 2024

REPORT: Community Equity, Health and Justice Committee

SYNOPSIS: The Community Equity, Health and Justice Committee (Committee) held a meeting on Wednesday, May 8, 2024. The following is a summary of the meeting.

RECOMMENDED ACTION:

Receive and file.

John Gioia, Chair  
Community Equity, Health and Justice Committee

JG:mh

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### **Committee Members**

#### **Roll Call:**

Present, In-Person (Bay Area Metro Center, 375 Beale Street, Temazcal Room, San Francisco, California, 94105): Committee Chairperson John Gioia; Committee Vice Chairperson Noelia Corzo; and Director Nate Miley.

Absent: Directors Joelle Gallagher and Shamann Walton.

#### **Call to Order**

Chair Gioia called the meeting to order at 1:02 p.m.

*For additional details of the Community Equity, Health and Justice Committee Meeting, please refer to the webcast, which can be found [here](#). Please use the webcast's index to view specific agenda items.*

### **CONSENT CALENDAR**

- 3. APPROVAL OF THE DRAFT MINUTES OF THE COMMUNITY EQUITY, HEALTH AND JUSTICE COMMITTEE MEETING OF APRIL 22, 2024**

#### **Public Comments**

No requests received.

#### **Committee Comments**

None.

Committee Action

Director Corzo made a motion, seconded by Director Miley, to **approve** Minutes of the Special Community Equity, Health & Justice Committee of April 22, 2024; and the motion **carried** by the following vote of the Committee:

AYES: Corzo, Gioia, Miley.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Gallagher, Walton.

**INFORMATIONAL ITEMS**

**4. MARIE HARRISON ENVIRONMENTAL JUSTICE SCHOLARSHIP UPDATE**

Arieann Harrison, Founder and Executive Director of the Marie Harrison Community Foundation (MHCF), and Daniel Madrigal, Senior Staff Specialist in the Community Engagement Office, gave the presentation *Marie Harrison Environmental Justice Scholarship Update*, including: outcome; outline; presentation for information only; Marie Harrison Community Foundation; Marie Harrison Environmental Justice Scholarship; scholarship goals; Year One scholarship review and recipients; Year two; and feedback requested.

Public Comments

Public comments were given by Tanya Randell, MHCF; and Dominic Ramirez, MHCF.

Committee Comments

The Committee and staff discussed eligible applicants; the number of available scholarships available in Year 2; the request for a scholarship flyer for Board members to circulate within their jurisdictions; interviews panelists; and the source of Air District funding for this contract.

Committee Action

None; receive and file.

**5. AIR MONITORING DATA FOR BAY AREA COMMUNITIES**

Dr. Kate Hoag, Measurement & Meteorology Assistant Manager, gave the staff presentation *Air Monitoring Data for Bay Area Communities*, including: outcome; outline; presentation for information only; air pollution; types of air monitoring; monitoring approach needs to match goal; regulatory ambient air monitoring; source-oriented air monitoring; targeted air monitoring projects; longer-term air sensor networks; publicly available air sensor data; improving data accessibility; examples (air monitoring data inventory, resource guide for data websites, Bay Air Center Resource Library); using air monitoring data; examples (Community PM<sub>2.5</sub> sensor network, StoryMap for Path to Clean Air Community Air Monitoring Plan, real-time data during incidents); upcoming data accessibility work; future directions; and feedback requested.

## Public Comments

No requests received.

## Committee Comments

The Committee and staff discussed a request for the Air District’s chart depicting “Ambient Air Monitoring Reference Guide for the Richmond-North Richmond- San Pablo Area” to be made easier to find on the Air District’s website, and the desire for similar charts of the other three Assembly Bill (AB) 617 Bay Area communities; whether the Air District deploys unmanned aerial vehicles for air monitoring; stationary air monitoring equipment costs; the manner in which a community-based organization first partners with the Air District; the locations of long-term air sensors; whether completed air monitoring data inventories are available on the Air District’s website; whether the designated AB 617 communities are typically the most impacted in a given Bay Area sub-region; the desire for air monitoring data to be communicated in a meaningful way for the public; the request for a primer regarding air monitoring for the public; and whether the Air District’s website homepage shows one umbrella link to all monitors (not only those belonging to the Air District.)

## Committee Action

None; receive and file.

## **OTHER BUSINESS**

### **6. PUBLIC COMMENT ON NON-AGENDA MATTERS**

No requests received.

### **7. COMMITTEE MEMBER COMMENTS**

Director Corzo thanked Air District staff for its air monitoring work, and for helping people recognize that their health may be impacted by air pollution.

### **8. REPORT OF THE DEPUTY EXECUTIVE OFFICER OF EQUITY AND COMMUNITY PROGRAMS**

Miriam Torres, Acting Deputy Executive Officer for Equity and Community Programs, made the following announcements:

- The Air District’s Board of Directors adopted the Path to Clean Air Community Emissions Reduction Plan for Richmond-North Richmond-San Pablo on May 1, 2024. The plan covers the cities of Richmond and San Pablo and several unincorporated areas in Contra Costa County, including North Richmond, that are impacted by air pollution sources including fuel refining, ships, marine terminals, industrial manufacturing facilities, railways, vehicle and freight traffic. According to CalEnviroScreen 4.0, several communities in the Path to Clean Air area rank in the 90th percentile of pollution burden, some of the highest in California. A 2018 Contra Costa Health Services study shows that



asthma rates in the county are higher on average than in the rest of the state and are especially high for children and Black residents. The California Resources Board will consider the plan for approval later this year.

- The Air District’s Community Advisory Council’s Environmental Justice Policy Ad Hoc Committee will continue working with staff on elements of the Air District’s Strategic Plan.
- The next meeting of the Air District’s Community Advisory Council will be held on May 16, 2024, at 6:00 p.m., at the Trans Pacific Center - California State University, East Bay, Oakland Professional Development & Conference Center, 1000 Broadway, Suite 109 - Grand Lake Conference Room, Oakland CA 94607
- The Air District’s Clean Heating Efficiently with Electric Technology, or Clean HEET Program, began accepting applications for grants that can help to offset the cost of switching from a wood-burning stove or fireplace insert to an electric heat pump in March 2024, and has been extended until July 2024. The program is designed to improve air quality in communities by replacing polluting wood-burning heating devices with cleaner heating options. Phase 1 of the program will end on May 15, 2024.
- The Port of Oakland celebrated the official dedication of the NorCal ZERO project at a new hydrogen fueling station on May 2, 2024. The trucks, which have a range of more than 400 miles on a single fill of hydrogen, primarily operate in drayage service hauling freight and cars to destinations in the Bay Area and the Central Valley. The trucks refuel at the recently opened, high-capacity and high-throughput liquid hydrogen fueling station built and operated by FirstElement Fuel. The hydrogen station has a storage capacity of 18,000 kilograms, which will support more than 200 trucks a day. A portion of the funding (\$7 M) was provided by the Air District.
- The Air District will resume its Vehicle Buy Back program on July 1, 2024. The Vehicle Buy Back Program is a voluntary program that takes older, high-polluting vehicles off the road that would otherwise likely remain in operation. Eligible vehicles 1998 or older will be purchased and scrapped by approved Air District dismantlers, Environmental Engineering Studies and Pick-n-Pull. If your vehicle meets all program requirements, the dismantler will buy and scrap your vehicle and provide you with a \$1,500 check.

## 9. TIME AND PLACE OF NEXT MEETING

Wednesday, June 12, 2024, at 1:00 p.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Community Equity, Health and Justice Committee members and members of the public will be able to either join in-person or via webcast.

### **Adjournment**

The meeting was adjourned at 2:10 p.m.

### **Attachments**

#3: Draft Minutes of the Community Equity, Health, and Justice Committee Meeting of October April 22, 2024

#4: Marie Harrison Environmental Justice Scholarship Update

#5: Air Monitoring Data For Bay Area Communities

BOARD MEETING DATE: June 5, 2023

REPORT: Finance and Administration Committee

SYNOPSIS: The Finance and Administration Committee (Committee) held a meeting on Wednesday, May 15, 2024. The following is a summary of the meeting.

RECOMMENDED ACTION:

Receive and file.

Davina Hurt, Chair  
Finance and Administration Committee

DH:mh

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### **Committee Members**

#### **Roll Call:**

Present, In-Person (Bay Area Metro Center (375 Beale Street, 1<sup>st</sup> Floor Board Room, San Francisco, California, 94105): Committee Chairperson Davina Hurt; and Directors Juan González III, David Haubert, and Katie Rice.

Present, In-Person Satellite Location (Mountain View City Hall, 500 Castro Street, City Clerk Conference Room, 3<sup>rd</sup> Floor, Mountain View, CA 94041): Director Margaret Abe-Koga.

Present, In-Person Satellite Location (Santa Rosa Junior College Campus, Doyle Library, Room 148, 1501 Mendocino Ave, Santa Rosa, California, 95401): Vice Chairperson Lynda Hopkins.

Present, In-Person Satellite Location (Office of Contra Costa County Supervisor John Gioia, 11780 San Pablo Ave., Suite D, Conference Room, El Cerrito, California, 94530): Director Mark Ross.

Present, In-Person Satellite Location (Hall of Justice, Criminal Justice Training Room, 400 County Center, 1st Floor, Redwood City, California, 94063): Director Ray Mueller.

Absent: Director Tyrone Jue.

#### **Call to Order**

Finance and Administration Committee (Committee) Chairperson, Davina Hurt, called the meeting to order at 10:03 a.m.

*For additional details of the Finance and Administration Committee Meeting, please refer to the webcast, which can be found [here](#) 24 hours after the meeting as concluded. Please use the webcast's index to view specific agenda items.*

## CONSENT CALENDAR

### 3. APPROVAL OF THE DRAFT MINUTES OF THE FINANCE AND ADMINISTRATION COMMITTEE MEETING OF APRIL 17, 2024

The Committee approved the Draft Minutes of the Finance and Administration Committee Meeting of April 17, 2024.

### 4. HEARING BOARD QUARTERLY REPORT: JANUARY 2024 - MARCH 2024

#### Public Comments

No requests received.

#### Committee Comments

None.

#### Committee Action

Director González made a motion, seconded by Director Haubert to **approve** the Draft Minutes of the Finance and Administration Committee Meeting of April 17, 2024, inclusive; and the motion **carried** by the following vote of the Committee:

AYES: Abe-Koga, González, Haubert, Hurt, Mueller, Rice, Ross.  
NOES: None.  
ABSTAIN: Hopkins.  
ABSENT: Jue.

Director González made a motion, seconded by Director Haubert to **accept** the Hearing Board Quarterly Report: January 2024 - March 2024; and the motion **carried** by the following vote of the Committee:

AYES: Abe-Koga, González, Haubert, Hopkins, Hurt, Mueller, Rice, Ross.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Jue.

## INFORMATIONAL ITEM

### 5. UPDATE ON THE AIR DISTRICT'S MANAGEMENT AUDIT RESPONSES

John Chiladakis, Chief Technology Officer, and Hyacinth Hinojosa, Deputy Executive Officer of Finance and Administration, gave the staff presentation *Update on the Air District's Management Audit Responses*, including: management audit status agenda; Human Resources Corrective Action Plan status and estimated timeline; My Air Online recap; audit recommendation status; celebrating the decommissioning of both legacy systems; cost savings from decommissioning; completed audits; and recommended action.

### Public Comments

No requests received.

### Committee Comments

The Committee and staff discussed concerns about staff's proposal to pause external management audits to allow time for internal assessments and Strategic Plan implementation planning, and the suggestion of establishing a time certain for resuming the management audits; whether the Air District offers a permitting portal for transparency with stakeholders and the public, and whether such a portal is an audit recommendation; the suggestions that invoices for permit renewals and applications list details about actions that have been taken, for transparency and improved communication between the Air District and the regulated community; the request that the Air District tracks (in writing) internal changes to the My Air Online system and makes work plans transparent for the public; and the request that the Air District measures customer satisfaction, level of required maintenance of the My Air Online replacement system.

### Committee Action

None; receive and file.

## **ACTION ITEMS**

### **6. PERMITTING AND COMPLIANCE SYSTEM (MY AIR ONLINE) STATUS UPDATE AND AUTHORIZATION TO EXECUTE CONTRACT AMENDMENTS**

Mr. Chiladakis gave the staff presentation *My Air Online Status Update and Authorization to Execute Contract Amendments*, including: outline; My Air Online recap; past and projected costs for maintenance and development; cost savings from Legacy System decommissioning; past and projected costs with decommissioning savings; My Air Online – Enterprise Technology Solutions Fiscal Year Ending (FYE) 25; examples of features in My Air Online (applying for a permit, automated calculations, checking permit application status); and recommended action.

### Public Comments

No requests received.

### Committee Comments

The Committee and staff discussed whether the My Air Online screenshots within the presentation reflect the current system, or future features of the system; whether status reporting for Engineering, Legal, and Compliance and Enforcement workflows need to be expanded, and are already built out; the request for a My Air Online product roadmap that shows the projected activity over the next six months (Legacy decommissioning, transition and performance enhancements, and Legal Department integration); the manner in which the Air District prioritizes decisions about the My Air Online system and how that affects the customer's experience (are funds being spent correctly, how much artificial intelligence is being utilized);

whether permit applicants can view the amount of time remaining in the process, and who their assigned Air District permit engineer is; whether the Air District currently offers a “pre-application” process for those who might want or need an Air District permit in the future and want to know how the process would work, and whether potential permitted facilities may view the history of an existing permit to see what it entails (or the public in general); the way in which the Air District plans to measure the success of the My Air Online system; the suggestion of reaching out to entities who have already launched successful similar infrastructure for lessons learned; the manner in which new Air District regulations may affect the current software, and whether that would delay implementation; and whether the Air District maintains conversation logs that can be shared with applicants, if so, whether those are kept in the My Air Online system, and the suggestion of providing legal language for staff regarding risk management.

### Committee Action

Director Haubert made a motion, seconded by Director González, to do the following:

Recommend the Board of Directors **authorize** the Executive Officer/Air Pollution Control Officer (ACPO) to amend current vendor contracts to extend the term of each contract through July 1, 2025, and increase the contracted amounts by the amounts listed in the staff report and totaling \$1.4M for projected expenditures during the first half of Fiscal Year Ending 2025. These expenditures will be contingent upon the Board of Directors’ approval of the proposed FYE 2025 budget which includes these funds.

The motion **carried** by the following vote of the Committee:

AYES:	Abe-Koga, González, Haubert, Hopkins, Hurt, Mueller, Rice, Ross.
NOES:	None.
ABSTAIN:	None.
ABSENT:	Jue.

### 7. **MODERNIZATION OF INFORMATION TECHNOLOGY INFRASTRUCTURE**

Mr. Chiladakis gave the staff presentation *Modernization of Information Technology Infrastructure*, including: outline; requested action; background; current infrastructure connectivity; proposed infrastructure connectivity; cost; and recommended action.

### Public Comments

No requests received.

### Committee Comments

The Committee and staff discussed whether Microsoft would provide cloud infrastructure and management, and whether they, or Dell, will be held accountability to the Air District; and the Air District’s definition of “competitively qualified vendors.”

Committee Action

Director González made a motion, seconded by Director Rice, to do the following:

Recommend the Board of Directors approve reallocating and expending Capital Expenditure funds to modernize the Air District's information technology infrastructure, which is at the end of its useful life. Specifically:

- Authorize the Executive Officer/APCO to execute contracts with qualified Information Technology fulfillment partners ePlus Technologies, Inc., CDWG Inc., SSP Data, Inc., and/or SHI, Inc. for information technology equipment and installation services in a total amount not to exceed \$1.5M; and
- Authorize the transfer of funds not to exceed \$650,000 for this effort from multiple program budgets where actual expenditures are below projected expenditures in their Fiscal Year Ending 2024 services, supply and capital budgets; and
- Authorize the Executive Officer/APCO to amend the competitively bid Contract with Dell, Inc to increase the annual expenditure on Microsoft Cloud services by \$250,000 per year.

The motion **carried** by the following vote of the Committee:

AYES: Abe-Koga, González, Haubert, Hopkins, Hurt, Jue, Mueller, Rice, Ross.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Jue.

**OTHER BUSINESS**

**8. PUBLIC COMMENT ON NON-AGENDA MATTERS**

No requests received.

**9. COMMITTEE MEMBER COMMENTS**

None.

**10. TIME AND PLACE OF NEXT MEETING**

Wednesday, June 26, 2024, at 10:00 a.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Finance and Administration Committee members and members of the public will be able to either join in-person or via webcast.

**Adjournment**

The meeting was adjourned at 1:10 p.m.

### Attachments

- #3 – Approval of the Draft Minutes of the Finance and Administration Committee Meeting of April 17, 2024
- #4 – Hearing Board Quarterly Report: January 2024 - March 2024
- #5 – Update On The Air District’s Management Audit Responses
- #6 – Permitting And Compliance System (My Air Online) Status Update And Authorization To Execute Contract Amendments
- #7 – Modernization Of Information Technology Infrastructure

BOARD MEETING DATE: June 5, 2024

REPORT: Policy, Grants, and Technology Committee

SYNOPSIS: The Policy, Grants, and Technology Committee (Committee) held a meeting on Wednesday, May 15, 2024. The following is a summary of the meeting.

RECOMMENDED ACTION:

None; receive and file.

Vicki Veenker, Chair  
Policy, Grants, and Technology Committee

VV:mh

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**Roll Call:**

Present, In-Person (Bay Area Metro Center (375 Beale Street, 1<sup>st</sup> Floor Board Room, San Francisco, California, 94105): Committee Chairperson Vicki Veenker; Committee Vice Chairperson Sergio Lopez; and Directors Juan González III, and Katie Rice.

Present, In-Person Satellite Location (Napa County Administration Building, 1195 Third St., Suite 310, Crystal Conference Room, Napa, CA 94559): Director Joelle Gallagher.

Present, In-Person Satellite Location (Office of Contra Costa County Supervisor Ken Carlson, 2255 Contra Costa Blvd., Suite 202, Pleasant Hill, California, 94523): Director Ken Carlson.

Present, In-Person Satellite Location (County of San Mateo, 400 County Center, 1st Floor CEO BOS Conference Room, Redwood City, California, 94063): Director Noelia Corzo.

Absent: Directors Margaret Abe-Koga and Erin Hannigan.

**Call to Order**

Chair Veenker called the meeting to order at 1:01 p.m.

*For additional details of the Policy, Grants, and Technology Committee Meeting, please refer to the webcast, which can be found [here](#). Please use the webcast’s index to view specific agenda items.*

**CONSENT CALENDAR**

- 3. **APPROVAL OF THE DRAFT MINUTES OF THE POLICY, GRANTS, AND TECHNOLOGY COMMITTEE MEETING OF MARCH 20, 2024**



Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director González made a motion, seconded by Vice Chair Lopez, to **approve** the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of March 20, 2024; and the motion **carried** by the following vote of the Committee:

AYES: Carlson, Gallagher, Gonzalez, Lopez, Rice, Veenker.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Abe-Koga, Corzo, Hannigan.

**ACTION ITEMS**

**4. TRANSPORTATION FUND FOR CLEAN AIR REGIONAL FUND POLICIES & EVALUATION CRITERIA COMMENCING FISCAL YEAR ENDING 2025**

Linda Hui, Supervising Staff Specialist, gave the staff presentation *Transportation Fund for Clean Air Regional Fund Policies & Evaluation Criteria Commencing Fiscal Year Ending 2025*, including: action item; outline; Transportation for Clean Air (TFCA) background; public outreach process; proposed updates; and recommendation.

Public Comments

Public comments were given by Jan Warren, Interfaith Climate Action Network of Contra Costa County.

Committee Comments

The Committee and staff discussed fluctuation of the TFCA cost-effectiveness limit over time; whether diesel trucks replacement projects are eligible for TFCA funding; cost-effectiveness for diesel truck replacement projects; how frequently TFCA policies are evaluated; advantages and disadvantages of reverting the amount of time in which a grantee must commence a project from 24 to 12 months (Policy #8: Readiness; whether a project’s timeline may be extended beyond 12 months if a grantee experiences a problem; whether there is uptime requirement electric vehicle charging infrastructure projects; whether any of the policies address post-project maintenance; appreciation for upgrades from Class III or Class II (non-buffered) to Class II buffered bike line as an eligible project category (Policy #32: Bikeways); appreciation for updating the evaluation criteria to prioritize projects in communities identified through the Assembly Bill (AB) 617

process communities; whether Class IV protected bike lanes are eligible projects; the increase of the maximum cost-effectiveness (Policy #23: On-Road Zero- and Partial-Zero-Emissions Vehicles); the fact that experimental techniques may not be cost-effective but may be helpful in Research and Development (what proportion of experimental techniques are going to high cost-effective projects versus low cost-effective ones); and whether the Air District funds advanced demonstration projects.

NOTED PRESENT: Director Corzo was noted present at 1:11 p.m.

### Committee Action

Director González made a motion, seconded by Director Rice, to recommend the Board of Directors **approve** the proposed updates to the Transportation Fund for Clean Air (TFCA) Regional Fund Policies and Evaluation Criteria Commencing Fiscal Year Ending (FYE) 2025; and the motion **carried** by the following vote of the Committee:

AYES: Carlson, Corzo, Gallagher, Gonzalez, Lopez, Rice, Veenker.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Abe-Koga, Hannigan.

### 5. **PROJECTS AND CONTRACTS WITH PROPOSED GRANT AWARDS OVER \$500,000 AND SOLICITATION FOR ELECTRIC CHARGING INFRASTRUCTURE**

Dr. Chad White, Supervising Staff Specialist, gave the staff presentation *Projects and Contracts with Grant Awards Over \$500,000 & Solicitation for Electric Charging Infrastructure*, including: outcome; outline; Carl Moyer Program (CMP)/Mobile Source Incentive Fund (MSIF), Community Air Protection (CAP) Incentives, and Funding Agricultural Replacement Measures for Emissions Reductions (FARMER); TFCA; proposed projects; incentive funds awarded and remaining since July 2023, by project category and county; benefits to priority areas since July 2023; infrastructure solicitation – background, eligible categories, proposed process, proposed selection criteria; and actions requested.

### Public Comments

Public comments were given by Jan Warren, Interfaith Climate Action Network of Contra Costa County.

### Committee Comments

The Committee and staff discussed the cost-effectiveness of tractor replacement projects; the Air District’s definition of “sensitive receptors”; the Air District’s Community Air Risk Evaluation (CARE) program; and needs of applicants versus needs of impacted communities.

## Committee Action

Director Rice made a motion, seconded by Director González, to recommend the Board of Directors:

1. Approve recommended projects with proposed grant awards over \$500,000;
2. Authorize the Executive Officer/APCO to enter into all agreements necessary to accept, obligate, and expend this funding, and to execute grant agreements and amendments for the projects; and
3. Approve the process and selection criteria for the competitive solicitation for electric charging infrastructure for medium- and heavy-duty vehicles and equipment.

The motion **carried** by the following vote of the Committee:

AYES: Carlson, Corzo, Gallagher, Gonzalez, Lopez, Rice, Veenker.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Abe-Koga, Hannigan.

## INFORMATIONAL ITEM

### 6. STATE LEGISLATIVE UPDATE

Alan Abbs, Legislative Officer, gave the staff presentation *State Legislative Update*, including: presentation for information only; outline; Air District-sponsored and co-sponsored bills: Assembly Bill (AB) 1465 Wicks – Nonvehicular air pollution: civil penalties; AB 2298 (Hart, et al.) – coastal resources: voluntary vessel speed reduction and sustainable shipping program; Senate Bill (SB) 382 (Becker) – single family residential property: disclosures; SB 1095 (Becker) – Cozy Homes Cleanup Act: building standards: gas-fuel-burning appliances; other bills of interest: AB 817 (Pacheco) – open meetings: teleconferencing: subsidiary body; AB 1894 (Ta); nonvehicular air pollution: civil penalties; AB 2522 (Carrillo – South Coast Air Quality Management District: district board: compensation; AB 2760 (Muratsuchi) – Lower Emissions Equipment at Seaports and Intermodal Yards Program; AB 2851 (Bonta) – metal shredding facilities: fenceline air quality monitoring; AB 2958 (Calderon) – State Air Resources Board: board members: compensation; SB 537 (Becker) – open meetings; multijurisdictional, cross-county agencies: teleconferences; SB 674 (Gonzalez) – air pollution: refineries: community air monitoring systems: fenceline monitoring systems; SB 1031 (Wiener) – San Francisco Bay Area; local revenue measure: transportation improvements; SB 1158 (Archuleta) – Carl Moyer Program Air Quality Standards Attainment Program; SB 1193 (Menjivar) – airports: leaded aviation gasoline; SB 1298 (Cortese) – certification of thermal powerplants: data centers; and State Budget update FY 2024-25.

## Public Comments

No requests received.

### Committee Comments

The Committee and staff discussed whether the Air District anticipates challenges regarding AB 2522 (Carrillo); anticipated action regarding recently amended Senate Bill (SB) 1298 (Cortese), and whether there is anything more that the Air District can do to oppose or change it; increased deficit projections in the May Revision to the Governor's proposed Fiscal Year 2024-25 State Budget (whether General Fund monies will be shifted to Greenhouse Gas Reduction Fund and climate-related funds); and requests for future updates on SB 1031 (Wiener).

### Committee Action

None; receive and file.

### **OTHER BUSINESS**

#### **7. PUBLIC COMMENT ON NON-AGENDA MATTERS**

No requests received.

#### **8. COMMITTEE MEMBER COMMENTS**

None.

#### **9. TIME AND PLACE OF NEXT MEETING**

Wednesday, July 24, 2024, at 10:00 a.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Policy, Grants, and Technology Committee members and members of the public will be able to either join in-person or via webcast.

#### **Adjournment**

The meeting was adjourned at 2:49 p.m.

#### **Attachments**

- #3 – Approval of the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of March 20, 2024
- #4 – Transportation Fund for Clean Air Regional Fund Policies & Evaluation Criteria Commencing Fiscal Year Ending 2025
- #5 – Projects And Contracts with Proposed Grant Awards Over \$500,000 And Solicitation For Electric Charging Infrastructure
- #6 – State Legislative Update

BOARD MEETING DATE: June 5, 2024

REPORT: Community Advisory Council

SYNOPSIS: The Community Advisory Council (Council) held a meeting on Thursday, May 16, 2024. The following is a summary of the meeting.

RECOMMENDED ACTION:

None; receive and file.

John Kevin Jefferson, Co-Chair  
Mayra Pelagio, Co-Chair  
Ken Szutu, Co-Chair

JKJ/MP/KS:mh

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## CALL TO ORDER

The meeting facilitator, Randolph Belle, called the Community Advisory Council meeting to order at 6:13 p.m.

*This meeting was held in person, but was conducted under procedures authorized by Assembly Bill (AB) 2449 (Rubio 2022), allowing Council Members to attend Ralph M. Brown Act meetings remotely without following the traditional rules for teleconferenced meetings, if a member participating remotely demonstrates a need to do so, either because of an emergency circumstance or other “just cause” as defined in the statute (for non-emergencies, members may only make use of this provision two times per calendar year).*

### Roll Call:

Present, In Person: Council Co-Chairpersons Kevin John Jefferson, Mayra Pelagio, and Ken Szutu; and Council Members Dr. Juan Aguilera, Ms. Margaret Gordon, Arieann Harrison, Dr. John Ritterman, Kevin G. Ruano Hernandez.

Participated Remotely, via Zoom via Assembly Bill (AB) 2449 (remote presence does not count for quorum, but votes are counted for all action items): Council Members Fernando Campos and William Goodwin (just cause).

Absent: Council Members Joy Massey, Rio Molina, Violet Saena, Latasha Washington.

*For additional details of the Community Advisory Council Meeting, please refer to the [webcast](#). Please use the webcast’s index to view specific agenda items.*

## 2. OPENING REMARKS BY BOARD OF DIRECTORS CHAIR DAVINA HURT

3. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

CONSENT CALENDAR

4. APPROVAL OF THE DRAFT MINUTES OF THE COMMUNITY ADVISORY COUNCIL (CAC) MEETING OF MARCH 21, 2024

Public Comments

No requests received.

Council Comments

None.

Council Action

Council Member Jefferson made a motion, seconded by Council Member Gordon, to **approve** the Draft Minutes of the Community Advisory Council Meeting of March 21, 2024, and the motion **carried** by the following vote of the Council:

- AYES: Aguilera, Campos, Goodwin, Gordon, Harrison, Jefferson, Pelagio, Ritterman, Ruano Hernandez, Szutu.
- NOES: None.
- ABSTAIN: None.
- ABSENT: Massey, Molina, Saena, Washington.

Motion Approved

ACTION ITEMS

5. ELECTION OF COMMUNITY ADVISORY COUNCIL CO-CHAIRS

Amy Smith, Acting Senior Advanced Projects Advisor, gave the staff presentation *Election of Community Advisory Council Co-Chairs*, including: outcome; requested action; outline; leadership and the Council Charter; and (§) 1.3.1 Duties of Leadership.

Public Comments

No requests received.

Council Comments

The Council and staff discussed which Council Member is the third Co-Chair; and whether essays written by the candidates were made available to the Council (the candidate essays are in the meeting packet.)

Council Actions

Co-Chair Szutu made a motion, seconded by Council Member Gordon, to **elect** John Kevin Jefferson III as Co-Chair of the Community Advisory Council; and the motion **carried** by the following vote of the Council:

AYES: Aguilera, Campos, Goodwin, Gordon, Harrison, Jefferson, Pelagio, Ritterman, Ruano Hernandez, Szutu.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Massey, Molina, Saena, Washington.

Motion Approved

Dr. Ritterman made a motion, seconded by Co-Chair Jefferson, to **elect** Mayra Pelagio as Co-Chair of the Community Advisory Council; and the motion **carried** by the following vote of the Council:

AYES: Aguilera, Campos, Goodwin, Gordon, Harrison, Jefferson, Pelagio, Ritterman, Ruano Hernandez, Szutu.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Massey, Molina, Saena, Washington.

Motion Approved

**6. COMMUNITY ADVISORY COUNCIL RECOMMENDATION FOR NEW COUNCIL MEMBERS**

Co-Chair Jefferson and Council Member Ruano Hernandez *Community Advisory Council Recommendation for New Council Members*, including: outcome; outline; requested action; creation; prior to first meeting; timeline; outreach; applications; and selected applicants.

Public Comments

No requests received.

Council Comments

The Council and staff discussed whether the Member Selection Ad Hoc Committee unanimously selected the candidates; and a request for pictures of candidates in the future.

Council Actions

Council Member Ruano Hernandez made a motion, seconded by Council Member Goodwin, to recommend the Community Equity, Health, and Justice Committee recommend the Board of Directors to appoint Sejal Babaria (Alameda County seat) for two years; and the motion **carried** by the following vote of the Council:

AYES: Aguilera, Campos, Goodwin, Gordon, Harrison, Jefferson, Pelagio, Ritterman, Ruano Hernandez, Szutu.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Massey, Molina, Saena, Washington.

Motion Approved

Co-Chair Pelagio Hernandez made a motion, seconded by Council Member Ruano Hernandez, to recommend the Community Equity, Health, and Justice Committee recommend the Board of Directors to appoint Patrick Messac (Alameda County seat) for two years; and the motion **carried** by the following vote of the Council:

AYES: Aguilera, Campos, Goodwin, Gordon, Harrison, Jefferson, Pelagio, Ritterman, Ruano Hernandez, Szutu.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Massey, Molina, Saena, Washington.

Motion Approved

Council Member Aguilera made a motion, seconded by Council Member Harrison, to recommend the Community Equity, Health, and Justice Committee recommend the Board of Directors to appoint Dominick Ramirez (Youth seat) for two years; and the motion **carried** by the following vote of the Council:

AYES: Aguilera, Campos, Goodwin, Gordon, Harrison, Jefferson, Pelagio, Ritterman, Ruano Hernandez, Szutu.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Massey, Molina, Saena, Washington.

Motion Approved

**THE COUNCIL RECESSED AT 6:58 P.M., AND RESUMED AT 7:10 P.M.**



## INFORMATIONAL ITEM

### 7. **ADVANCING ENVIRONMENTAL JUSTICE STRATEGIES IN THE STRATEGIC PLAN**

Vernice Miller-Travis of The Metropolitan Group, and Air District staff (Miriam Torres, Acting Deputy Executive Officer of Equity and Community Programs, Dr. Meredith Bauer, Deputy Executive Officer of Engineering and Compliance, and Alexander Crockett, General Counsel,) gave the presentation *Advancing Environmental Justice (EJ) Strategies in the Strategic Plan*, including: outcome; outline; requested action; timeline (EJ action plan development); Strategic Plan update; Strategic Plan process (Fall 2023 to present); visionary EJ document outline; select, overarching EJ strategy ideas in the Draft Strategic Plan; draft strategy ideas for data collection and usage; permitting and enforcement; draft strategies; timeline and next steps.

#### Public Comments

No requests received.

#### Council Comments

The Council and staff discussed the desire for the Air District to be granted police power (the ability to enforce ordinances and regulations, not in conflict with general laws, to protect the health, safety, and welfare of the community); the desire for more information on how to file complaints regarding air pollution events and emissions at the Air District; the Air District's definition of "deterrence-based penalty" and how that relates to violating companies with high profit margins; metrics that the Air District will use to measure the success of the implementation of the Strategic Plan; the perception that enough air quality data has been collected and research conducted, and the subsequent desire for more action, especially in overburdened communities; the desire to focus on cumulative impacts; the suggestion of using the Air District's Air Quality Complaint program database to identify repeat violators and violation patterns; the desire for an identified, single point of contact between the Air District and community during an air quality incident (rather than not knowing which staff member to contact); the desire for additional Air Quality Inspectors in the field; the suggestion that Air District staff work closely with health professionals to make real health impact analyses; the manner in which the size of a penalty is calculated, and whether the Air District takes into account decrease in property value based on the community, or the profit margin of the violating company; the types of lawsuits that are viable strategies and will act as effective financial deterrents; the desire to include/calculate human lives lost when negotiating settlements; the Alameda County Superior Court 's ruling (September 2022) that immediately shut down diesel generators at the Green Sage cannabis facilities in Oakland, and whether that action can be applied to operations at Schnitzer Steel in West Oakland; a metal shredding operation (General Iron) in Chicago that was closed and dismantled in October 2023, due to EJ activism; concerns that the language in the Strategic Plan language is too broad; the desire for the community to work with the Air District on the enforcement strategy of "In conjunction with community input, develop and implement an enforcement policy including deterrence-based penalties, community-focused injunctive relief, and consideration of repeat violations in determining enforcement

response”; and the suggestion that the Air District lobby in Sacramento to increase penalty maximums in the statute and change land use zoning laws to include pollutant exposure.

Council Action

None; receive and file.

**OTHER BUSINESS**

**8. COMMUNITY BENEFITS FUND AD HOC COMMITTEE UPDATE**

The Council received an update from Community Benefits Fund Ad Hoc Committee from Community Benefits Fund Ad Hoc Committee Chair Campos. The Committee has been discussing how to allocate the \$3M for community benefits that was previously approved by the Board of Directors. A participatory budgeting process will be used, allowing community members to vote on which projects to fund that are submitted by community organizations. The Committee is currently discussing project eligibility criteria, award amounts, and reporting requirements, and this will come before the Council in July 2024.

**9. REPORT OF THE EXECUTIVE OFFICER / AIR POLLUTION CONTROL OFFICER (APCO)**

On behalf of Dr. Philip M. Fine, Executive Officer / APCO, Ms. Torres announced the following:

- Arsenio Mataka will be the new Deputy Executive Officer of Equity and Community Programs, effective June 10, 2024.
- Former Council Member, Hana Mendoza, left the Council, effective April 10, 2024.
- Council Member Washington’s 2-year service as Co-Chair, which ended in March 2024, is appreciated.
- The Air District’s Board of Directors adopted the Path to Clean Air Community Emissions Reduction Plan for Richmond-North Richmond-San Pablo on May 1, 2024. The plan covers the cities of Richmond and San Pablo and several unincorporated areas in Contra Costa County, including North Richmond, that are impacted by air pollution sources including fuel refining, ships, marine terminals, industrial manufacturing facilities, railways, vehicle and freight traffic. According to CalEnviroScreen 4.0, several communities in the Path to Clean Air area rank in the 90th percentile of pollution burden, some of the highest in California. A 2018 Contra Costa Health Services study shows that asthma rates in the county are higher on average than in the rest of the state and are especially high for children and Black residents. The California Resources Board will consider the plan for approval later this year.
- The May Revision to the Governor's proposed Fiscal Year 2024-25 State Budget includes an additional significant deficit on top of the original estimated deficit, but proposed Assembly Bill (AB) 167 funding allocations have not been decreased.

- AB 2851 (Bonta), which requires the Department of Toxic Substances Control to collect an annual fee from all metal shredding facilities that are subject to the requirements of hazardous waste control laws, passed favorable out of the Assembly Appropriations Committee Suspense File process on May 16, 2024.
- The Air District’s Clean Heating Efficiently with Electric Technology, or Clean HEET Program, began accepting applications for grants that can help to offset the cost of switching from a wood-burning stove or fireplace insert to an electric heat pump in March 2024, and has been extended until July 2024. The program is designed to improve air quality in communities by replacing polluting wood-burning heating devices with cleaner heating options. Phase 1 of the program ended on May 15, 2024.
- The Port of Oakland celebrated the official dedication of the NorCal ZERO project at a new hydrogen fueling station on May 2, 2024. The trucks, which have a range of more than 400 miles on a single fill of hydrogen, primarily operate in drayage service hauling freight and cars to destinations in the Bay Area and the Central Valley. The trucks refuel at the recently opened, high-capacity and high-throughput liquid hydrogen fueling station built and operated by FirstElement Fuel. The hydrogen station has a storage capacity of 18,000 kilograms, which will support more than 200 trucks a day. A portion of the funding was provided by the Air District.

## 10. COUNCIL MEMBER COMMENTS / OTHER BUSINESS

Co-Chair Pelagio thanked the Council for electing her to her new position as Council Co-Chair. She announced that the entire month of May is “Bay Area Bike to Wherever Days”, and registering long-term commitment pledges to use a bicycle instead of a car can result in prizes. Bay Area Bike to Work Day occurred on May 16, 2024.

Council Member Harrison announced that the Marie Harrison Community Foundation will begin its planning process for the Youth Climate Environmental Justice Summit, scheduled for September 18, 2024. Those interested in collaborating may contact Council Member Harrison.

Council Member Ruano Hernandez announced that his employer, PSE Healthy Energy, offers community consulting, bringing energy science to communities and helping them access technical expertise and analysis on energy and climate issues of local concern. He emphasized that this type of work is directed at communities that tend to receive less representation, monitoring, and research. He also spoke of a recent trip to Bakersfield to conduct methane sampling.

Co-Chair Szutu announced that the Citizen Air Monitoring Network of Vallejo has applied for a California Air Resources Board Community Air Grant, proposing a project aimed at measuring diesel pollution in Vallejo. The project seeks to answer the basic question of "Where are we with Diesel Free by 33?" The goal is to provide a baseline for diesel pollution in the community and to collect actionable data that can guide efforts to manage local air quality. To accomplish these goals, the Citizen Air Monitoring Network requests \$299,916 in funding for this project until June, 2026. This project represents a critical step toward managing local air quality and advancing the goal of Diesel Free by 33. Additional benefits include community learning about

diesel particulate matter and other emissions reduction policies, as detailed in Section 7 below. This project would be the first community-level black carbon study in the Bay Area.

Council Member Gordon gave additional information on the Port of Oakland's dedication of the NorCal ZERO project at a new hydrogen fueling station that was held on May 2, 2024. She also announced that on May 17, 2024, there was to be a toxic tour of Radius Recycling (formerly Schnitzer Steel).

#### **11. TIME AND PLACE OF NEXT MEETING**

Thursday, July 18, 2024, at 6:00 p.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Community Advisory Council members and members of the public will be able to either join in-person or via webcast.

#### **Adjournment**

The meeting was adjourned at 8:43 p.m.

#### **Attachments**

- #4 – Approval of the Draft Minutes of the Community Advisory Council (CAC) Meeting of March 21, 2024
- #5 – Election Of Community Advisory Council Co-Chairs
- #6 – Community Advisory Council Recommendation for New Council Members
- #7 – Advancing Environmental Justice Strategies in The Strategic Plan

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Public Hearing to Consider Adoption of Proposed Amendments to Air District  
Regulation 3: Fees

RECOMMENDED ACTION

Recommend the Board of Directors adopt the attached resolution amending Air District Regulation 3, to become effective on July 1, 2024.

BACKGROUND

Staff develops recommended amendments to the Air District's fee regulation as part of the budget preparation process. On December 7, 2022, the Board of Directors adopted an updated Cost Recovery and Containment Policy for fee-based activity that established a goal of increasing fee revenue sufficient to achieve 100 percent recovery of regulatory program costs. Progress towards this target is reported to the Board annually by staff and is periodically reviewed by outside consultants.

DISCUSSION

Draft amendments to specific fee schedules were made using our authority to better recover costs as allowed by the California Health and Safety Code. Consistent with the Cost Recovery and Containment Policy, draft amendments to specific fee schedules were made in consideration of the 2021 Cost Recovery and Containment Study, the 2022 Cost Recovery Report and Board direction. Analyzing at the fee schedule-level, staff recommends:

- A 3.3% increase, the Consumer Price Index for Bay Area Urban Wage Earners and Clerical Workers (CPI-W) for the most recent year, is proposed for Schedule M and schedules with a cost recovery rate of at least 100 percent but less than 110 percent.
- A 15% increase is proposed for schedules with a cost recovery rate less than 100 percent.

<b>Schedule</b>	<b>Description</b>	<b>Proposed Increase</b>
Schedule A	Hearing Board Fees	15%
Schedule B	Combustion of Fuels	15%
Schedule D	Gasoline Transfer at Gas Dispensing Facilities & Bulk Plants and Bulk Terminals	3.3%
Schedule E	Solvent Evaporating Sources	15%
Schedule F	Miscellaneous Sources	15%
Schedule G1	Miscellaneous Sources	15%
Schedule G2	Miscellaneous Sources	15%
Schedule G3	Miscellaneous Sources	15%
Schedule G4	Miscellaneous Sources	15%
Schedule G5	Miscellaneous Sources	15%
Schedule H	Semiconductor and Related Operations	15%
Schedule I	Dry Cleaners (not registered)	3.3%
Schedule K	Solid Waste Disposal Sites	15%
Schedule M	Major Stationary Source Fees	3.3%
Schedule P	Major Facility Review Fees	15%
Schedule S	Naturally Occurring Asbestos (NOA) Operations	15%
Schedule V	Open Burning: Marsh Management fees only	15%
Schedule W	Petroleum Refining Emissions Tracking Fees	15%

In addition to the general text clean-up, the following key amendments are proposed:

- Fees that are administrative in nature would be increased by the CPI-W.
- Delete Subsection 320.1, Subsection 322, and Schedule Q.
- Clarify language regarding proration of Permit to Operate renewal fees.
- Be clear about no proration or refunds for shutdown sources.
- Align Risk Assessment Fees (RAFs) in Schedules B and D.A.
- Clarify alteration application fees for sources subject to G-3, G-4 and G-5.
- Clarify the applicability of the minimum fee in Schedule H.

Staff will provide additional details regarding the draft fee amendments, overall cost recovery and the proposed increases for the upcoming fiscal year. A summary of public comments received to date, including those received at a public workshop held on February 15, 2024, will be provided.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The proposed fee amendments for FYE 2025 are projected to increase overall Air District fee revenue by approximately \$4.7 million relative to fee revenue levels that would be expected without the amendments.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Fred Tanaka  
Reviewed by: Pamela J. Leong, Dr. Meredith Bauer

ATTACHMENTS:

- 1. FYE 2025 Regulation 3 Staff Report - FINAL
- 2. 2024 Cost Recovery Report - May 2024 Update
- 3. FYE2025 Regulation 3 Fees Board Resolution - FINAL DRAFT
- 4. Proposed Amendments to AD Reg 3 Fees for FYE2025 - June 2024 FINAL Presentation



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## **STAFF REPORT**

### **Proposed Amendments to BAAQMD REGULATION 3: FEES**

**May 2024**

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**Engineering Division**



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## EXECUTIVE SUMMARY

Bay Area Air Quality Management District (Air District or BAAQMD) staff has proposed amendments to Regulation 3: Fees for Fiscal Year Ending (FYE) 2025 that would increase revenue for effectively implementing and enforcing regulatory programs for stationary sources of air pollution and clarify regulatory language. FYE 2025 represents July 1, 2024, to June 30, 2025.

The 2024 Cost Recovery Report shows that the most-recent 3-year average fee revenue (FYE 2021 to 2023) stood at 87.4 percent of program activity costs. Individual fee schedules have a wide range of cost recovery, as low as 11.8 percent. Cost recovery fee percentages are impacted by changes to several factors, including but not limited to, new and enhanced programs/rules, staffing levels, Air District priorities, facility emissions and facility permitting. Therefore, cost recovery is evaluated annually and aligned with the proposed budget for the next fiscal year.

The cost recovery process analyses revenue and costs that have already occurred. It does not account for revenue and resources needed to operate fee-based programs effectively.

Typical work that is supported by Regulation 3, includes but is not limited to:

- Permitting and notification programs;
- Compliance and Enforcement of permitted and registered facilities;
- Compliance assistance to permitted and registered facilities;
- Source Testing at permitted facilities;
- Rule development for regulated industries;
- Emissions inventory from permitted and registered facilities; and
- Other (e.g., Implementation of Regulation 11, Rule 18: Reduction of Risk from Toxic Air emissions at Existing Facilities).

Examples of work that is not supported by Regulation 3 fees, include but is not limited to:

- Assembly Bill 617 Community Engagement & Outreach
- Ambient Air Monitoring
- Climate change work for non-permitted sources
- Media relations
- Mobile sources
- Planning
- Rule development for non-permitted sources
- Strategic Incentives – “Grants” (e.g., wood-burning device replacement, Carl Moyer Program, vehicle buy-back)

The overall cost recovery percentage does not consider work backlog, the staff time needed for the Air District to meet its regulatory obligations and any reduced level of service. In other words, the driving factor on the cost side only accounts for time spent

on fee-recoverable work with the existing resources regardless of the timeliness and the quality of the work. A fully-recovered fee schedule does not translate to an effectively operating program.

Examples of work backlog include but not limited to:

- Delays in issuing permits, registrations, and notifications, reviewing source test reports, completing rule studies and rule development, implementing regulatory requirements, and evaluating facility-wide health risk assessments;
- Longer inspection frequencies (delayed compliance verifications);
- Limited time to quality-control data and emissions inventories; and
- Increased response times to air quality complaints, inquiries, requests for information, and general assistance.

To close the existing cost recovery gap, the Air District’s strategy as directed by the Board of Directors (Board) implements the following methodology based on a fee schedule’s 3-year cost recovery percentage:

- 110% or above = 0% increase
- 100% but less than 110% = CPI-W<sup>1</sup> increase
- Less than 100% = 15% increase

The CPI-W for 2023 is 3.3%. The proposal increases administrative fees in Section 300 by CPI-W with a few exceptions where no increase is recommended.

The Air District has over 10,000 facilities with more than 26,000 devices and operations with an active Permit to Operate and/or Registration. If the above proposed amendments are approved, the impact of the changes to a facility’s permit renewal fees are approximately the following:

**Estimated Impact of the FYE 2025 Fee Changes:  
Permit Renewal Fees**

<b>Facility type</b>	<b>Percent impact</b>
Registered only	No change
Gas dispensing facility <sup>1</sup>	3.2
Emergency generator (minimum fee)	10.6
Coffee Roaster	11.7
Auto body operation only	12
Power plant <sup>2</sup>	7.6 to 9.4
Petroleum refinery <sup>2</sup>	7.9 to 9.1

<sup>1</sup> Based on a common configuration of 6 islands with 3 triple product nozzles

<sup>2</sup> Based on the same permitting and operating scenario as the previous year

The proposed fee amendments are estimated to increase overall Air District fee

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<sup>1</sup> The annual Consumer Price Index for Bay Area Urban Wage Earners and Clerical Workers (CPI-W) increase.

revenue in FYE 2025 by approximately \$4.7 million relative to fee revenue that would be expected without the amendments for the same permitted facility inventory.

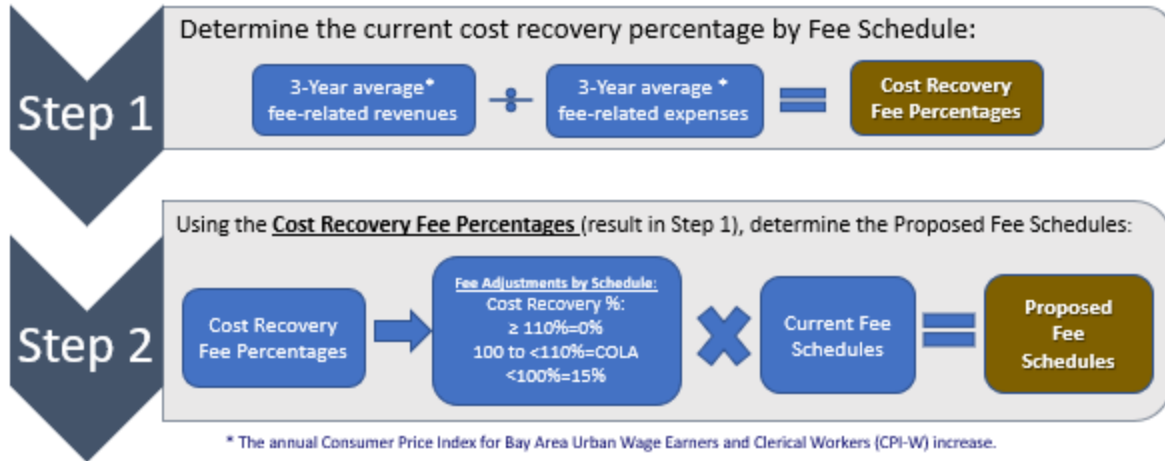
The proposal also includes administrative cleanup, clarifying language and the following significant changes: (1) Delete Section 320.1 – Toxic Inventory Fee for Small Businesses, (2) Delete Section 322 – Excavation of Contaminated Soil and Removal of Underground Storage Tank Operation, (3) Delete Section 335, (4) Clarify fees for alterations for Schedule G sources in Section 304.2, (5) Clarify language on proration for permit renewal fees in Section 327, (6) Clarify language on proration/refunds when sources shut down in Sections 327.5 and 331, (7) Increase base Risk Assessment fee in Schedule C by 3.3%, (8) Increase Risk Assessment fee for existing GDFs by 15%, (9) Clarify applicability of minimum fee in Schedule H – Semiconductor & Related Operations, and (10) Delete Schedule Q – Excavation of Contaminated Soil and Removal of Underground Storage Tank Operation.

The Board of Directors (Board) received testimony on May 1, 2024 regarding the proposed amendments to Regulation 3: Fees. Air District staff recommends that the Board consider adoption of the proposed amendments to Regulation 3: Fees with an effective date of July 1, 2024.

## **BACKGROUND**

State law authorizes the Air District to assess fees to generate revenue to recover the reasonable costs of regulatory program activities for stationary sources of air pollution. The largest portion of Air District fees is collected under provisions that allow the Air District to impose permit fees sufficient to recover the costs of program activities related to permitted sources. The Air District is also authorized to assess fees for: (1) area-wide or indirect sources of emissions which are regulated, but for which permits are not issued by the Air District, (2) sources subject to the requirements of the State Air Toxics Hot Spots Program (Assembly Bill 2588), and (3) activities related to the Air District's Hearing Board involving variances or appeals from Air District decisions on the issuance of permits. The Air District has established, and regularly updates, a fee regulation, Regulation 3: Fees, under these authorities.

For existing fees, the amendments are proposed in a manner sufficient to increase overall recovery of regulatory program activity costs, not to exceed 15 percent. The amendments follow the strategy as directed by the Board by analyzing the cost recovery fee percentage of individual fee schedules, averages the cost recovery over the previous 3 years, and applying a recommended fee action.



The Air District continues to implement several cost containment and efficiency-based strategies. Some of these strategies include timekeeping improvements to bill codes, periodic review of time accounting, greater web-based capabilities, annual updates to cost recovery, improved public education, submittal of online permit applications, and transitioning to the new Cloud-based data system, the New Production System (NPS).

All permitting was moved to NPS in October 2023, which included the remaining 3,700 facilities that were managed in the legacy systems. The major Compliance and Enforcement programs were moved to NPS in early 2024. Not having to maintain legacy systems and focusing on one data platform will ultimately improve the development of functionality beyond the minimum viable product. As the public facing functionality is released, staff can consider discounts to encourage online usage.

## COST RECOVERY

The Air District analyzed whether fees result in the collection of a sufficient and appropriate amount of revenue in comparison to the costs of related program activities. In 1999, a comprehensive review of the Air District’s fee structure and revenue was completed by the firm KPMG Peat Marwick LLP (*Bay Area Air Quality Management District Cost Recovery Study, Final Report: Phase One – Evaluation of Fee Revenues and Activity Costs*, KPMG Peat Marwick LLP, February 16, 1999). This 1999 Cost Recovery Study indicated that fee revenue did not nearly offset the full costs of program activities associated with sources subject to fees as authorized by State law. Property tax revenue and, in some years, reserve funds had been used to close this cost recovery gap.

The Board adopted an across-the-board fee increase of 15 percent, the maximum allowed by State law for permit fees, for FYE 2000 as a step toward more complete cost recovery. The Air District also implemented a detailed employee time accounting system to improve the ability to track costs by program activities moving forward. In each of the next five years, the Air District adjusted fees only to account for inflation except for FYE

2005, in which the Air District also approved further increases in Title V permit fees and a new permit renewal processing fee.

In 2004, the Air District funded an updated Cost Recovery Study. The accounting firm Stonefield Josephson, Inc. completed this study in March 2005 (*Bay Area Air Quality Management District Cost Recovery Study, Final Report*, Stonefield Josephson, Inc., March 30, 2005). This 2005 Cost Recovery Study indicated that a significant cost recovery gap continued to exist. The study also provided cost recovery results at the level of each individual fee schedule based on detailed time accounting data. Finally, the contractor provided a model that could be used by Air District staff to update the analysis of cost recovery on an annual basis using a consistent methodology.

For the five years following the completion of the 2005 Cost Recovery Study (i.e., FYE 2006 through 2010), the Air District adopted fee amendments that increased overall projected fee revenue by an average of 8.9 percent per year. To address fee equity issues, the various fees were not all increased in a uniform manner. Rather, individual fee schedules were amended based on the magnitude of the cost recovery gap for that schedule, with the schedules with the more significant cost recovery gaps receiving more significant fee increases. In FYE 2009, the Air District's fee amendments also included a new greenhouse gas (GHG) fee schedule. The GHG fee schedule recovers costs from stationary source activities related to the Air District's Climate Protection Program. In FYE 2011, the Air District adopted an across-the-board 5 percent fee increase, except for the Title V fee schedule (Schedule P) which was increased by 10 percent (the Air District's 2010 Cost Recovery Study indicated that Fee Schedule P recovered only 46 percent of program activity costs).

In September 2010, the Air District contracted with the firm Matrix Consulting Group to complete an updated analysis of cost recovery that could be used in developing fee amendments for FYE 2012 and beyond. This study also included a review of the Air District's current cost containment strategies and provided recommendations to improve the management of the Air District's costs and the quality of services provided to stakeholders. The study was completed in March 2011 (*Cost Recovery and Containment Study, Bay Area Air Quality Management District, Final Report*, Matrix Consulting Group, March 9, 2011). The 2011 Cost Recovery and Containment Study concluded that, for FYE 2010, overall fee revenue recovered 64 percent of related program activity costs. The study also provided cost recovery results at the level of each individual fee schedule based on detailed time accounting data and provided a methodology for Air District staff to update the analysis of cost recovery on an annual basis using a consistent methodology.

The results of the 2011 Cost Recovery and Containment Study were used to establish fee amendments for FYE 2012 that were designed to increase overall fee revenue by 10 percent (relative to fee revenue that would result without the fee amendments). To address fee equity issues, the various fees were not all increased in a uniform manner. Rather, existing fee schedules were amended based on the magnitude of the cost recovery gap for that schedule, with the schedules with the more significant cost recovery

gaps receiving more significant fee increases. Based on this approach, the fee rates in several fee schedules were not increased, while the fee rates in other fee schedules were increased by 10, 12, or 14 percent.

One of the recommendations made by Matrix Consulting Group in their 2011 Cost Recovery and Containment Study indicated that the Air District should consider the adoption of a Cost Recovery Policy to guide future fee amendments. Air District staff initiated a process to develop such a Policy in May 2011, and a Stakeholder Advisory Group was convened to provide input in this regard. A Cost Recovery Policy was adopted by the Board on March 7, 2012. This policy specified that the Air District should amend its fee regulation in a manner sufficient to increase overall recovery of regulatory program activity costs to a minimum of 85 percent. The policy also indicated that amendments to specific fee schedules should continue to be made in consideration of cost recovery analyses conducted at the fee schedule-level, with larger increases being adopted for the schedules that have the larger cost recovery gaps.

The Matrix Consulting Group was retained by the Air District in September 2017 to provide a cost recovery and containment study for the fiscal year ended June 30, 2017, to update the study done in 2011. This assessment used multiple analytical tools to evaluate the Air District's process for allocation of indirect costs, validate current cost recovery levels, and determine progress from their 2011 recommendations for cost recovery and savings. The primary purpose of this study was to evaluate the indirect overhead and the cost recovery associated with the fees charged. The project team reviewed the Air District's programs and confirmed their classification as direct or indirect, and reviewed time tracking data associated with each of the different fee schedules. The report also provided specific recommendations related to direct and indirect cost recovery, as well as potential cost efficiencies. The 2018 Matrix Cost Recovery Study recommended the fee rate changes based on the past 3-year average of cost recovery calculated for each individual fee schedule.

The Matrix Consulting Group was retained by the Air District in July 2021 to provide a cost recovery and containment study to update the study completed in 2018. This assessment used multiple analytical tools to evaluate the Air District's process for allocation of indirect costs, validate current cost recovery levels, and determine progress from their 2018 recommendations for cost recovery and savings. The primary purpose of this study was to review and verify current cost recovery calculation methodology, determine options for achieving 100% cost recovery, ensure compliance with all legal regulations (Proposition 26, Proposition 218, and the California Health and Safety Code), and continue best management practices by having an outside auditor reassess the fee calculations approximately every five years. This rule proposal follows one of the scenarios in the current Cost Recovery and Containment Study to reach 100% cost recovery.

The project team interviewed internal and external stakeholders, reviewed the Air District's programs and confirmed their cost classification as direct or indirect, and reviewed time tracking data associated with each of the different fee schedules. The final

report was released in April 2022 and provided specific recommendations related to direct and indirect cost recovery, as well as potential cost efficiencies.

In December 2022, the Board updated the Cost Recovery and Containment policy. One key change was to increase the overall cost recovery target from 85 percent to 100 percent for fee-based work.

Based on recommendations from studies and the direction to staff, the following strategies have been implemented since the FYE 2018 amendments to the fee regulation.:

Revenue from Fee Schedule	FYE 2018	FYE 2019 & 2020	FYE 2021 (Covid)	FYE 2022	FYE 2023	FYE 2024 & 2025
110% or more of costs	-	-	-	-	-	-
100 to <110% of costs	-	-	-	CPI-W	+15%	CPI-W
95 to < 100% of costs	CPI-W	CPI-W	-	CPI-W	+15%	+15%
85 to < 95% of costs	+7%	+7%	-	+7%	+15%	+15%
75 to < 85% of costs	+8%	+8%	-	+8%	+15%	+15%
50 to < 75% of costs	+9%	+9%	-	+9%	+15%	+15%
Less than 50% of costs	+9%	+15%	-	+15%	+15%	+15%

The 2024 Cost Recovery Report updates the cost recovery analysis for FYE 2023. The study indicates that the overall cost recovery rate for FYE 2023 was 92.3 percent and a 3-year average of 87.4 percent. Since Schedule I currently has no applicability to existing facilities, the schedules with the lowest cost recovery fee percentages are Schedules K (11.6 percent), S (20.6 percent) and W (24.5 percent).

Cost recovery fee percentages are impacted by several factors. For costs funded by fee revenue, new and enhanced programs, staffing levels, and priorities impact cost recovery. Allocation of Air District full-time employees (FTEs) to fee-based activities impacts cost recovery of individual schedules. New staffing hired to work on existing fee-based programs will impact cost recovery as they charge time to applicable work. Time charged to specific fee schedules will increase costs, decreasing cost recovery for the fee schedule and the overall cost recovery. Reallocating existing resources to different fee-based programs tied to a specific fee or fee schedule may noticeably change individual schedule recovery rates, but does not impact overall fee-related cost recovery.

Fee revenue is impacted by facility shutdowns, permit applications, notifications, and source emission levels. Facilities that do not renew their permits and facilities that operate



new equipment without an Authority to Construct impact not only fee revenue, but their compliance status.

## **PROPOSED FEE AMENDMENTS FOR FYE 2025**

### **OVERVIEW OF PROPOSED AMENDMENTS**

The Air District is proposing increases to fees and fee schedules based on their cost recovery status. In addition, the proposal includes deleting obsolete sections, realigning Risk Assessment fees, clarifying language, and administrative clean-up.

### **FEE SCEHDULE INCREASES**

Fee schedules with a cost recovery fee percentage greater than or equal to 100 percent but below 110 percent are recommended for CPI-W increase are listed in Table 1. Schedule I is included in this group because there are no current active facilities using this fee schedule since perchloroethylene was banned. There is a possibility that a large dry cleaner using a solvent based non-perchloroethylene cleaner could require a permit which is the reason the schedule is not being deleted. Schedule M is included as an administrative fee increase.

**Table 1. Fee Schedules Proposed for a 3.3% Increase**

<b>Schedule</b>	<b>Description</b>
Schedule D	Gasoline Transfer at GDFs & Bulk Plants and Bulk Terminals
Schedule I	Dry Cleaners (not registered machines)
Schedule M	Major Stationary Source Fees

Fee schedules with a cost recovery fee percentage below 100 percent are recommended for a 15 percent increase. These fees are listed in Table 2.

**Table 2. Fee Schedules Proposed for a 15% Increase**

<b>Schedule</b>	<b>Description</b>
Schedule A	Hearing Board Fees
Schedule B	Combustion of Fuels
Schedule E	Solvent Evaporating Sources
Schedule F	Misc. Sources (e.g., storage silos, abrasive blasting)
Schedule G-1	Misc. Sources (e.g., glass manufacturing, soil remediation)
Schedule G-2	Misc. Sources (e.g., asphaltic concrete, furnaces)
Schedule G-3	Misc. Sources (e.g., metal melting, cracking units)
Schedule G-4	Misc. Sources (e.g., cement kilns, sulfur removal & coking units)
Schedule G-5	Misc. Sources (e.g., Refinery flares)
Schedule H	Semiconductor and Related Operations
Schedule K	Solid Waste Disposal Sites

Schedule	Description
Schedule P	Major Facility Review Fees
Schedule S	Naturally Occurring Asbestos Operations
Schedule V	Open Burning: Marsh Management fees only
Schedule W	Petroleum Refining Emissions Tracking Fees

The complete text of the proposed changes to Air District Regulation 3: Fees, has been prepared in strikethrough (deletion of existing text) and underline (new text) format, and is included in Appendix B. Proposed fee increases have been rounded to the nearest whole dollar.

### **PROPOSED RULE AMENDMENTS IN SECTION 300**

The following sections of Regulation 3 are proposed to be increased by 3.3 percent:

- Section 302 New and modified source filing fees
- Section 311 Emission Banking Fees
- Section 312 Regulation 2, Rule 9 Alternative Compliance Plan fee
- Section 327 Permit to Operate renewal processing fee
- Section 330 Fee for Renewing an Authority to Construct
- Section 337 Exemption Fee
- Section 341 Fee for Risk Reduction Plan
- Section 342 Fee for Facility-Wide Health Risk Assessment
- Section 343 Fees for Air Dispersion Modeling
- Section 345 Evaluation of Plans, Regulation 6
- Section 346 Request for a Petition, Regulation 8
- Section 347 Evaluation of Reports, Organic Waste Recovery Sites

#### **Section 304.2: Alteration, Schedule G Fees**

Clarifying language on fees charges for alterations involving sources subject to Schedules G-3, G-4, and G-5. Current wording is clumsy.

#### **Section 320.1: Maximum Toxic Inventory Fee for Small Businesses for applications**

The Toxic Inventory Fee for Small Businesses is no longer applicable since the fee is not an application fee.

#### **Section 322: Excavation of Contaminated Soil and Removal of Underground Storage Tank Operation Fees**

This section was deleted because this work is no longer performed by the Air District.

### Section 327: Permit to Operate, Renewal Fees

Language was amended to clarify the applicability of proration when new/modified sources are started up off schedule from a facility's permit anniversary.

### Section 327.5: Permit to Operate, Renewal Fees

Language was amended to clarify that the proration or refund of fees does not apply if a source shuts down before the permit expiration date. This has been the Air District's longstanding practice and is being clarified.

### Section 3-331: Registration Fees

Language was amended to clarify that the proration or refund of fees does not apply if a source shuts down before the permit expiration date. This has been the Air District's longstanding practice and is being clarified.

### Section 3-335: Indirect Source review Fees

This section should have been deleted when Schedule U was deleted in 2023.

## **OTHER FEE SCHEDULE CHANGES**

The following are specific details and or changes to fee schedules beyond the percent fee increase as shown in Tables 1 and 2.

### Schedule C: Stationary Containers for the Storage of Organic Liquids

To align calculation for the Risk Assessment Fee (RAF) with the filing fee in Section 3-302, the base fee was changed in Schedule C.2.a.

### Schedule D.A: Gasoline Transfer at Gasoline Dispensing Facilities

The RAF for existing GDFs is proposed for a 15 percent increase in Schedule D.A.4.b. This will improve alignment of the RAF fee already being charged to new GDFs for the same work.

### Schedule H: Semiconductor and Related Operations

Language was amended to clarify the applicability of the minimum fee when specific cleaning or coating operation is not defined. This is consistent with current practice.

### Schedule Q: Excavation of Contaminated Soil and Removal of Underground Storage Tanks

This schedule was deleted since this work is no longer performed at the Air District.

## **FEE REVENUE AND COSTS OF PROGRAM ACTIVITIES**

The 2024 Cost Recovery Report concluded that, for FYE 2021 to 2023 average fee revenue recovered 87.3 percent of regulatory program activity costs, with revenue of \$55.8 million and costs of \$63.8 million. This resulted in a shortfall or cost recovery gap, of \$8.0 million which was filled by county tax revenue.

The proposed fee amendments for FYE 2025 are projected to increase overall Air District fee revenue by approximately \$4.7 million relative to fee revenue levels that would be expected without the amendments. Revenue in FYE 2025 is expected to remain below the Air District's regulatory program costs for both permitted and non-permitted sources.

The Air District implements cost containment measures as needed including reducing capital expenditures and delaying the hiring of staff. The latter may improve the cost recovery rate but ignores the work backlog. In the FYE 2025 Budget, the Air District proposes an increase in FTEs. If existing FTEs are shifted to programs supported by fees, cost recovery will be impacted.

Some of the efficiency-based and cost management strategies that have been implemented include timekeeping improvements including auditing, review and updates to the cost recovery evaluation, improved public education, training, improved accessibility of information, and expansion of online services. Implementing these strategies has resulted in efficiencies as well as the ability to provide a higher service level. In October 2023, the remaining 934 permitted facilities were transitioned into NPS. No permit actions are performed in the legacy systems. In the first quarter of 2024, many Compliance and Enforcement functionalities were transitioned to NPS.

Through the online portal, tools will increase efficiency and accuracy by allowing customers to submit any permit application and notifications, report data for the emissions inventory, pay invoices and have access to permit documents.

Approximately, 11,000 to 12,000 payments are handled for permit programs that takes about 1.6 FTE to process manual payments, refunds and reconciliation. Increasing online payment acceptance will reduce resources needed to follow-up with expired permits, reconcile over/under payments and issue renewed permit documents in a timely manner. In February 2024, the \$1 service fee for eCheck payments was removed for the customer to encourage more online payments.

The Air District continues to be fiscally prudent by maintaining its reserves. Reserves address future capital equipment and facility needs, uncertainties in State funding and external factors affecting the economy that could impact the Air District's ability to balance its budgets.

## STATUTORY AUTHORITY FOR PROPOSED FEE INCREASES

The Air District is a regional regulatory agency, and its fees are used to recover the costs of issuing permits, performing inspections, and other associated regulatory activities. The Air District's fees fall into the category specified in Section 1(e) of Article XIII C of the California Constitution which specifies that charges of this type assessed to regulated entities to recover regulatory program activity costs are not taxes. The amount of fee revenue collected by the Air District has been clearly shown to be much less than the costs of the Air District's regulatory program activities both for permitted and non-permitted sources.

The Air District's fee regulation, with its various fee schedules, is used to allocate regulatory program costs to fee payers in a manner which bears a fair or reasonable relationship to the payer's burden on, or benefits received from, regulatory activities. Permit fees are based on the type and size of the source being regulated, with minimum and maximum fees being set in recognition of the practical limits to regulatory costs that exist based on source size. Add-on fees are used to allocate costs of specific regulatory requirements that apply to some sources but not others (e.g., health risk screening fees, public notification fees, alternative compliance plan fees). Emissions-based fees are used to allocate costs of regulatory activities not reasonably identifiable with specific fee payers.

Since 2006, the Air District has used annual analyses of cost recovery performed at the fee-schedule level, which is based on data collected from a labor-tracking system, to adjust fees. These adjustments are needed as the Air District's regulatory program activities change over time based on changes in statutes, rules and regulations, enforcement priorities, and other factors.

State law authorizes air districts to adopt fee schedules to cover the costs of various air pollution programs. California Health and Safety Code (H&S Code) section 42311(a) provides authority for an air district to collect permit fees to cover the costs of air district programs related to permitted stationary sources. H&S Code section 42311(f) further authorizes the Air District to assess additional permit fees to cover the costs of programs related to toxic air contaminants. H&S Code section 41512.7(b) provides that the Air District shall not "increase any existing fees for authority-to-construct permits or permits to operate by more than 15 percent in any calendar year."

H&S Code section 44380(a) authorizes air districts to adopt a fee schedule that recovers the costs to the air district and State agencies of the Air Toxics Hot Spots Program (AB 2588). The section provides the authority for the Air District to collect toxic inventory fees under Schedule N.

H&S Code section 42311(h) authorizes air districts to adopt a schedule of fees to cover the reasonable costs of the Hearing Board incurred as a result of appeals from air district decisions on the issuance of permits. Section 42364(a) provides similar authority to collect fees for the filing of applications for variances or to revoke or modify variances.

These sections provide the authority for the Air District to collect Hearing Board fees under Schedule A.

H&S Code section 42311(g) authorizes air districts to adopt a schedule of fees to be assessed on area-wide or indirect sources of emissions, which are regulated but for which permits are not issued by the air district, to recover the costs of air district programs related to these sources. This section provides the authority for the Air District to collect asbestos fees (including fees for Naturally Occurring Asbestos operations), soil excavation reporting fees, registration fees for various types of regulated equipment, for Indirect Source Review, and fees for open burning.

The proposed fee amendments are in accordance with all applicable authorities. The Air District fees subject to this rulemaking are in amounts no more than necessary to cover the reasonable costs of the Air District's regulatory activities, and the manner in which the Air District fees allocate those costs to a payer bear a fair and reasonable relationship to the payer's burdens on the Air District regulatory activities and benefits received from those activities. Permit fee revenue (after adoption of the proposed amendments) would still be well below the Air District's regulatory program activity costs associated with permitted sources. Similarly, fee revenue for non-permitted area wide sources would be below the Air District's costs of regulatory programs related to these sources. Hearing Board fee revenue would be below the Air District's costs associated with Hearing Board activities related to variances and permit appeals. Fee increases would comply with H&S Code section 41512.7(b) strict requirement that the Air District shall not "increase any existing fees for authority-to-construct permits or permits to operate by more than 15 percent in any calendar year."

## **ASSOCIATED IMPACTS AND OTHER RULE DEVELOPMENT REQUIREMENTS**

### **EMISSIONS IMPACTS**

There will be no direct change in air emissions because of the proposed amendments.

### **ECONOMIC IMPACTS**

The Air District must, in some cases, consider the socioeconomic impacts and incremental costs of proposed rules or amendments. Section 40728.5(a) of the California H&S Code requires that socioeconomic impacts be analyzed whenever an air district proposes the adoption, amendment, or repeal of a rule or regulation that will significantly affect air quality or emissions limitations. The proposed fee amendments will not significantly affect air quality or emissions limitations, and so a socioeconomic impact analysis is not required.

Section 40920.6 of the H&S Code specifies that an air district is required to perform an

incremental cost analysis for a proposed rule, if the purpose of the rule is to meet the requirement for best available retrofit control technology or for a feasible measure. The proposed fee amendments are not best available retrofit control technology requirements, nor are they a feasible measure required under the California Clean Air Act; therefore, an incremental cost analysis is not required.

Because cost recovery strategies only look at work already completed, work backlog, which has grown over the last several years, is not considered. Underfunding and understaffing FTEs in fee-based programs impacts the regulated community, the public and the economy that relies on the Air District to perform work on a timely basis.

The financial impact of the proposed fee amendments on small businesses depends on the applicable fee schedule of the primary device/operation and whether the facility is located in an OBC. In this context, “small business” is discussed by facility type and not as defined in Regulation 3 to determine the applicability of the Small Business application fee discount. The Air District has over 10,000 active permitted and registered facilities with varying configurations, so it is difficult to show the impact for all situations. About 82.8 percent of facilities with a Permit to Operate have two or less permitted sources. There are 533 active registered-only facilities (5.2 percent). It is common for a facility to have a mixture of operations and device types that are charged different fee schedules.

Most fee schedules are assessed based on the size or capacity of the source, the size of the facility, and the amount of air emissions for large emitters. Renewal fees in Section 327 are charged based on either the number of permitted sources at a facility or as a percentage of their overall renewal fees. Facilities with only registered sources will have no increase in FYE 2025. There have been no adopted changes to registered source fees in Schedule R since June 6, 2018. Whereas an auto body shop’s primary operation is the painting operation under Schedule E with a proposed 15 percent increase.

**Table 3. Examples of Estimated Impact at Typical Small Businesses**

Facility Type	Fee Schedule	Current fee: Not OBC	Current fee: OBC	Proposed fee: Not OBC	Proposed fee: OBC
Back-up Generator <sup>1,2</sup>	B	\$489	\$559	\$547 +10.6%	\$626 +10.6%
Gas Station <sup>3</sup>	D.A	\$2,692	\$3,079	\$2,781 +3.2%	\$3,180 +3.2%
Coating or Graphic Arts Operation (e.g., Auto Body) <sup>1,2</sup>	E	\$1,067	\$1,220	\$1,212 +12%	\$1,386 +12%
Coffee Roaster <sup>1</sup>	F	\$839	\$960	\$950 +11.7%	\$1,087 +11.7%
Dry Cleaner <sup>1</sup>	R	\$259	\$259	\$259	\$259

1. Assuming facility has only one source.
2. Assuming source qualifies for minimum fee.
3. Assuming a configuration of 6 islands with 3-triple product nozzles.

Some application fees are discounted for small and green businesses as defined in the rule. Over the years, considerations for waiving renewal late fees for small businesses during the Covid-19 pandemic and discounts for attending industry compliance school have been implemented.

For larger facilities, such as refineries and power plants, increases in annual permit renewal fees would cover a considerable range due to differences in the facility’s size, mix of emission sources, pollutant emission rates and applicable fee schedules.

As shown in Table 4, the FYE 2025 projected annual permit fee increase for the five Bay Area refineries would range from approximately 7.9 and 9.1 percent. The estimated FYE 2025 increase in annual permit fees for power generating facilities shown in Table 5 would range from 7.6 and 9.4 percent.

Tables 4 and 5 also include current Permit to Operate fees paid and historical annual fee increases. The tables also show that the actual and predicted fee impact is difficult to determine with certainty. For large facilities, annual operational swings and changes to permitted sources may have a significant impact on a facility’s permit renewal fees.

**Table 4. Comparison of Petroleum Refinery Annual Permit Fee Increase/Decrease**

Facility	FYE 2023 % Fee change, predicted/actual		FYE 2023 renewal fee	FYE 2024 % Fee change, predicted/actual		FYE 2024 renewal fee	FYE 2025 <i>Projected,</i> % fee change
Chevron	17.7	18	\$4.5 million	8.1	1.0	\$4.5 million	8.5
Martinez Refining Co.	17.8	37	\$5.5 million	8.9	4.7	\$5.7 million	7.9
Phillips 66	22.5	11	\$2.7 million	8.5	9.6	\$3.0 million	8.6
Tesoro	21.2	-26	\$1.9 million	-1.0	-21.6	\$1.6 million	9.1
Valero	12.9	8.1	\$2.9 million	9.4	12.2	\$3.4 million	9.0



**Table 5. Comparison of Power Plant Annual Permit Fee Increase/Decrease**

Facility	FYE 2023 % Fee change, predicted/actual		FYE 2023 renewal fee	FYE 2024 % Fee change, predicted/actual		FYE 2024 renewal fee*	FYE 2025, <i>Projected</i> % fee change
Crockett Cogen	15	21	\$349,200	7.3	21.8	\$446,600	9.4
Delta Energy	15	16	\$704,100	12	22.9	\$913,100	7.6
Gateway	13	8.8	\$517,600	12	N/A	Not yet invoiced in FYE2024	8.4
Los Medanos	15	26	\$656,700	12	N/A	Not yet invoiced in FYE2024	7.6

**ENVIRONMENTAL IMPACTS**

Section 40727.2 of the H&S Code imposes requirements on the adoption, amendment, or repeal of air district regulations. It requires an air district to identify existing federal and air district air pollution control requirements for the equipment or source type affected by the proposed change in air district rules. The air district must then note any differences between these existing requirements and the requirements imposed by the proposed change. This fee proposal does not impose a new standard, make an existing standard more stringent, or impose new or more stringent administrative requirements. Therefore, section 40727.2 of the H&S Code does not apply.

**STATUTORY FINDINGS**

Pursuant to H&S Code section 40727, regulatory amendments must meet findings of necessity, authority, clarity, consistency, non-duplication, and reference. The proposed amendments to Regulation 3:

- Are necessary to fund the Air District's efforts to attain and maintain federal and state air quality standards, and to reduce public exposure to toxic air contaminants;
- Are authorized by H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9;
- Are clear, in that the amendments are written so that the meaning can be understood by the affected parties;
- Are consistent with other Air District rules, and not in conflict with any state or federal law;
- Are not duplicative of other statutes, rules or regulations; and
- Reference H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9.

## RULE DEVELOPMENT PROCESS

Regulation 3 rule development process runs in parallel with the proposed budget for the next fiscal year. California Health and Safety Code Section 41512.5 requires a district board, prior to adopting or revising fees applicable to emission sources that are not permitted, to hold a public hearing at least 30 days prior to the meeting of the district board at which the amendments are adopted or revised. This provision applies to Schedule L: Asbestos Operations, Schedule Q: Excavation of Contaminated Soil and Removal of Underground Storage Tanks, Schedule R: Equipment Registration Fees, Schedule S: Naturally Occurring Asbestos Operations, and Schedule V: Open Burning. The following are the key dates and activities in the rule development process:

Rule Development Step	Date
Public workshop for Regulation 3 amendments	February 15, 2024
Written workshop comments due	March 18, 2024
Finance and Administration Committee briefing	March 20, 2024
Finance and Administration Committee briefing	April 17, 2024
First public hearing on Regulation 3 to receive testimony	May 1, 2024
Written Public Hearing comments on Regulation 3 due	May 17, 2024
Second public hearing on budget and Regulation 3 to consider adoption	June 5, 2024
Budget and fee amendments effective, if adopted	July 1, 2024

Public meetings were presented in-person at the Air District headquarters. They were conducted as hybrid meetings with participation both in-person and via Zoom.

The Air District distributed the notice for a public workshop to all active owners of Air District-permitted and registered facilities, asbestos contractors, naturally occurring asbestos contacts, open burning contacts, fire agencies, and other potentially interested stakeholders and posted the notice on the Air District website. At the February 15 workshop, staff presented the initial concepts for the draft Regulation 3 amendments. There were twenty (20) stakeholders that attended the public workshop held as a Zoom webinar. On February 23, the Air District posted its initial draft rule proposal. Additional documents were posted to the Regulation 3 Rule Development webpage as they became available, such as the 2024 Cost Recovery Report. The legal notice for the second public hearing was published on or about May 4, 2024.

## PUBLIC COMMENTS

All written comments along with Air District responses from the public workshop until the end of the public comment period of May 17, 2024 are documented in Appendix A.

## CONCLUSIONS

Air District staff finds that the proposed fee amendments meet the findings of necessity, authority, clarity, consistency, non-duplication and reference specified in H&S Code section 40727. The proposed amendments:

- Are necessary to fund the Air District's efforts to attain and maintain federal and state air quality standards, and to reduce public exposure to toxic air contaminants;
- Are authorized by H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9;
- Are clear, in that the amendments are written so that the meaning can be understood by the affected parties;
- Are consistent with other Air District rules, and not in conflict with any state or federal law;
- Are not duplicative of other statutes, rules or regulations; and
- Reference H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9.

The proposed fee amendments will be used by the Air District to recover the costs of issuing permits and notifications, ensuring and verifying compliance, verifying emissions, and other associated regulatory activities. The Air District fees subject to this rulemaking are in amounts no more than necessary to cover the reasonable costs of the Air District's regulatory activities, and the manner in which the Air District fees allocate those costs to a payer bear a fair and reasonable relationship to the payer's burdens on the Air District regulatory activities and benefits received from those activities. After adoption of the proposed amendments, permit fee revenue would still be below the Air District's regulatory program activity costs associated with permitted sources. Similarly, fee revenue for non-permitted sources would be below the Air District's costs of regulatory programs related to these sources. Fee increases for authorities to construct and permits to operate would not exceed 15 percent per year as required under H&S Code section 41512.7.

## ACKNOWLEDGEMENTS

Key staff members who also contributed to this rule amendment proposal were:

- Jody Mackenzie, Manager – Finance Office
- Patrick Wenzinger, Supervising Air Quality Specialist – Compliance & Enforcement Division
- Laura Cackette, Senior Air Quality Specialist – Rules & Strategic Policy

# **APPENDIX A: WRITTEN COMMENTS AND RESPONSES**

## Commenter 1

- Received: February 14, 2024
- Sammy Yip – Progress Cleaners

**Comment 1:** *The commentor is opposed to an increase in fees for the Dry Cleaner sector.*

**Air District Response to Comment 1:** Although the Air District is proposing a 3.3% increase in Schedule I for permitted dry cleaning machines, there are currently no active dry cleaning machines with a Permit to Operate. The last permitted dry cleaning machine converted to a registered machine in August 2022. All dry cleaning machines are currently registered under Regulation 3, Schedule R which is not being proposed for an increase this year and has not been increased since 2018.

## Commenter 2

- Received: February 18, 2024
- Gary Parenti

**Comment:** *The commentor is protesting all fee increases and the Air District should work efficiently with the resources available.*

**Air District Response to Comment:** Without fee increases, the agency cannot fulfill its mission which already includes a work backlog. The Air District is committed to reviewing programs for opportunities to improve efficiently.

## Commenter 3

- Received: March 6, 2024
- Michael Harrison, EnviroAssests, Inc.

**Comment:** *The commentor raised concerns of the cost to monitor and test systems to comply with permit requirements for subslab depressurization systems.*

**Air District Response to Comment:** The concerns are not directly related to the specific fees in Regulation 3 during the permit application process or permit renewal, but the cost of complying with the requirements of the permit. With any permit, the Air District is open to changing policy and or permit conditions either during the permit application process as long as the project complies with rules and regulations and protects public health.

## Commenter 4

- Received: April 16, 2024
- James Simonelli, California Metals Coalition

**Comment:** *The commentor has general concern for significant fee increases and the fee increase be “matched with faster permitting, improved billing practices, transparency on tracking permit issuance, tighter deadlines to issue permits, and accountability.” They request the Air District “share a detailed plan on how it will achieve the necessary benefits that warrant the increase.”*

**Air District Response to Comment:** The proposed fee amendments are an effort to recover costs based on past revenue and expenses. Improvements to permitting are being addressed in the budget as it relates to request staffing, the ongoing strategic planning, and implementing the action plan from the management audit.

## Commenter 5

- Received: May 17, 2024
- Bob Brown, Senior Director, Bay Area Region – Western States Petroleum Association (WSPA)

**Comment 1:** *The commentor appreciates the Air District’s work to address issues raised in the Engineering Division audit but believes that fee increases are premature until solutions are fully implemented.*

**Air District Response to Comment 1:** The proposed fee amendments for cost recovery are an effort to recover costs based on past revenue and expenses. Implementing the action plan from the management audit will be an ongoing continuous effort. Some recommendations will take time to implement, but efficiencies will be reflected in future cost recovery analyses.

**Comment 2:** *The commentor requests the Air District schedule periodic workshops where staff present the status of budget expenditures along with details on how significant fees are working to improve the level of service for that schedule.*

**Air District Response to Comment 2:** There is a considerable effort to generating the annual cost recovery reports. This effort begins in December using actual data from the first half of the fiscal year and predictive data for the balance of the fiscal year. The Air District believes the cost recovery reports provide the information (cost recovery for the prior fiscal year and average cost recovery for the prior three fiscal years) to make some preliminary assumptions on the cost recovery for specific fee schedules for the next fiscal year.

Fee amendments from the cost recovery do not address the level of service. Level of service is typically addressed in new staffing (budget process), reallocation of existing resources, and program efficiencies. There are several positions in the proposed budget, some of which are slated to address the work backlog. Program efficiencies are being addressed in the action plan from the management audit.

**Comment 3:** *The commentor stated that fee increases beyond standard inflation rate is challenging to budget.*

**Air District Response to Comment 3:** Many fee schedules are already under-recovered for the work being performed. The California Health and Safety code allows the Air District to set fees to recover their actual program costs. The gap is being closed by other agency revenues. Air District posts a cost recovery report to help the public understand where specific fees stand with regards to cost recovery. Without fee increases, the agency cannot fulfill its mission which already includes a work backlog. The Air District is committed to reviewing programs for opportunities to improve efficiently.

**Comment 4:** *The commentor requests that the Air District modify its labor tracking to include specific effort such as permit number, facility, and equipment.*

**Air District Response to Comment 4:** The Air District's current labor code timekeeping system allocates staff time based on the work done in the specific fee schedules, which are distinguishable from each other based on the categories of equipment regulated, or by the specific regulated program. The existing timecoding methods ensure that we correctly designate work under the specific fees that we charge for our programs, in accordance with law. Further timekeeping details would not change our fee setting methodology, and it is unclear what the added value would be to our permitted facilities.

**Comment 5:** *The commentor requests "a thorough review of cost containment opportunities".*

**Air District Response to Comment 5:** The Air District continuously reviews and implements cost containment and efficiency improvement opportunities in its programs. Some solutions are longer-term and will take time before the benefits are realized.

About every five to seven years, the Air District hires a consultant to review and update the cost recovery and containment study. During the 2021 study, the consultant interviewed all divisions in fee-supported programs and several stakeholders to examine opportunities for containment and efficiency.

**Comment 6:** *The commentor requests the Air District examine fee and budgetary policies and procedures used at other public agencies.*

**Air District Response to Comment 6:** The Air District has examined fees and budgetary policies and procedures with other air districts, although programs, requirements and funding are not the same. The Air District is open to implementing good ideas from other

agencies and plans to further study other agencies' fees and budgetary programs as part of the management audit.

**Comment 7:** *The commentor requests Schedule X fees be suspended until the monitors are installed demonstrating the need for continued collection.*

**Air District Response to Comment 7:** Schedule X: Major Stationary Source Community Air Monitoring Fees, cover costs to site and construct community monitoring stations, in addition to supporting ongoing monitoring operations. The Air District is committed to using Schedule X fees to collect data about air pollutant concentrations in fenceline communities near refineries and other major stationary sources. The work that is supported by the fees includes siting (gathering community input, assessing potential locations, identifying a site, leasing, design and permitting), construction (station setup, equipment procurement, installation, and testing), and monitoring (maintenance, quality assurance, data analysis and reporting). A monitoring station in Benicia near the Valero Refinery has been sited and constructed with a launch date in June 2024. Local officials and community members are assisting to accelerate the identification of sites near the remaining four refineries.

### **Commenter 6**

- Received: May 17, 2024
- Allegra Curiel, Senior Policy Advocate – California Council for Environmental and Economic Balance (CCEEB)

**Comment 1:** *The commentor believes that fee increases are premature until solutions are fully implemented and “recommends that the district not adopt the 15% maximum fee increases until the corrective action plan has been fully implemented to ensure that the fees paid to implement the permitting programs are equivalent to the level of service the district provides.”*

**Air District Response to Comment 1:** The proposed fee amendments for cost recovery are an effort to recover costs based on past revenue and expenses. Implementing the action plan from the management audit will be an ongoing continuous effort. Some recommendations will take time to implement, but efficiencies will be reflected in future cost recovery analyses. The fee increases are required to continue the mission of the air district, including the issuance of permits.

**Comment 2:** *The commentor recommends that a moderate fee increase strategy be adopted instead of the current proposal with a commitment to come back to the Board with more information on efficiencies.*

**Air District Response to Comment 2:** The proposed fee amendments for cost recovery are an effort to recover costs based on past revenue and expenses. With several categories being severely under-recovered, the Air District the Air District is exercising its statutory authority to work toward fully recovering said fees. As the action plan and other



program improvements are implemented, the information will be factored into future proposals. Staff plans to periodically update the Board on the Corrective Action Plan to address the findings and recommendations of the performance audit of the Engineering Division.

***Comment 3:*** *The commentor has “confidence that leadership and staff will successfully address the audit findings and make the District a more efficient and cost effective agency.”*

**Air District Response to Comment 3:** Noted.

**APPENDIX B:  
PROPOSED REGULATORY LANGUAGE –  
REGULATION 3: FEES**

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FEES  
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## REGULATION 3 FEES

(Adopted June 18, 1980)

### 3-100 GENERAL

**3-101 Description:** This regulation establishes the regulatory fees charged by the District.  
*(Amended 7/6/83, 11/2/83, 2/21/90, 12/16/92, 8/2/95, 12/2/98, 5/21/03, 5/21/08, 5/20/09, 6/19/13)*

**3-102 Deleted July 12, 1989**

**3-103 Exemption, Abatement Devices:** Installation, modification, or replacement of abatement devices on existing sources are subject to fees pursuant to Section 3-302.3. All abatement devices are exempt from annual permit renewal fees. However, emissions from abatement devices, including any secondary emissions, shall be included in facility-wide emissions calculations when determining the applicability of and the fees associated with Schedules M, N, P, and T.

*(Amended 6/4/86; 7/1/98; 6/7/00; 5/21/08)*

**3-104 Deleted August 2, 1995**

**3-105 Exemption, Excavation of Contaminated Soil and Removal of Underground Storage Tank Operation Fees:** Fees shall not be required, pursuant to Section 3-322, for operations associated with the excavation of contaminated soil and the removal of underground storage tanks if one of the following is met:

105.1 The tank removal operation is being conducted within a jurisdiction where the APCO has determined that a public authority has a program equivalent to the District program and persons conducting the operations have met all the requirements of the public authority.

105.2 Persons submitting a written notification for a given site have obtained an Authority to Construct or Permit to Operate in accordance with Regulation 2, Rule 1, Section 301 or 302. Evidence of the Authority to Construct or the Permit to Operate must be provided with any notification required by Regulation 8, Rule 40.

*(Adopted 1/5/94; Amended 5/21/03)*

**3-106 Deleted December 2, 1998**

**3-107 Exemption, Sources Exempt from Permit Requirements:** Any source that is exempt from permit requirements pursuant to Regulation 2, Rule 1, Sections 103 through 128 is exempt from permit fees. However, emissions from exempt sources shall be included in facility-wide emissions calculations when determining the applicability of and the fees associated with Schedules M, N, and P.

*(Adopted 6/7/00)*

### 3-200 DEFINITIONS

**3-201 Cancelled Application:** Any application which has been withdrawn by the applicant or cancelled by the APCO for failure to pay fees or to provide the information requested to make an application complete.

*(Amended 6/4/86, 4/6/88)*

**3-202 Gasoline Dispensing Facility:** Any stationary facility which dispenses gasoline directly into the fuel tanks of vehicles, such as motor vehicles, aircraft or boats. The facility shall be treated as a single source which includes all necessary equipment for the exclusive use of the facility, such as nozzles, dispensers, pumps, vapor return lines, plumbing and storage tanks.

*(Amended 2/20/85)*

**3-203 Filing Fee:** A fixed administrative fee

*(Amended 6/4/86, 6/7/23)*

**3-204 Initial Fee:** The fee required based on the type and size of the source or an hourly rate of actual costs incurred by the District.

*(Amended 6/4/86, 6/7/23)*

**3-205 Authority to Construct:** Written authorization from the APCO, pursuant to Section 2-1-301, for a source to be constructed or modified or for a source whose emissions will be reduced by the construction or modification of an abatement device.

- (Amended 6/4/86)*
- 3-206 Modification:** See Section 1-217 of Regulation 1.
- 3-207 Permit to Operate Fee:** The fee required for the annual renewal of a permit to operate or for the first year of operation (or prorated portion thereof) of a new or modified source which received an authority to construct.  
*(Amended 6/4/86, 7/15/87, 12/2/98, 6/7/00)*
- 3-208 Deleted June 4, 1986**
- 3-209 Small Business:** A business with no more than 10 employees and gross annual income of no more than \$750,000 that is not an affiliate of a non-small business.  
*(Amended 6/4/86, 6/6/90, 6/7/00, 6/15/05, 6/16/10)*
- 3-210 Solvent Evaporating Source:** Any source utilizing organic solvent, as part of a process in which evaporation of the solvent is a necessary step. Such processes include, but are not limited to, solvent cleaning operations, painting and surface coating, rotogravure coating and printing, flexographic printing, adhesive laminating, etc. Manufacture or mixing of solvents or surface coatings is not included.  
*(Amended 7/3/91)*
- 3-211 Source:** See Section 1-227 of Regulation 1.
- 3-212 Deleted August 2, 1995**
- 3-213 Major Stationary Source:** For the purpose of Schedule M, a major stationary source shall be any District permitted plant, building, structure, stationary facility or group of facilities under the same ownership, leasehold, or operator which, in the base calendar year, emitted to the atmosphere organic compounds, oxides of nitrogen (expressed as nitrogen dioxide), oxides of sulfur (expressed as sulfur dioxide), or PM<sub>10</sub> in an amount calculated by the APCO equal to or exceeding 50 tons per year.  
*(Adopted 11/2/83; Amended 2/21/90, 6/6/90, 8/2/95, 6/7/00)*
- 3-214 Deleted October 20, 1999, effective March 1, 2000**
- 3-215 Deleted October 20, 1999, effective March 1, 2000**
- 3-216 Deleted October 20, 1999, effective March 1, 2000**
- 3-217 Deleted October 20, 1999, effective March 1, 2000**
- 3-218 Deleted October 20, 1999, effective March 1, 2000**
- 3-219 Deleted October 20, 1999, effective March 1, 2000**
- 3-220 Deleted October 20, 1999, effective March 1, 2000**
- 3-221 Deleted October 20, 1999, effective March 1, 2000**
- 3-222 Deleted October 20, 1999, effective March 1, 2000**
- 3-223 Start-up Date:** Date when new or modified equipment under an authority to construct begins operating. The holder of an authority to construct is required to notify the APCO of this date at least 3 days in advance. For new sources, or modified sources whose authorities to construct have expired, operating fees are charged from the startup date.  
*(Adopted 6/4/86; Amended 6/6/90)*
- 3-224 Permit to Operate:** Written authorization from the APCO pursuant to Section 2-1-302.  
*(Adopted 6/4/86; Amended 6/7/00)*
- 3-225 Deleted June 3, 2015**
- 3-226 Air Toxics "Hot Spots" Information and Assessment Act of 1987:** The Air Toxics "Hot Spots" Information and Assessment Act of 1987 directs the California Air Resources Board and the Air Quality Management Districts to collect information from industry on emissions of potentially toxic air contaminants and to inform the public about such emissions and their impact on public health. It also directs the Air Quality Management District to collect fees sufficient to cover the necessary state and District costs of implementing the program.  
*(Adopted 10/21/92; Amended 6/15/05)*
- 3-227 Toxic Air Contaminant, or TAC:** An air pollutant that may cause or contribute to an increase in mortality or in serious illness or that may pose a present or potential hazard to human health. For the purposes of this rule, TACs consist of the substances listed in Table 2-5-1 of Regulation 2, Rule 5.  
*(Adopted 10/21/92; Amended 6/15/05)*
- 3-228 Deleted December 2, 1998**
- 3-229 Deleted December 2, 1998**
- 3-230 Deleted December 2, 1998**



- 3-231 Deleted December 2, 1998
- 3-232 Deleted December 2, 1998
- 3-233 Deleted December 2, 1998
- 3-234 Deleted December 2, 1998
- 3-235 Deleted December 2, 1998
- 3-236 Deleted December 2, 1998
- 3-237 **PM<sub>10</sub>**: See Section 2-1-229 of Regulation 2, Rule 1. *(Adopted 6/7/00)*
- 3-238 **Risk Assessment Fee**: Fee for a new or modified source of toxic air contaminants for which a health risk assessment (HRA) is required under Regulation 2-5-401, for an HRA required under Regulation 11, Rule 18, or for an HRA prepared for other purposes (e.g., for determination of permit exemption in accordance with Regulations 2-1-316, 2-5-301 and 2-5-302; or for determination of exemption from emission control requirements pursuant to Regulation 8-47-113 and 8-47-402). *(Adopted 6/15/05; Amended 6/21/17)*
- 3-239 **Toxic Surcharge**: Fee paid in addition to the permit to operate fee for a source that emits one or more toxic air contaminants at a rate which exceeds a chronic trigger level listed in Table 2-5-1. *(Adopted 6/15/05)*
- 3-240 **Biogenic Carbon Dioxide**: Carbon dioxide emissions resulting from materials that are derived from living cells, excluding fossil fuels, limestone and other materials that have been transformed by geological processes. Biogenic carbon dioxide originates from carbon (released in the form of emissions) that is present in materials that include, but are not limited to, wood, paper, vegetable oils, animal fat, and food, animal and yard waste. *(Adopted 5/21/08)*
- 3-241 **Green Business**: A business or government agency that has been certified under the Bay Area Green Business Program coordinated by the Association of Bay Area Governments and implemented by participating counties. *(Adopted 6/19/10)*
- 3-242 **Incident**: A non-routine release of an air contaminant that may cause adverse health consequences to the public or to emergency personnel responding to the release, or that may cause a public nuisance or off-site environmental damage. *(Adopted 6/19/13)*
- 3-243 **Incident Response**: The District's response to an incident. The District's incident response may include the following activities: i) inspection of the incident-emitting equipment and facility records associated with operation of the equipment; ii) identification and analysis of air quality impacts, including without limitation, identifying areas impacted by the incident, modeling, air monitoring, and source sampling; iii) engineering analysis of the specifications or operation of the equipment; and iv) administrative tasks associated with processing complaints and reports. *(Adopted 6/19/13)*
- 3-244 **Permit to Operate Renewal Date**: The first day of a Permit to Operate's Permit Renewal Period. *(Adopted 6/19/13)*
- 3-245 **Permit Renewal Period**: The length of time the source is authorized to operate pursuant to a Permit to Operate. *(Adopted 6/19/13)*
- 3-246 **Overburdened Community**: As defined in Regulation 2, Rule 1 *(Adopted 6/15/22)*
- 3-300 **STANDARDS**
- 3-301 **Hearing Board Fees**: Applicants for variances or appeals or those seeking to revoke or modify variances or abatement orders or to rehear a Hearing Board decision shall pay the applicable fees, including excess emission fees, set forth in Schedule A. *(Amended 6/7/00)*
- 3-302 **Fees for New and Modified Sources**: Applicants for authorities to construct and permits to operate new sources shall pay for each new source: a filing fee of ~~\$630651~~, the initial fee, the risk assessment fee, the permit to operate fee, and toxic surcharge (given in Schedules B, C, *June 7XXXXX, 20232024*

D, E, F, H, I or K). Applicants for authorities to construct and permits to operate modified sources shall pay for each modified source, a filing fee of ~~\$630651~~, the initial fee, the risk assessment fee, and any incremental increase in permit to operate and toxic surcharge fees. Where more than one of the schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules. If any person requests more than three HRA scenarios required pursuant to Regulation 2, Rule 5 in any single permit application, they shall pay an additional risk assessment fee for each of these scenarios. Except for gasoline dispensing facilities (Schedule D) and semiconductor facilities (Schedule H), the size to be used for a source when applying the schedules shall be the maximum size the source will have after the construction or modification. Where applicable, fees for new or modified sources shall be based on maximum permitted usage levels or maximum potential to emit including any secondary emissions from abatement equipment. The fee rate applied shall be based on the fee rate in force on the date the application is submitted.

302.1 Small Business Discount: If an applicant qualifies as a small business and the source falls under schedules B, C, D (excluding gasoline dispensing facilities), E, F, H, I or K, the filing fee, initial fee, and risk assessment fee shall be reduced by 50%. All other applicable fees shall be paid in full. If an applicant also qualifies for a Green Business Discount, only the Small Business Discount (i.e., the 50% discount) shall apply.

302.2 Deleted July 3, 1991

302.3 Fees for Abatement Devices: Applicants for an authority to construct and permit to operate abatement devices where there is no other modification to the source shall pay a ~~\$630651~~ filing fee and initial and risk assessment fees that are equivalent to 50% of the initial and risk assessment fees for the source being abated, not to exceed a total of ~~\$43,13813,572~~. For abatement devices abating more than one source, the initial fee shall be 50% of the initial fee for the source having the highest initial fee.

302.4 Fees for Reactivated Sources: Applicants for a Permit to Operate reactivated, previously permitted equipment shall pay the full filing, initial, risk assessment, permit, and toxic surcharge fees.

302.5 Deleted June 3, 2015

302.6 Green Business Discount: If an applicant qualifies as a green business, the filing fee, initial fee, and risk assessment fee shall be reduced by 10%. All other applicable fees shall be paid in full.

302.7 Fee for applications in an Overburdened Community: An applicant with a project that requires a Health Risk Assessment in an Overburdened Community shall pay a fee of \$1,000 in addition to any other permit application fees.

302.8 Risk Assessment Fee: When the Risk Assessment Fee (RAF) is required for more than one source, the first toxic air contaminant (TAC) source is the source with the highest calculated RAF.

*(Amended 5/19/82, 7/6/83, 6/4/86, 7/15/87, 6/6/90, 7/3/91, 6/15/94, 10/8/97, 7/1/98, 5/19/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*

### 3-303

**Back Fees:** An applicant required to obtain a permit to operate existing equipment in accordance with District regulations shall pay back fees equal to the permit to operate fees and toxic surcharges given in the appropriate Schedule (B, C, D, E, F, H, I or K) prorated from the effective date of permit requirements. Where more than one of these schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules. The applicant shall also pay back fees equal to toxic inventory fees pursuant to Section 3-320 and Schedule N. The maximum back fee shall not exceed a total of five years' permit, toxic surcharge, and toxic inventory fees. An owner/operator required to register existing equipment in accordance with District regulations shall pay back fees equal to the annual renewal fee given in Schedule R prorated from the effective date of registration requirements, up to a maximum of five years.

*(Amended 5/19/82, 7/6/83, 6/4/86, 7/15/87, 6/6/90, 7/3/91, 10/8/97, 6/15/05, 5/20/09)*

### 3-304

**Alteration:** Except as provided below, an applicant to alter an existing permitted source shall pay the filing fee and 50% of the initial fee for the source, provided that the alteration does not result in an increase in emissions of any regulated air pollutant. For gasoline dispensing facilities subject to Schedule D, an applicant for an alteration shall pay a fee of 1.75 times the filing fee.

- 304.1 Schedule D Fees: Applicants for alteration to a gasoline dispensing facility subject to Schedule D shall pay a fee of 1.75 times the filing fee.
- 304.2 Schedule G Fees: Applicants for alteration to a permitted source subject to Schedule G-3, G-4, or G-5 shall pay the filing fee, 100% of the initial fee, and, ~~if District regulations require a health risk assessment of the alteration,~~ the risk assessment fee ~~provided for in~~ Schedule G-2, if required. The applicant shall pay the permit renewal and the toxic surcharge fees applicable to the source under Schedules G-3, G-4, or G-5.

*(Amended 6/4/86, 11/15/00, 6/2/04, 6/3/15, 6/15/16, 6/6/18, 6/5/19, TBD)*

**3-305 Cancellation or Withdrawal:** There will be no refund of the initial fee and filing fee if an application is cancelled or withdrawn. There will be no refund of the risk assessment fee if the risk assessment has been conducted prior to the application being cancelled or withdrawn. If an application for identical equipment for the same project is submitted within six months of the date of cancellation or withdrawal, the initial fee will be credited in full against the fee for the new application.

*(Amended 7/6/83, 4/6/88, 10/8/97, 6/15/05, 6/21/17, 6/16/21)*

**3-306 Change in Conditions:** If an applicant applies to change the conditions on an existing authority to construct or permit to operate, the applicant will pay the following fees. There will be no change in anniversary date.

- 306.1 Administrative Condition Changes: An applicant applying for an administrative change in permit conditions shall pay a fee equal to the filing fee for a single source, provided the following criteria are met:
  - 1.1 The condition change applies to a single source or a group of sources with shared permit conditions.
  - 1.2 The condition change does not subject the source(s) to any District Regulations or requirements that were not previously applicable.
  - 1.3 The condition change does not result in any increase in emissions of POC, NPOC, NO<sub>x</sub>, CO, SO<sub>2</sub>, or PM<sub>10</sub> at any source or the emission of a toxic air contaminant above the trigger levels identified in Table 2-5-1
  - 1.4 The condition change does not require a public notice.
- 306.2 Other Permit Condition Changes: Applicant shall pay the filing, initial, and risk assessment fees required for new and modified equipment under Section 3-302. If the condition change will result in higher permit to operate fees, the applicant shall also pay any incremental increases in permit to operate fees and toxic surcharges.

*(Amended 7/6/83, 6/4/86, 6/6/90, 10/8/97, 6/7/00, 6/15/05, 6/21/17, 6/7/23)*

**3-307 Transfers:** The owner/operator of record is the person to whom a permit is issued or, if no permit has yet been issued to a facility, the person who applied for a permit. Permits are valid only for the owner/operator of record. Upon submittal of a \$102 transfer of ownership fee, permits are re-issued to the new owner/operator of record with no change in expiration dates. For expired permits or registrations, the new owner/operator is responsible for all outstanding fees.

*(Amended 2/20/85, 6/4/86, 11/5/86, 4/6/88, 10/8/97, 5/1/02, 5/21/03, 6/02/04, 6/19/13, 6/4/14, 6/15/16, 6/7/23)*

**3-308 Change of Location:** An applicant who wishes to move an existing source, which has a permit to operate, shall pay no fee if the move is on the same facility. If the move is not on the same facility, the source shall be considered a new source and subject to Section 3-302. This section does not apply to portable permits meeting the requirements of Regulation 2-1-220 and 413.

*(Amended 7/6/83; 6/4/86; 6/15/05)*

**3-309** Deleted June 21, 2017

**3-310 Fee for Constructing Without a Permit:** An applicant for an authority to construct and a permit to operate a source, which has been constructed or modified without an authority to construct, shall pay the following fees:

- 310.1 Sources subject to permit requirements on the date of initial operation shall pay fees for new construction pursuant to Section 3-302, any back fees pursuant to Section 3-303, and a late fee equal to 100% of the initial fee. A modified gasoline dispensing facility subject to Schedule D that is not required to pay an initial fee shall pay fees for a modified source pursuant to Section 3-302, back fees, and a late fee equal to 100% of the filing fee.

- 310.2 Sources previously exempt from permit requirements that lose their exemption due to changes in District, state, or federal regulations shall pay a permit to operate fee and toxic surcharge for the coming year and any back fees pursuant to Section 3-303.
- 310.3 Sources previously exempt from permit requirements that lose their exemption due to a change in the manner or mode of operation, such as an increased throughput, shall pay fees for new construction pursuant to Section 3-302. In addition, sources applying for permits after commencing operation in a non-exempt mode shall also pay a late fee equal to 100% of the initial fee and any back fees pursuant to Section 3-303.
- 310.4 Sources modified without a required authority to construct shall pay fees for modification pursuant to Section 3-302 and a late fee equal to 100% of the initial fee.

*(Amended 7/6/83, 4/18/84, 6/4/86, 6/6/90, 7/3/91, 8/2/95, 10/8/97, 6/02/04, 6/15/05, 6/6/12)*

**3-311**

**Emission Banking Fees:** An applicant to bank emissions for future use, to convert an emission reduction credit (ERC), to change assigned conditions, to transfer ownership of an ERC, or to make any administrative changes shall pay the following fees:

- 311.1 Banking ERCs: An applicant to bank emissions for future use shall pay a filing fee of ~~\$630651~~ per source plus the initial fee given in Schedules B, C, D, E, F, H, I or K. Where more than one of these schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules.
- 311.2 Converting Existing ERCs to Interchangeable Emission Reduction Credits (IERCs): An applicant to convert an existing ERC into an IERC shall pay a filing fee of ~~\$630651~~ per source plus the initial fee given in Schedules B, C, D, E, F, H, I or K. Where more than one of these schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules.
- 311.3 Transferring ERC Ownership: An applicant to transfer an ERC it currently owns to another owner shall pay a filing fee of ~~\$630651~~.
- 311.4 Evaluation of Existing ERCs for PM<sub>2.5</sub>: An applicant to evaluate an existing PM<sub>10</sub> ERC shall pay a filing fee of ~~\$630651~~ per source and an evaluation fee equivalent to the total actual and reasonable time incurred by District staff at the hourly rate of ~~\$193199~~ per hour not to exceed the initial fee given in Schedules B, C, D, E, F, H, I or K. Where more than one of these schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules.
- 311.5 ERC Condition Change: An applicant to request a change in condition shall pay a filing fee of ~~\$630651~~ and an evaluation fee equivalent to the total actual and reasonable time incurred by District staff at the hourly rate of ~~\$193199~~ per hour not to exceed the initial fee given in Schedules B, C, D, E, F, H, I or K. Where more than one of these schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules.

*(Amended 7/6/83, 6/4/86, 7/15/87, 7/3/91, 6/15/94, 7/1/98, 5/19/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/02/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*

**3-312**

**Emission Caps and Alternative Compliance Plans:** Any facility which elects to use an alternative compliance plan contained in:

- 312.1 Regulation 8 ("bubble") to comply with a District emission limitation or to use an annual or monthly emission limit to acquire a permit in accordance with the provisions of Regulation 2, Rule 2, shall pay an additional annual fee equal to fifteen percent of the total plant permit to operate fee.
- 312.2 Regulation 2, Rule 9, or Regulation 9, Rule 10 shall pay an annual fee of ~~\$1,5961,649~~ for each source included in the alternative compliance plan, not to exceed ~~\$15,95716,484~~.

*(Adopted 5/19/82; Amended 6/4/86, 5/19/99, 6/7/00, 6/6/01, 5/1/02, 5/23/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*

**3-313**

**Deleted May 19, 1999**

**3-314**

**Deleted August 2, 1995**

**3-315**

**Costs of Environmental Documentation:** An applicant for an Authority to Construct shall pay, in addition to the fees required under Section 3-302 and in any applicable schedule, the District's costs of performing any environmental evaluation and preparing and filing any documents pursuant to the California Environmental Quality Act (Public Resources Code,

Section 21000, et seq), including the costs of any outside consulting assistance which the District may employ in connection with the preparation of any such evaluation or documentation, as well as the District's reasonable internal costs (including overhead) of processing, reviewing, or filing any environmental evaluation or documentation.

(Adopted 12/18/85; Amended 5/1/02, 6/3/15)

3-316

**Deleted June 6, 1990**

3-317

**Asbestos Operation Fees:** After July 1, 1988, persons submitting a written plan, as required by Regulation 11, Rule 2, Section 401, to conduct an asbestos operation shall pay the fee given in Schedule L.

(Adopted 7/6/88; Renumbered 9/7/88; Amended 8/2/95)

3-318

**Public Notice Fee:** An applicant for an authority to construct or permit to operate subject to the public notice requirements of Regulation 2-1-412 shall pay, in addition to the fees required under Section 3-302 and in any applicable schedule, a fee to cover the expense of preparing and distributing the public notices to the affected persons specified in Regulation 2-1-412 as follows:

318.1 A fee of \$2,272 per application, and

318.2 The District's cost exceeding \$2,272 of preparing and distributing the public notice.

318.3 The District shall refund to the applicant the portion of any fee paid under this Section that exceeds the District's cost of preparing and distributing the public notice.

(Adopted 11/1/89; Amended 10/8/97, 7/1/98, 5/19/99, 6/7/00, 5/21/03, 6/2/04, 6/16/10, 6/15/16, 6/21/17, 6/6/18)

3-319

**Major Stationary Source Fees:** Any major stationary source emitting 50 tons per year of organic compounds, sulfur oxides, nitrogen oxides, or PM<sub>10</sub> shall pay a fee based on Schedule M. This fee is in addition to permit and other fees otherwise authorized to be collected from such facilities and shall be included as part of the annual permit renewal fees.

(Adopted 6/6/90; Amended 8/2/95, 6/7/00)

3-320

**Toxic Inventory Fees:** Any facility that emits one or more toxic air contaminants in quantities above a minimum threshold level shall pay an annual fee based on Schedule N. This fee will be in addition to permit to operate, toxic surcharge, and other fees otherwise authorized to be collected from such facilities.

~~320.1 An applicant who qualifies as a small business under Regulation 3-209 shall pay a Toxic Inventory Fee as set out in Schedule N up to a maximum fee of \$12,477 per year.~~

(Adopted 10/21/92; Amended 5/19/99, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/20/09, 6/16/10, 5/4/11, 6/15/16, 6/21/17, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)

3-321

**Deleted December 2, 1998**

3-322

~~**Excavation of Contaminated Soil and Removal of Underground Storage Tank Operation Fees:** Persons submitting a written notification for a given site to conduct either excavation of contaminated soil or removal of underground storage tanks as required by Regulation 8, Rule 40, Section 401, 402, 403 or 405 shall pay a fee based on Schedule Q. Deleted XXXXXX~~

(Adopted 1/5/94; Amended 8/2/95; 5/21/03)

3-323

**Pre-Certification Fees:** An applicant seeking to pre-certify a source, in accordance with Regulation 2, Rule 1, Section 415, shall pay the filing fee, initial fee and permit to operate fee given in the appropriate schedule.

(Adopted 6/7/95)

3-324

**Deleted June 7, 2000**

3-325

**Deleted December 2, 1998**

3-326

**Deleted December 2, 1998**

3-327

**Permit to Operate, Renewal Fees:** After the expiration of the initial permit to operate, the permit to operate shall be renewed on an annual basis or other time period as approved by the APCO. The fee required for the renewal of a permit to operate is the permit to operate fee and toxic surcharge listed in Schedules B, C, D, E, F, H, I, and K, prorated for the period of coverage, pursuant to Section 3-207.

When more than one of the schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules. ~~This renewal-Renewal fees is-are~~ applicable to all sources required to obtain permits to operate in accordance with District regulations. ~~The permit renewal invoice shall also specify-Renewal fees shall include~~ any applicable major stationary source fees based on Schedule M, toxic inventory fees based on Schedule N, major facility

review fees based on Schedule P, greenhouse gas fees based on Schedule T, refining emissions tracking fees based on Schedule W, and community air monitoring fees based on Schedule X. Where applicable, renewal fees shall be based on actual-the current usage or emission levels that have been reported to or calculated by the District.

327.1 Renewal Processing Fee: In addition, the facility shall also pay a processing fee at the time of renewal that covers each Permit Renewal Period as follows:

- 1.1 ~~\$124,128~~ for facilities with one permitted source, including gasoline dispensing facilities,
- 1.2 ~~\$246,254~~ for facilities with 2 to 5 permitted sources,
- 1.3 ~~\$490,506~~ for facilities with 6 to 10 permitted sources,
- 1.4 ~~\$736,760~~ for facilities with 11 to 15 permitted sources,
- 1.5 ~~\$977,1,009~~ for facilities with 16 to 20 permitted sources,
- 1.6 ~~\$1,221,261~~ for facilities with more than 20 permitted sources.

327.2 Assembly Bill 617 Community Health Impact Fee: An owner/operator of a permitted facility subject to Schedule P (Major Facility Review Fees) shall pay an Assembly Bill 617 community health impact fee of 5.7 percent of the facility's total renewal fee, up to a maximum fee of ~~\$122,245,126,279~~ per year per facility owner.

327.3 Criteria Pollutant and Toxic Emissions Reporting (CTR): The owner/operator of a permitted facility shall pay a CTR fee of 4.4 percent of the facility's total renewal fee, up to a maximum fee of ~~\$64,123,63,140~~ per year.

327.4 Overburdened Community renewal fee: The owner/operator of a permitted facility in an Overburdened Community shall pay a fee of 15 percent of the facility's total renewal fee, up to a maximum fee of ~~\$265,750,274,520~~ per year.

327.5 Shutdown sources: There is no refund for sources that shutdown during the permit to operate period of coverage.

*(Adopted 6/7/00; Amended 6/2/04, 6/16/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/3/20, 6/16/21, 11/3/21, 6/15/22, 6/7/23, TBD)*

**3-328 Fee for OEHHA Risk Assessment Reviews:** Any facility that submits a health risk assessment to the District in accordance with Section 44361 of the California Health and Safety Code shall pay any fee requested by the State Office of Environmental Health Hazard Assessment (OEHHA) for reimbursement of that agency's costs incurred in reviewing the risk assessment.

*(Adopted 6/7/00)*

**3-329 Fees for New Source Review Health Risk Assessment:** Any person required to submit a health risk assessment (HRA) pursuant to Regulation 2-5-401 shall pay an appropriate Risk Assessment Fee pursuant to Regulation 3-302 and Schedules B, C, D, E, F, H, I or K. In addition, any person that requests that the District prepare or review an HRA (e.g., for determination of permit exemption in accordance with Regulations 2-1-316, 2-5-301 and 2-5-302; or for determination of exemption from emission control requirements pursuant to Regulation 8-47-113 and 8-47-402) shall pay a Risk Assessment Fee. A Risk Assessment Fee shall be assessed for each source that is proposed to emit a toxic air contaminant (TAC) at a rate that exceeds a trigger level in Table 2-5-1: Toxic Air Contaminant Trigger Levels. If a project requires an HRA due to total project emissions, but TAC emissions from each individual source are less than the Table 2-5-1 trigger levels, a Risk Assessment Fee shall be assessed for the source in the project with the highest TAC emissions.

*(Adopted 6/15/05; Amended 6/21/17)*

**3-330 Fee for Renewing an Authority to Construct:** An applicant seeking to renew an authority to construct in accordance with Regulation 2-1-407 shall pay a fee of 50% of the initial fee in effect at the time of the renewal. If the District determines that an authority to construct cannot be renewed, any fees paid under this section shall be credited in full against the fee for a new authority to construct for functionally equivalent equipment submitted within six months of the date the original authority to construct expires.

330.1 Expired Authority to Construct: If an applicant does not notify the District with their intent to renew the Authority to Construct prior to its expiration, the applicant shall pay ~~\$400,103~~ per application in addition to any other fees under this section if eligible to renew.

- (Adopted 6/15/05; Amended 6/7/23, TBD)*
- 3-331 Registration Fees:** Any person who is required to register equipment under District rules shall submit a registration fee, and any annual fee thereafter, as set out in Schedule R. There is no refund for registered equipment/operations that shutdown during the period of coverage.
- (Adopted 6/6/07; Amended 6/16/10, 6/7/23, TBD)*
- 3-332 Naturally Occurring Asbestos Fees:** After July 1, 2007, any person required to submit or amend an Asbestos Dust Mitigation Plan (ADMP) pursuant to Title 17 of the California Code of Regulations, Section 93105, Asbestos Air Toxic Control Measure for Construction, Grading, Quarrying, and Surface Mining Operations shall pay the fee(s) set out in Schedule S.
- (Adopted 6/6/07; Amended 6/5/19)*
- 3-333 Major Facility Review (MFR) and Synthetic Minor Application Fees:** Any facility that applies for, or is required to undergo, an initial MFR permit, an amendment to an MFR permit, a minor or significant revision to an MFR permit, a reopening of an MFR permit, a renewal of an MFR permit, an initial synthetic minor operating permit, or a revision to a synthetic minor operating permit, shall pay the applicable fees set forth in Schedule P.
- (Adopted 5/21/08)*
- 3-334 Greenhouse Gas Fees:** Any permitted facility with greenhouse gas emissions shall pay a fee based on Schedule T. This fee is in addition to permit and other fees otherwise authorized to be collected from such facilities, and shall be included as part of the annual permit renewal fees.
- (Adopted 5/21/08)*
- 3-335 ~~Deleted XXX Indirect Source Review Fees:~~** ~~Applicants that must file an Air Quality Impact Assessment pursuant to District rules for a project that is deemed to be an indirect source shall pay a fee based on Schedule U.~~
- (Adopted 5/20/09)*
- 3-336 Open Burning Operation Fees:** Effective July 1, 2013, any person required to provide notification to the District prior to burning; submit a petition to conduct a Filmmaking or Public Exhibition fire; receive an acreage burning allocation to conduct a Stubble fire; or submit a smoke management plan and receive an acreage burning allocation to conduct a Wildland Vegetation Management (Prescribed Burning) fire or Marsh Management fire shall pay the fee given in Schedule V.
- (Adopted 6/19/13; Amended 6/3/20)*
- 3-337 Exemption Fee:** An applicant who wishes to receive a certificate of exemption shall pay a filing fee of ~~\$630651~~ per exempt source.
- (Adopted 6/19/13; Amended 6/4/14; 6/3/15, 6/21/17, 6/16/21, 6/15/22, 6/7/23)*
- 3-338 Incident Response Fee:** Any facility required to obtain a District permit, and any District-regulated area-wide or indirect source, that is the site where an incident occurs to which the District responds, shall pay a fee equal to the District's actual costs in conducting the incident response as defined in Section 3-243, including without limitation, the actual time and salaries, plus overhead, of the District staff involved in conducting the incident response and the cost of any materials.
- (Adopted 6/19/13)*
- 3-339 Refining Emissions Tracking Fees:** Any person required to submit an Annual Emissions Inventory, Monthly Crude Slate Report, or air monitoring plan in accordance with Regulation 12, Rule 15 shall pay the applicable fees set forth in Schedule W.
- (Adopted 6/15/16, Amended 11/03/21)*
- 3-340 Major Stationary Source Community Air Monitoring Fees:** Any major stationary source emitting 35 tons per year of organic compounds, sulfur oxides, nitrogen oxides, carbon monoxide or PM<sub>10</sub> shall pay a community air monitoring fee based on Schedule X. This fee is in addition to permit and other fees otherwise authorized to be collected from such facilities and shall be included as part of the annual permit renewal fees.
- (Adopted 6/15/16)*
- 3-341 Fee for Risk Reduction Plan:** Any person required to submit a Risk Reduction Plan in accordance with Regulation 11, Rule 18 shall pay the applicable fees set forth below:
- 341.1 ~~\$1,9341,998~~ for facilities with one source subject to risk reduction pursuant to Regulation 11, Rule 18, including gasoline dispensing facilities;
  - 341.2 ~~\$3,8683,996~~ for facilities with 2 to 5 sources subject to risk reduction pursuant to Regulation 11, Rule 18;
  - 341.3 ~~\$7,7357,990~~ for facilities with 6 to 10 sources subject to risk reduction pursuant to

- Regulation 11, Rule 18;
- 341.4 ~~\$15,470~~15,981 for facilities with 11 to 15 sources subject to risk reduction pursuant to Regulation 11, Rule 18;
- 341.5 ~~\$30,941~~31,962 for facilities with 16 to 20 sources subject to risk reduction pursuant to Regulation 11, Rule 18;
- 341.6 ~~\$41,254~~42,615 for facilities with more than 20 sources subject to risk reduction pursuant to Regulation 11, Rule 18.

*(Adopted 6/21/17, Amended 6/5/19, 6/3/20, 6/16/21, 6/15/22, 6/7/23, TBD)*

**3-342 Fee for Facility-Wide Health Risk Assessment:** Any person required to undergo a health risk assessment (HRA) to assess compliance with the Regulation 11, Rule 18 risk action levels shall pay a risk assessment fee for each source pursuant to Regulation 3-329 and Schedules B, C, D, E, F, H, I or K. The maximum fee required for any single HRA of a facility conducted pursuant to Regulation 11, Rule 18 shall not exceed a total of ~~\$493,377~~199,758.

If a facility retains a District-approved consultant to complete the required facility-wide HRA, the facility shall pay a fee to cover the District's costs of performing the review of the facility-wide HRA, including the costs of any outside consulting assistance which the District may employ in connection with any such review, as well as the District's reasonable internal costs (including overhead) of processing, reviewing, or approving the facility-wide HRA. The total HRA review cost shall be determined based on the District's actual review time in hours multiplied by an hourly charge of ~~\$264~~273 per hour. Facilities shall pay an HRA review fee as indicated below and the District's cost exceeding the applicable HRA review fees indicated below for performing the review of the facility-wide HRA:

- 342.1 ~~\$3,173~~3,278 for facilities with one to 10 sources subject to risk reduction pursuant to Regulation 11, Rule 18, including gasoline dispensing facilities;
- 342.2 ~~\$8,508~~8,789 for facilities with 11 to 50 sources subject to risk reduction pursuant to Regulation 11, Rule 18;
- 342.3 ~~\$48,049~~18,645 for facilities with more than 50 sources subject to risk reduction pursuant to Regulation 11, Rule 18.

The District shall refund to the applicant the portion of any fee paid under this Section that exceeds the District's cost of performing the review of the facility-wide HRA.

*(Adopted 6/21/17; Amended 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*

**3-343 Fees for Air Dispersion Modeling:** An applicant for an Authority to Construct or Permit to Operate shall pay, in addition to the fees required under Section 3-302 and 3-329 and in any applicable schedule, the District's costs of performing any air dispersion modeling needed to determine compliance with any District regulatory requirement. The total air dispersion modeling fee cost shall be determined based on the District's actual review time in hours multiplied by an hourly charge of ~~\$264~~273 per hour. This fee shall also apply for costs incurred in reviewing air dispersion modeling submittals by applicants and the costs of any outside consulting assistance which the District may employ in connection with the preparation of any such evaluation or documentation, as well as the District's reasonable internal costs (including overhead) of processing, reviewing, or approving the air dispersion modeling.

*(Adopted 6/5/19; Amended 6/16/21, 6/15/22)*

**3-344 Rounding:** Each fee will be rounded to the nearest dollar.

*(Adopted 6/15/22)*

**3-345 Evaluation of Plans, Regulation 6:** For any plan required in any rule in Regulation 6, the requestor shall pay the following fees:

- 345.1 A filing fee of ~~\$630~~651; and
- 345.2 An initial fee equivalent to the total actual and reasonable time incurred by District staff at the hourly rate or prorated of ~~\$193~~199 per hour not to exceed the minimum initial fee(s) in the schedule for the applicable source(s).

*(Adopted 6/7/23, TBD)*

**3-346 Request for a Petition, Regulation 8:** For any petition required in any rule in Regulation 8, the requestor shall pay the following fees:

- 346.1 A filing fee of ~~\$630~~651; and
- 346.2 An initial fee equivalent to the total actual and reasonable time incurred by District staff at the hourly rate or prorated of ~~\$193~~199 per hour not to exceed the minimum initial



fee in Schedule E.

(Adopted 6/7/23, TBD)

**3-347 Evaluation of Reports, Organic Waste Recovery Sites:** For the evaluation of any report not currently specified in Schedule K as required by federal, state or Air District rule, the owner/operator shall pay the following fees:

347.1 A filing fee of ~~\$630651~~; and

347.2 An initial fee equivalent to the total actual and reasonable time incurred by District staff at the hourly rate or prorated of ~~\$193199~~ per hour.

(Adopted 6/7/23, TBD)

### **3-400 ADMINISTRATIVE REQUIREMENTS**

**3-401 Permits:** Definitions, standards, and conditions contained in Regulation 2, Permits, are applicable to this regulation.

**3-402 Single Anniversary Date:** The APCO may assign a single anniversary date to a facility on which all its renewable permits to operate expire and will require renewal. Fees will be prorated to compensate for different time periods resulting from change in anniversary date.

**3-403 Change in Operating Parameters:** See Section 2-1-404 of Regulation 2, Rule 1.

**3-404 Deleted June 7, 2000**

**3-405 Fees Not Paid:** If an applicant or owner/operator fails to pay the fees specified on the invoice by the due date, the following procedure(s) shall apply:

405.1 Authority to Construct: The application will be cancelled but can be reactivated upon payment of fees.

405.2 New Permit to Operate: The Permit to Operate shall not be issued, and the facility will be notified that operation, including startup, is not authorized.

2.1 Fees received during the first 30 days following the due date must include a late fee equal to 10 percent of all fees specified on the invoice.

2.2 Fees received more than 30 days after the due date must include a late fee equal to 25 percent of all fees specified on the invoice.

405.3 Renewal of Permit to Operate: The owner/operator of a facility must renew the Permit to Operate in order to continue to be authorized to operate the source. Permit to Operate Fees for the Permit Renewal Period shall be calculated using fee schedules in effect on the Permit to Operate Renewal Date. The permit renewal invoice will include all fees to be paid in order to renew the Permit to Operate, as specified in Section 3-327. If not renewed as of the date of the next Permit Renewal Period, a Permit to Operate lapses and further operation is no longer authorized. The District will notify the facility that the permit has lapsed. Reinstatement of lapsed Permits to Operate will require the payment of all unpaid prior Permit to Operate fees and associated reinstatement fees for each unpaid prior Permit Renewal Period, in addition to all fees specified on the permit renewal invoice.

405.4 Reinstatement of Lapsed Permit to Operate: To reinstate a Permit to Operate, the owner/operator must pay all of the following fees:

4.1 The applicable Permit to Operate Fees for the current year, as specified in Regulation 3-327, and the applicable reinstatement fee, if any, calculated as follows:

4.1.1 Fees received during the first 30 days following the due date must include all fees specified on the permit renewal invoice plus a reinstatement fee equal to 10 percent of all fees specified on the invoice.

4.1.2 Fees received more than 30 days after the due date, but less than one year after the due date, must include all fees specified on the permit renewal invoice plus a reinstatement fee equal to 25 percent of all fees specified on the invoice.

4.2 The applicable Permit to Operate Fees specified in Regulation 3-327 for each prior Permit Renewal Period for which all Permit to Operate Fees and associated reinstatement fees have not been paid. Each year's Permit to Operate Fee shall be calculated at the fee rates in effect on that year's Permit to Operate Renewal

Date. The reinstatement fee for each associated previously-unpaid Permit to Operate Fee shall be calculated in accordance with Regulation 3-405.4.1 and 4.1.2.

Each year or period of the lapsed Permit to Operate is deemed a separate Permit Renewal Period. The oldest outstanding Permit to Operate Fee and reinstatement fees shall be paid first.

405.5 Registration and Other Fees: Persons who have not paid the fee by the invoice due date, shall pay the following late fee in addition to the original invoiced fee. Fees shall be calculated using fee schedules in effect at the time of the fees' original determination.

5.1 Fees received during the first 30 days following the due date must include an additional late fee equal to 10 percent of all fees specified on the invoice.

5.2 Fees received more than 30 days after the due date must include an additional late fee equal to 25 percent of all fees specified on the invoice.

*(Amended 7/6/83, 6/4/86, 11/5/86, 2/15/89, 6/6/90, 7/3/91, 8/2/95, 12/2/98, 6/15/05, 6/7/06, 6/6/12, 6/19/13, 6/4/14, 6/6/18, 6/5/19, 6/7/23)*

**3-406 Deleted June 4, 1986**

**3-407 Deleted August 2, 1995**

**3-408 Permit to Operate Valid for 12 Months:** A Permit to Operate is valid for 12 months from the date of issuance or other time period as approved by the APCO.

*(Adopted 6/4/86; Amended 6/7/00)*

**3-409 Deleted June 7, 2000**

**3-410 Deleted August 2, 1995**

**3-411 Advance Deposit of Funds:** The APCO may require that at the time of the filing of an application for an Authority to Construct for a project for which the District is a lead agency under the California Environmental Quality Act (Public Resources Code, Section 21000, et seq.), the applicant shall make an advance deposit of funds, in an amount to be specified by the APCO, to cover the costs which the District estimates to incur in connection with the District's performance of its environmental evaluation and the preparation of any required environmental documentation. In the event the APCO requires such an estimated advance payment to be made, the applicant will be provided with a full accounting of the costs actually incurred by the District in connection with the District's performance of its environmental evaluation and the preparation of any required environmental documentation.

*(Adopted 12/18/85; Amended 8/2/95)*

**3-412 Deleted December 2, 1998**

**3-413 Toxic "Hot Spots" Information and Assessment Act Revenues:** The APCO shall transmit to the California Air Resources Board, for deposit into the Air Toxics "Hot Spots" Information and Assessment Fund, the revenues determined by the ARB to be the District's share of statewide Air Toxics "Hot Spot" Information and Assessment Act expenses.

*(Adopted 10/21/92; Amended 6/7/23)*

**3-414 Deleted December 2, 1998**

**3-415 Failure to Pay - Further Actions:** When an applicant or owner/operator fails to pay the fees specified on the invoice by the due date, the APCO may take the following actions against the applicant or owner/operator:

415.1 Issuance of a Notice to Comply.

415.2 Issuance of a Notice of Violation.

415.3 Revocation of an existing Permit to Operate. The APCO shall initiate proceedings to revoke permits to operate for any person who is delinquent for more than one month. The revocation process shall continue until payment in full is made or until permits are revoked.

415.4 The withholding of any other District services as deemed appropriate until payment in full is made.

*(Adopted 8/2/95; Amended 12/2/98, 6/15/05)*

**3-416 Adjustment of Fees:** The APCO or designees may, upon finding administrative error by District staff in the calculation, imposition, noticing, invoicing, and/or collection of any fee set forth in this rule, rescind, reduce, increase, or modify the fee. A request for such relief from an

administrative error, accompanied by a statement of why such relief should be granted, must be received within two years from the date of payment.

*(Adopted 10/8/97)*

**3-417 Temporary Amnesty for Unpermitted and Unregistered Sources:** The APCO has the authority to declare an amnesty period, during which the District may waive all or part of the back fees and/or late fees for sources that are currently operating without valid Permits to Operate and/or equipment registrations.

*(Adopted 6/16/10)*

**3-418 Temporary Incentive for Online or Electronic Transactions:** The APCO has the authority to declare an incentive period for transactions made using the online system or other electronic processes, during which the District may waive all or any part of the fees for these transactions.

*(Adopted 6/6/18; Amended 6/7/23)*

**3-419 Industry Compliance School:** The APCO may reduce fees by an amount deemed appropriate if the owner/operator of the source attends an Industry Compliance School sponsored by the District.

*(Adopted 6/7/23)*

**SCHEDULE A  
HEARING BOARD FEES<sup>1</sup>**

Established by the Board of Directors December 7, 1977 Resolution No. 1046  
(Code section references are to the California Health & Safety Code, unless otherwise indicated)

	Large Companies	Small Business	Third Party
1. For each application for variance exceeding 90 days, in accordance with §42350, including applications on behalf of a class of applicants, which meet the requirements of the Hearing Board Rules for a valid and proper class action for variance ..... Plus, for each hearing in addition to the first hearing necessary to dispose of said variance application in accordance with §42350, the additional sum of .....	<del>\$9,256</del> 10,644  \$4,6355,330	<del>\$1,385</del> 1,593  \$467537	
2. For each application for variance not exceeding 90 days, in accordance with §42350, including applications on behalf of a class of applicants, which meet the requirements of the Hearing Board Rules for a valid and proper class action for variance ..... Plus, for each hearing in addition to the first hearing necessary to dispose of said variance application, in accordance with §42350, the additional sum of .....	<del>\$5,557</del> 6,391  \$2,7753,191	<del>\$1,385</del> 1,593  \$467537	
3. For each application to modify a variance in accordance with §42356 ... Plus, for each hearing in addition to the first hearing on said application to modify a variance, in accordance with §42345, necessary to dispose of the application, the additional sum of .....	<del>\$3,687</del> 4,240  \$2,7753,191	\$467537  \$467537	
4. For each application to extend a variance, in accordance with §42357 .. Plus, for each hearing in addition to the first hearing on an application to extend a variance, in accordance with §42357, necessary to dispose of the application, the additional sum of .....	<del>\$3,687</del> 4,240  \$2,7753,191	\$467537  \$467537	
5. For each application to revoke a variance .....	<del>\$5,557</del> 6,391	\$467537	
6. For each application for approval of a Schedule of Increments of Progress in accordance with §41703 .....	<del>\$3,687</del> 4,240	\$467537	
7. For each application for variance in accordance with §41703, which exceeds 90 days ..... Plus, for each hearing in addition to the first hearing on said application for variance in accordance with §41703, the additional sum of .....	<del>\$9,256</del> 10,644  \$4,6355,330	<del>\$1,385</del> 1,593  \$467537	
8. For each application for variance in accordance with §41703, not to exceed 90 days ..... Plus, for each hearing in addition to the hearing on said application for a variance in accordance with §41703, the additional sum of .....	<del>\$5,557</del> 6,391  \$2,7753,191	<del>\$1,385</del> 1,593  \$467537	
9. For each Appeal (Permit, Banking, Title V) .....	<del>\$9,256</del> 10,644 4 per hearing day	<del>\$4,635</del> 5,330 per hearing day	<del>\$4,635</del> 5,330 30 for entire appeal period

		Large Companies	Small Business	Third Party
10.	For each application for intervention in accordance with Hearing Board Rules §§2.3, 3.6 & 4.6.....	\$ <del>4,635</del> <u>5,330</u>	\$ <del>932</del> <u>1,072</u>	
11.	For each application to Modify or Terminate an abatement order .....	\$ <del>9,256</del> <u>10,644</u> per hearing day	\$ <del>4,635</del> <u>5,330</u> per hearing day	
12.	For each application for an interim variance in accordance with §42351	\$ <del>4,635</del> <u>5,330</u>	\$ <del>932</del> <u>1,072</u>	
13.	For each application for an emergency variance in accordance with §42359.5.....	\$ <del>2,310</del> <u>2,657</u>	\$ <del>467</del> <u>537</u>	
14.	For each application to rehear a Hearing Board decision in accordance with §40861 .....	100% of previous fee charged	100% of previous fee charged	
15.	Excess emission fees.....	See Attachment I	See Attachment I	
16.	Miscellaneous filing fee for any hearing not covered above	\$ <del>4,635</del> <u>5,330</u>	\$ <del>1,385</del> <u>1,593</u>	\$ <del>1,385</del> <u>1,593</u>
17.	For each published Notice of Public Hearing.....	Cost of Publication	\$0	\$0
18.	Court Reporter Fee (to be paid only if Court Reporter required for hearing) .....	Actual Appearance and Transcript costs per hearing solely dedicated to one Docket	\$0	Actual Appearance and Transcript costs per hearing solely dedicated to one Docket

NOTE 1 Any applicant who believes they have a hardship for payment of fees may request a fee waiver from the Hearing Board pursuant to Hearing Board Rules.

(Amended 10/8/97, 5/19/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)

**SCHEDULE A  
ATTACHMENT I  
EXCESS EMISSION FEE**

**A. General**

- (1) Each applicant or petitioner for a variance from these Rules and Regulations shall pay to the Clerk or Deputy Clerk of the Hearing Board, in addition to the other filing fees required in Schedule A, an emission fee based on the total weight of emissions discharged, per source or product, other than those described in division (B) below, during the variance period in excess of that allowed by these rules in accordance with the schedule set forth in Table I.
- (2) Where the total weight of emission discharged cannot be easily calculated, the petitioner shall work in concert with District staff to establish the amount of excess emissions to be paid.
- (3) In the event that more than one rule limiting the discharge of the same contaminant is violated, the excess emission fee shall consist of the fee for violation which will result in the payment of the greatest sum. For the purposes of this subdivision, opacity rules and particulate mass emissions shall not be considered rules limiting the discharge of the same contaminant.

**B. Excess Visible Emission Fee**

Each applicant or petitioner for a variance from Regulation 6 or Health and Safety Code Section 41701 shall pay to the Clerk or Deputy Clerk of the Hearing Board, in addition to the filing fees required in Schedule A and the excess emission fees required in (A) above (if any), an emission fee based on the difference between the percent opacity allowed by Regulation 6 and the percent opacity of the emissions allowed from the source or sources operating under the variance, in accordance with the schedule set forth in Table II.

In the event that an applicant or petitioner is exempt from the provisions of Regulation 6, the applicant or petitioner shall pay a fee calculated as described herein above, but such fee shall be calculated based upon the difference between the opacity allowed under the variance and the opacity allowed under the provisions of Health and Safety Code Section 41701, in accordance with the schedule set forth in Table II.

**C. Applicability**

The provisions of subdivision (A) shall apply to all variances that generate excess emissions.

**D. Fee Determination**

- (1) The excess emission fees shall be calculated by the petitioner based upon the requested number of days of operation under variance multiplied by the expected excess emissions as set forth in subdivisions (A) and (B) above. The calculations and proposed fees shall be set forth in the petition.
- (2) The Hearing Board may adjust the excess emission fee required by subdivisions (A) and (B) of this rule based on evidence regarding emissions presented at the time of the hearing.

#### **E. Small Businesses**

- (1) A small business shall be assessed twenty percent (20%) of the fees required by subdivisions (A) and (B), whichever is applicable. "Small business" is defined in the Fee Regulation.
- (2) Request for exception as a small business shall be made by the petitioner under penalty of perjury on a declaration form provided by the Executive Officer which shall be submitted to the Clerk or Deputy Clerk of the Hearing Board at the time of filing a petition for variance.

#### **F. Group, Class and Product Variance Fees**

Each petitioner included in a petition for a group, class or product variance shall pay the filing fee specified in Schedule A, and the excess emission fees specified in subdivisions (A) and (B), whichever is applicable.

#### **G. Adjustment of Fees**

If after the term of a variance for which emission fees have been paid, petitioner can establish, to the satisfaction of the Executive Officer/APCO, that emissions were actually less than those upon which the fee was based, a pro rata refund shall be made.

#### **H. Fee Payment/Variance Invalidation**

- (1) Excess emission fees required by subdivisions (A) and (B), based on an estimate provided during the variance Hearing, are due and payable within fifteen (15) days of the granting of the variance. The petitioner shall be notified in writing of any adjustment to the amount of excess emission fees due, following District staff's verification of the estimated emissions. Fee payments to be made as a result of an adjustment are due and payable within fifteen (15) days of notification of the amount due.
- (2) Failure to pay the excess emission fees required by subdivisions (A) and (B) within fifteen (15) days of notification that a fee is due shall automatically invalidate the variance. Such notification may be given by personal service or by deposit, postpaid, in the United States mail and shall be due fifteen (15) days from the date of personal service or mailing. For the purpose of this rule, the fee payment shall be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the expiration date.

**TABLE I  
SCHEDULE OF EXCESS EMISSIONS FEES**

Air Contaminants All at \$~~7,748.86~~ per pound

Organic gases, except methane and those containing sulfur  
Carbon Monoxide  
Oxides of nitrogen (expressed as nitrogen dioxide)  
Gaseous sulfur compounds (expressed as sulfur dioxide)  
Particulate matter

Toxic Air Contaminants All at \$~~38,354.11~~ per pound

~~Arsenic (inorganic)~~  
Asbestos  
Benzene  
~~Beryllium~~  
~~1,3-Butadiene~~  
Cadmium  
Carbon tetrachloride  
Chlorinated dioxins and dibenzofurans (15 species)  
Diesel exhaust particulate matter  
~~1,4-Dioxane~~  
Ethylene dibromide  
Ethylene dichloride  
Ethylene oxide  
Formaldehyde  
Hexavalent chromium  
~~Lead~~  
Methylene chloride  
Nickel  
Perchloroethylene  
~~1,3-Butadiene~~  
~~Inorganic arsenic~~  
~~Beryllium~~  
Polynuclear aromatic hydrocarbons (PAH)  
~~Trichloroethylene~~  
Vinyl chloride  
~~Lead~~  
~~1,4-Dioxane~~  
~~Trichloroethylene~~

**TABLE II  
SCHEDULE OF EXCESS VISIBLE EMISSION FEE**

For each source with opacity emissions in excess of twenty percent (20%), but less than forty percent (40%) (where the source is in violation of Regulation 6 and California Health and Safety Code Section 41701), the fee is calculated as follows:

$$\text{Fee} = (\text{Opacity} * \text{equivalent} - 20) \times \text{number of days allowed in variance} \times \$7.88$$

For each source with opacity emissions in excess of forty percent (40%) (where the source is in violation of Regulation 6 and California Health and Safety Code Section 41701), the fee is calculated as follows:

$$\text{Fee} = (\text{Opacity} * \text{equivalent} - 40) \times \text{number of days allowed by variance} \times \$7.88$$

\* Where "Opacity" equals maximum opacity of emissions in percent (not decimal equivalent) allowed by the variance. Where the emissions are darker than the degree of darkness



equivalent to the allowed Ringelmann number, the percentage equivalent of the excess degree of darkness shall be used as "opacity."  
(Adopted 6/7/00; Amended 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/7/23, TBD)

**SCHEDULE B  
COMBUSTION OF FUEL  
(Adopted June 18, 1980)**

For each source that burns fuel, which is not a flare and not exempted by Regulation 2, Rule 1, the fee shall be computed based on the maximum gross combustion capacity (expressed as higher heating value, HHV) of the source.

1. INITIAL FEE: \$90.75104.36 per MM BTU/HOUR
  - a. The minimum fee per source is: \$484557
  - b. The maximum fee per source is: \$169,292194,686
2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
  - a. RAF for first toxic air contaminant (TAC) source in application: \$630651 plus \$90.75104.36 per MM BTU/hr
  - b. Minimum RAF for first TAC source: \$1,1661,341
  - c. RAF for each additional TAC source: \$90.75104.36 per MM BTU/hr\*
  - d. Minimum RAF per additional TAC source: \$484557\*
  - e. Maximum RAF per source is: \$169,292194,686

\* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$45.3752.18 per MM BTU/HOUR
  - a. The minimum fee per source is: \$344396
  - b. The maximum fee per source is: \$84,64697,343
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.
5. Applicants for an authority to construct and permit to operate a project, which burns municipal waste or refuse-derived fuel, shall pay in addition to all required fees, an additional fee to cover the costs incurred by the State Department of Health Services, and/or a qualified contractor designated by the State Department of Health Services, in reviewing a risk assessment as required under H&S Code Section 42315. The fee shall be transmitted by the District to the Department of Health Services and/or the qualified contractor upon completion of the review and submission of comments in writing to the District.
6. A surcharge equal to 100% of all required initial and permit to operate fees shall be charged for sources permitted to burn one or more of the following fuels: coke, coal, wood, tires, black liquor, and municipal solid waste.

NOTE: MM BTU is million BTU of higher heat value  
One MM BTU/HR = 1.06 gigajoules/HR

*(Amended 6/5/85; 6/4/86, 3/4/87, 6/6/90, 7/3/91, 6/15/94, 10/8/97, 7/1/98, 7/1/98, 5/19/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*

**SCHEDULE C**  
**STATIONARY CONTAINERS FOR THE STORAGE OF ORGANIC LIQUIDS**  
(Adopted June 18, 1980)

For each stationary container of organic liquids which is not exempted from permits by Regulation 2 and which is not part of a gasoline dispensing facility, the fee shall be computed based on the container volume, as follows:

1. INITIAL FEE: 0.185 cents per gallon
  - a. The minimum fee per source is: \$204
  - b. The maximum fee per source is: \$27,858
  
2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
  - a. RAF for first toxic air contaminant (TAC) source in application: ~~\$630651~~ plus 0.185 cents per gallon
  - b. Minimum RAF for first TAC source: \$678
  - c. RAF for each additional TAC source: 0.185 cents per gallon \*
  - d. Minimum RAF per additional TAC source: \$204 \*
  - e. Maximum RAF per source is: \$27,858

\* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
  
3. PERMIT TO OPERATE FEE: 0.093 cents per gallon
  - a. The minimum fee per source is: \$147
  - b. The maximum fee per source is: \$13,928
  
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

*(Amended 2/20/85, 6/5/85, 6/4/86, 7/3/91, 6/15/94, 7/1/98, 5/19/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/20/09, 6/16/10, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*

**SCHEDULE D**  
**GASOLINE TRANSFER AT GASOLINE DISPENSING FACILITIES,**  
**BULK PLANTS AND TERMINALS**  
(Adopted June 18, 1980)

A. All gasoline dispensing facilities shall pay the following fees:

1. INITIAL FEE: \$~~356.05~~367.80 per single product nozzle (spn)  
\$~~356.05~~367.80 per product for each multi-product nozzle (mpn)
2. PERMIT TO OPERATE FEE: \$~~136.38~~140.88 per single product nozzle (spn)  
\$~~136.38~~140.88 per product for each multi-product nozzle (mpn)
3. Initial fees and permit to operate fees for hardware modifications at a currently permitted gasoline dispensing facility shall be consolidated into a single fee calculated according to the following formula:

$$\$492.42508.67 \times \{[(mpn_{proposed})(products \text{ per nozzle}) + spn_{proposed}] - [(mpn_{existing})(products \text{ per nozzle}) + spn_{existing}]\}$$

*mpn* = multi-product nozzles  
*spn* = single product nozzles

The above formula includes a toxic surcharge.

If the above formula yields zero or negative results, no initial fees or permit to operate fees shall be charged.

For the purposes of calculating the above fees, a fuel blended from two or more different grades shall be considered a separate product.

Other modifications to facilities' equipment, including but not limited to tank addition/replacement/conversion, vapor recovery piping replacement, moving or extending pump islands, will not be subject to initial fees or permit to operate fees.

4. RISK ASSESSMENT FEE (RAF) if required pursuant to Regulation 3-329 or 3-342 (including increases in permitted throughput for which a health risk assessment is required.) of:
  - a. \$~~3,8273,953~~ per application for a new gas dispensing facility
  - b. \$~~773-899~~ per application for all other
5. Nozzles used exclusively for the delivery of diesel fuel or other fuels exempt from permits shall pay no fee. Multi-product nozzles used to deliver both exempt and non-exempt fuels shall pay fees for the non-exempt products only.

B. All bulk plants, terminals or other facilities using loading racks to transfer gasoline or gasohol into trucks, railcars or ships shall pay the following fees:

1. INITIAL FEE: \$~~4,676.764,831~~ per single product loading arm  
\$~~4,676.764,831~~ per product for multi-product arms
2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
  - a. RAF for first toxic air contaminant (TAC) source in application: \$~~5,2955,470~~
  - b. RAF for each additional TAC source: \$~~4,6774,831~~ \*

\* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$~~1,3031,346~~ per single product loading arm  
\$~~1,3031,346~~ per product for multi-product arms
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

C. Fees in (A) above are in lieu of tank fees. Fees in (B) above are in addition to tank fees.

(Amended 2/20/85, 6/5/85, 6/4/86, 7/3/91, 6/15/94, 10/8/97, 7/1/98, 5/19/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)

**SCHEDULE E  
SOLVENT EVAPORATING SOURCES**

(Adopted June 18, 1980)

For each solvent evaporating source, as defined in Section 3-210 except for dry cleaners, the fee shall be computed based on the net amount of organic solvent processed through the sources on an annual basis (or anticipated to be processed, for new sources) including solvent used for the cleaning of the sources.

1. INITIAL FEE:
  - a. The fee per source is: \$2,502,877 per 1,000 gallons
  - b. The minimum fee per source is: \$1,245,432
  - c. The maximum fee per source is: \$99,426,114,340
  
2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
  - a. RAF for first toxic air contaminant (TAC) source in application: \$630,651 plus initial fee
  - b. Minimum RAF for first TAC source: \$2,052,360
  - c. RAF for each additional TAC source: equal to initial fee \*
  - d. Minimum RAF per additional TAC source: \$1,245,432 \*
  - e. Maximum RAF per source is: \$99,426,114,340  
\* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
  
3. PERMIT TO OPERATE FEE:
  - a. The fee per source is: \$1,245,432 per 1,000 gallons
  - b. The minimum fee per source is: \$898,033
  - c. The maximum fee per source is: \$49,709,57,165
  
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

*(Amended 5/19/82, 10/17/84, 6/5/85, 6/4/86, 10/8/87, 7/3/91, 6/15/94, 7/1/98, 5/19/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*

**SCHEDULE F  
MISCELLANEOUS SOURCES**

(Adopted June 18, 1980)

For each source not governed by Schedules B, C, D, E, H or I, (except for those sources in the special classification lists, G-1 - G-5) the fees are:

1. INITIAL FEE: \$9351,075
2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
  - a. RAF for first (toxic air contaminant) TAC source in application: \$1,7562,019
  - b. RAF for each additional TAC source: \$9351,075\*
    - \* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$680782
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1. List of special classifications requiring graduated fees is shown in Schedules G-1, G-2, G-3, G-4, and G-5.

G-1 FEES FOR SCHEDULE G-1. For each source in a G-1 classification, fees are:

1. INITIAL FEE: \$7,5928,731
2. RISK ASSESSMENT FEE (RAF) , if required pursuant to Regulation 3-329 or 3-342.
  - a. RAF for first toxic air contaminant (TAC) source in application: \$8,6469,908
  - b. RAF for each additional TAC source: \$7,5928,731\*
    - \* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$3,7904,359
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten perc59ent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-2 FEES FOR SCHEDULE G-2. For each source in a G-2 classification, fees are:

1. INITIAL FEE: \$40,02311,526
2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
  - a. RAF for first toxic air contaminant (TAC) source in application: \$41,04612,703
  - b. RAF for each additional TAC source: \$40,02311,526\*
    - \* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$5,0085,759
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-3 FEES FOR SCHEDULE G-3. For each source in a G-3 classification, fees are:

1. INITIAL FEE: \$52,89460,825
2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
  - a. RAF for first toxic air contaminant (TAC) source in application: \$53,75461,817
  - b. RAF for each additional TAC source: \$52,89460,825 \*

\* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1

3. PERMIT TO OPERATE FEE: \$26,44130,407
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-4 FEES FOR SCHEDULE G-4. For each source in a G-4 classification, fees are:

1. INITIAL FEE: \$132,524152,403
2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
  - a. RAF for first toxic air contaminant (TAC) source in application: \$133,547153,579
  - b. RAF for each additional TAC source: \$132,524152,403\*
    - \* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1

3. PERMIT TO OPERATE FEE: \$66,25876,197
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-5 FEES FOR SCHEDULE G-5. For each source in a G-5 classification, fees are:

1. INITIAL FEE: \$59,49168,415
2. RISK ASSESSMENT FEE (RAF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk assessment is required under Regulation 2-5-401.
  - a. RAF for first TAC source in application: \$60,02269,025
  - b. RAF for each additional TAC source: \$59,49168,415\*
    - \* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1

3. PERMIT TO OPERATE FEE: \$29,74534,207
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

*(Amended 5/19/82, 6/5/85, 6/4/86, 6/6/90, 7/3/91, 6/15/94, 10/8/97, 7/1/98, 5/19/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*



**SCHEDULE G-1**  
(Adopted June 18, 1980)

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Asphalt Roofing Manufacturing – Asphalt Dipping	Asphalt Roofing or Related Materials
Calcining Kilns, excluding those processing cement, lime, or coke (see G-4 for cement, lime, or coke Calcining Kilns)	Any Materials except cement, lime, or coke
Chemical Manufacturing, Inorganic – Processing Units with a Capacity of 1000 Gallons/Hour or more	Any Inorganic Materials
Chemical Manufacturing, Inorganic – Processing Units with a Capacity of 5 Tons/Hour or more	Any Inorganic Materials
Chemical Manufacturing, Inorganic – Reactors with a Capacity of 1000 Gallons or more	Any Inorganic Materials
Chemical Manufacturing, Organic – Latex Dipping	Any latex materials
Chemical Manufacturing, Organic – Processing Units with a Capacity of 1000 Gallons/Hour or more	Any Organic Materials
Chemical Manufacturing, Organic – Processing Units with a Capacity of 5 Tons/Hour or more	Any Organic Materials
Chemical Manufacturing, Organic – Reactors with a Capacity of 1000 Gallons or more	Any Organic Materials
Compost Operations – Windrows, Static Piles, Aerated Static Piles, In-Vessel, or similar methods	Any waste materials such as yard waste, food waste, agricultural waste, mixed green waste, bio-solids, animal manures, etc.
Crushers	Any minerals or mineral products such as rock, aggregate, cement, concrete, or glass; waste products such as building or road construction debris; and any wood, wood waste, green waste; or similar materials
Electroplating Equipment	Hexavalent Decorative Chrome with permitted capacity greater than 500,000 amp-hours per year or Hard Chrome
Foil Manufacturing – Any Converting or Rolling Lines	Any Metal or Alloy Foils
Galvanizing Equipment	Any
Glass Manufacturing – Batching Processes including storage and weigh hoppers or bins, conveyors, and elevators	Any Dry Materials
Glass Manufacturing – Mixers	Any Dry Materials
Glass Manufacturing – Molten Glass Holding Tanks	Any molten glass
Grinders	Any minerals or mineral products such as rock, aggregate, cement, concrete, or glass; waste products such as building or road construction debris; and any wood, wood waste, green waste; or similar materials
Incinerators – Crematory	Human and/or animal remains
Incinerators – Flares	Any waste gases
Incinerators – Other (see G-2 for hazardous or municipal solid waste incinerators, see G-3 for medical or infectious waste incinerators)	Any Materials except hazardous wastes, municipal solid waste, medical or infectious waste
Incinerators – Pathological Waste (see G-3 for medical or infectious waste incinerators)	Pathological waste only

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Loading and/or Unloading Operations – Bulk Plants and Bulk Terminals, excluding those loading gasoline or gasohol (see Schedule D for Bulk Plants and Terminals loading gasoline or gasohol)	Any Organic Materials except gasoline or gasohol
Refining – Alkylation Units	Any Hydrocarbons
Refining – Asphalt Oxidizers	Any Hydrocarbons
Refining – Benzene Saturation Units/Plants	Any Hydrocarbons
Refining – Catalytic Reforming Units	Any Hydrocarbons
Refining – Chemical Treating Units including alkane, naphthenic acid, and naphtha merox treating, or similar processes	Any Hydrocarbons
Refining – Converting Units including Dimersol Plants, Hydrocarbon Splitters, or similar processes	Any Hydrocarbons
Refining – Distillation Units, excluding crude oil units with capacity > 1000 barrels/hour (see G-3 for > 1000 barrels/hour crude distillation units)	Any Hydrocarbons
Refining – Hydrogen Manufacturing	Hydrogen or Any Hydrocarbons
Refining – Hydrotreating or Hydrofining	Any Hydrocarbons
Refining – Isomerization	Any Hydrocarbons
Refining – MTBE Process Units/Plants	Any Hydrocarbons
Refining – Sludge Converter	Any Waste Materials
Refining – Solvent Extraction	Any Hydrocarbons
Refining – Sour Water Stripping	Any Process or Wastewater
Refining – Storage (enclosed)	Coke or Coke Products
Refining – Waste Gas Flares(not subject to Regulation 12, Rule 11)	Any Refining Gases
Refining – Miscellaneous Other Process Units	Any Hydrocarbons
Remediation Operations, Groundwater – Strippers	Contaminated Groundwater
Remediation Operations, Soil – Any Equipment (excluding sub-slab depressurization equipment)	Contaminated Soil
Spray Dryers	Any Materials
Sterilization Equipment	Ethylene Oxide
Wastewater Treatment, Industrial – Oil-Water Separators, excluding oil-water separators at refineries (see G-2 for Refining - Oil-Water Separators)	Wastewater from any industrial facilities except refineries
Wastewater Treatment, Industrial – Strippers including air strippers, nitrogen strippers, dissolved air flotation units, or similar equipment and excluding strippers at refineries (see G-2 for Refining – Strippers)	Wastewater from any industrial facilities except refineries
Wastewater Treatment, Industrial - Storage Ponds, excluding storage ponds at refineries (see G-2 for Refining – Storage Ponds)	Wastewater from any industrial facilities except refineries
Wastewater Treatment, Municipal – Preliminary Treatment	Municipal Wastewater
Wastewater Treatment, Municipal – Primary Treatment	Municipal Wastewater
Wastewater Treatment, Municipal – Digesters	Municipal Wastewater
Wastewater Treatment, Municipal – Sludge Handling Processes, excluding sludge incinerators (see G-2 for sludge incinerators)	Sewage Sludge

(Amended 6/4/86, 6/6/90, 5/19/99, 6/7/00, 6/2/04, 6/15/05, 6/6/18, 11/3/21)

**SCHEDULE G-2**  
(Adopted June 6, 1990)

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Asphalt Roofing Manufacturing – Asphalt Blowing	Asphalt Roofing or Related Materials
Asphaltic Concrete Manufacturing – Aggregate Dryers	Any Dry Materials
Asphaltic Concrete Manufacturing – Batch Mixers	Any Asphaltic Concrete Products
Asphaltic Concrete Manufacturing – Drum Mixers	Any Asphaltic Concrete Products
Asphaltic Concrete Manufacturing – Other Mixers and/or Dryers	Any Dry Materials or Asphaltic Concrete Products
Concrete or Cement Batching Operations – Mixers	Any cement, concrete, or stone products or similar materials
Furnaces – Electric	Any Mineral or Mineral Product
Furnaces – Electric Induction	Any Mineral or Mineral Product
Furnaces – Glass Manufacturing	Soda Lime only
Furnaces – Reverberatory	Any Ores, Minerals, Metals, Alloys, or Related Materials
Incinerators – Hazardous Waste including any unit required to have a RCRA permit	Any Liquid or Solid Hazardous Wastes
Incinerators – Solid Waste, excluding units burning human/animal remains or pathological waste exclusively (see G-1 for Crematory and Pathological Waste Incinerators)	Any Solid Waste including Sewage Sludge (except human/animal remains or pathological waste)
Metal Rolling Lines, excluding foil rolling lines (see G-1 for Foil Rolling Lines)	Any Metals or Alloys
Metal Shredding (maximum capacity of less than or equal to 150 tons per hour)	Any Metals or Alloys
Refining – Stockpiles (open)	Coke or coke products only
Refining, Wastewater Treatment – Oil-Water Separators	Wastewater from refineries only
Refining, Wastewater Treatment – Strippers including air strippers, nitrogen strippers, dissolved air flotation units, or similar equipment	Wastewater from refineries only
Refining, Wastewater Treatment – Storage Ponds	Wastewater from refineries only
Pickling Lines or Tanks	Any Metals or Alloys
Sulfate Pulping Operations – All Units	Any
Sulfite Pulping Operations – All Units	Any

*(Amended 6/7/00, 11/3/21, 6/7/23)*

**SCHEDULE G-3**  
(Adopted June 18, 1980)

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Furnaces – Electric Arc	Any Metals or Alloys
Furnaces – Electric Induction	Any Metals or Alloys
Incinerators – Medical Waste, excluding units burning pathological waste exclusively (see G-1 for Pathological Waste Incinerators)	Any Medical or Infectious Wastes
Loading and/or Unloading Operations – Marine Berths	Any Organic Materials
Metal Shredding (maximum capacity greater than 150 tons per hour)	Any Metals or Alloys
Refining – Cracking Units including hydrocrackers and excluding thermal or fluid catalytic crackers (see G-4 for Thermal Crackers and Catalytic Crackers)	Any Hydrocarbons
Refining – Distillation Units (crude oils) including any unit with a capacity greater than 1000 barrels/hour (see G-1 for other distillation units)	Any Crude Oils
Phosphoric Acid Manufacturing – All Units (by any process)	Phosphoric Acid

*(Amended 5/19/82; Amended and renumbered 6/6/90; Amended 6/7/00, 6/15/05, 5/2/07, 11/3/21, 6/7/23)*

**SCHEDULE G-4**  
(Adopted June 6, 1990)

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Acid Regeneration Units	Sulfuric or Hydrochloric Acid only
Annealing Lines (continuous only)	Metals and Alloys
Calcining Kilns (see G-1 for Calcining Kilns processing other materials)	Cement, Lime, or Coke only
Fluidized Bed Combustors	Solid Fuels only
Nitric Acid Manufacturing – Any Ammonia Oxidation Processes	Ammonia or Ammonia Compounds
Refining - Coking Units including fluid cokers, delayed cokers, flexicokers, and coke kilns	Coke and Coke Products
Refining - Cracking Units including fluid catalytic crackers and thermal crackers and excluding hydrocrackers (see G-3 for Hydrocracking Units)	Any Hydrocarbons
Refining - Sulfur Removal including any Claus process or any other process requiring caustic reactants	Any Refining Gas
Sulfuric Acid Manufacturing – Any Chamber or Contact Process	Any Solid, Liquid or Gaseous Fuels Containing Sulfur

*(Amended 6/7/00, 11/3/21)*

**SCHEDULE G-5**

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Refinery Flares (subject to Regulation 12, Rule 11)	Any Vent Gas (as defined in section 12-11-210 and section 12-12-213)

*(Adopted 5/2/07; Amended 11/3/21)*

**SCHEDULE H**  
**SEMICONDUCTOR AND RELATED OPERATIONS**  
(Adopted May 19, 1982)

All of the equipment within a semiconductor fabrication area will be grouped together and considered one source. The fee shall be as indicated:

1. INITIAL FEE:

- a. The minimum fee per source is: \$~~1,0861,249~~
- b. The maximum fee per source is: \$~~86,86599,895~~

The initial fee ~~shall include the~~ fees for each type of operation listed ~~below, which is in Parts 1c and 1d~~ performed at the fabrication area. If the type of solvent operation is not listed in Parts 1c and 1d, then the minimum fee applies.:

c. SOLVENT CLEANING OPERATIONS, such as usage of:

Solvent Sinks (as defined in Regulation 8-30-214);  
Solvent Spray Stations (as defined in Regulation 8-30-221);  
Solvent Vapor Stations (as defined in Regulation 8-30-222); and  
Wipe Cleaning Operation (as defined in Regulation 8-30-225).

The fee is based on the gross throughput of organic solvent processed through the solvent cleaning operations on an annual basis (or anticipated to be processed, for new sources):

~~\$734-844~~ per 1,000 gallon

d. COATING OPERATIONS, such as application of:

Photoresist (as defined in Regulation 8-30-215); other wafer coating;  
Solvent-Based Photoresist Developer (as defined in Regulation 8-30-219); and other miscellaneous solvent usage.

The fee is based on the gross throughput of organic solvent processed through the coating operations on an annual basis (or anticipated to be processed, for new sources):

~~\$2,1802,507~~ per 1,000 gallon

2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.

- a. RAF for first toxic air contaminant (TAC) source in application: \$~~630651~~ plus initial fee
- b. Minimum RAF for first TAC source: \$~~1,8882,171~~
- c. RAF for each additional TAC source: equal to initial fee \*
- d. Minimum RAF per additional TAC source: ~~\$1,0861,249~~ \*
- e. Maximum RAF per source is: \$~~86,86599,895~~

\* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1

3. PERMIT TO OPERATE FEE:

- a. The minimum fee per source is: \$~~785903~~
- b. The maximum fee per source is: \$~~43,42549,939~~

The permit to operate fee ~~shall include the~~ fees for each type of operation listed ~~below, which is in Parts 3c and 3d~~ performed at the fabrication area. If the type of solvent operation is not listed in Parts 3c and 3d, then the minimum fee applies.:

c. SOLVENT CLEANING OPERATIONS, such as usage of:

Solvent Sinks (as defined in Regulation 8-30-214);  
Solvent Spray Stations (as defined in Regulation 8-30-221);  
Solvent Vapor Stations (as defined in Regulation 8-30-222); and  
Wipe Cleaning Operation (as defined in Regulation 8-30-225).

The fee is based on the gross throughput of organic solvent processed through the solvent cleaning operations on an annual basis (or anticipated to be processed, for new sources):

~~\$369,424~~ per 1,000 gallon

d. COATING OPERATIONS, such as application of:

Photoresist (as defined in Regulation 8-30-215); other wafer coating;  
Solvent-Based Photoresist Developer (as defined in Regulation 8-30-219); and other miscellaneous solvent usage.

The fee is based on the gross throughput of organic solvent processed through the coating operations on an annual basis (or anticipated to be processed, for new sources):

~~\$1,0861,249~~ per 1,000 gallon

4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

*(Amended 1/9/85, 6/5/85, 6/4/86, 7/3/91, 6/15/94, 10/8/97, 7/1/98, 5/19/99, 10/20/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*



**SCHEDULE I  
 DRY CLEANERS  
 (Adopted July 6, 1983)**

For permitted dry cleaners, the fee shall be computed based on each cleaning machine, except that machines with more than one drum shall be charged based on each drum, regardless of the type or quantity of solvent, as follows:

1. INITIAL FEE FOR A DRY CLEANING MACHINE (per drum):
  - a. If the washing or drying capacity is no more than 100 pounds: \$744769
  - b. If the washing or drying capacity exceeds 100 pounds: \$744769 plus  
 For that portion of the capacity exceeding 100 pounds: \$20.9522.00 per pound
  
2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
  - a. RAF for first toxic air contaminant (TAC) source in application: \$630651 plus initial fee
  - b. Minimum RAF for first TAC source: \$1,3231,367
  - c. RAF for each additional TAC source: equal to initial fee\*
  - d. Minimum RAF per additional TAC source: \$744769\*

\* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
  
3. PERMIT TO OPERATE FEE FOR A DRY CLEANING MACHINE (per drum):
  - a. If the washing or drying capacity is no more than 100 pounds: \$543561
  - b. If the washing or drying capacity exceeds 100 pounds: \$543-561 plus  
 For that portion of the capacity exceeding 100 pounds: \$11.0011.36 per pound
  
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

*(Amended 10/17/84, 6/5/85, 6/4/86, 7/3/91, 6/15/94, 10/8/97, 7/1/98, 5/19/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/02/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/15/22, 6/7/23, TBD)*

**SCHEDULE K  
SOLID WASTE DISPOSAL SITES**  
(Adopted July 15, 1987)

1. INITIAL FEE:
  - a. Landfill (Decomposition Process) \$8,833,10,158
  - b. Active Landfill (Waste and Cover Material Dumping Process) \$4,415,077
  - c. Active Landfill (Excavating, Bulldozing, and Compacting Processes) \$4,415,077
  
2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
  - a. RAF for first toxic air contaminant (TAC) source in application: \$630,651 plus initial fee
  - b. RAF for each additional TAC source: equal to initial fee\*

\* RAF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
  
3. PERMIT TO OPERATE FEE:
  - a. Landfill (Decomposition Process) \$4,415,077
  - b. Active Landfill (Waste and Cover Material Dumping Process) \$2,207,538
  - c. Active Landfill (Excavating, Bulldozing, and Compacting Processes) \$2,207,538
  
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.
  
5. Evaluation of Reports and Questionnaires:
  - a. Evaluation of Solid Waste Air Assessment Test Report as required by Health & Safety Code Section 41805.5(g) \$4,867,597
  - b. Evaluation of Inactive Site Questionnaire as required by Health & Safety Code Section 41805.5(b) \$2,440,806
  - c. Evaluation of Solid Waste Air Assessment Test Report in conjunction with evaluation of Inactive Site Questionnaire as required by Health & Safety Code Section 41805.5(b) \$2,440,806
  - d. Evaluation of Initial or Amended Design Capacity Reports as required by Regulation 8, Rule 34, Section 405 \$1,795,064
  - e. Evaluation of Initial or Periodic NMOC Emission Rate Reports as required by Regulation 8, Rule 34, Sections 406 or 407 \$5,132,902
  - f. Evaluation of Closure Report as required by Regulation 8, Rule 34, Section 409 \$1,795,064
  - g. Evaluation of Annual Report as required by Regulation 8, Rule 34, Section 411 \$4,491,165
  
6. For the purposes of this fee schedule, landfill shall be considered active, if it has accepted solid waste for disposal at any time during the previous 12 months or has plans to accept solid waste for disposal during the next 12 months.

*(Amended 7/3/91, 6/15/94, 10/8/97, 7/1/98, 5/19/99, 10/6/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*

**SCHEDULE L**  
**ASBESTOS OPERATIONS**  
(Adopted July 6, 1988)

1. Asbestos Operations conducted at single family dwellings are subject to the following fees:
  - a. OPERATION FEE:     \$185   for amounts 100 to 500 square feet or linear feet.  
                              \$679   for amounts 501 square feet or linear feet to 1000 square feet or linear feet.  
                              \$988   for amounts 1001 square feet or liner feet to 2000 square feet or linear feet.  
                              \$1,358 for amounts greater than 2000 square feet or linear feet.
  - b. Cancellation:         \$90    of above amounts non-refundable for notification processing.
2. Asbestos Operations, other than those conducted at single family dwellings, are subject to the following fees:
  - a. OPERATION FEE:     \$524   for amounts 100 to 159 square feet or 100 to 259 linear feet or 35 cubic feet  
                              \$754   for amounts 160 square feet or 260 linear feet to 500 square feet or linear feet or greater than 35 cubic feet.  
                              \$1,098 for amounts 501 square feet or linear feet to 1000 square feet or linear feet.  
                              \$1,620 for amounts 1001 square feet or liner feet to 2500 square feet or linear feet.  
                              \$2,309 for amounts 2501 square feet or linear feet to 5000 square feet or linear feet.  
                              \$3,169 for amounts 5001 square feet or linear feet to 10000 square feet or linear feet.  
                              \$4,031 for amounts greater than 10000 square feet or linear feet.
  - b. Cancellation:         \$248   of above amounts non-refundable for notification processing.
3. Demolitions (including zero asbestos demolitions) conducted at a single-family dwelling are subject to the following fee:
  - a. OPERATION FEE:     \$90
  - b. Cancellation:         \$90    (100% of fee) non-refundable, for notification processing.
4. Demolitions (including zero asbestos demolitions) other than those conducted at a single family dwelling are subject to the following fee:
  - a. OPERATION FEE:     \$372
  - b. Cancellation:         \$248   of above amount non-refundable for notification processing.
5. Asbestos operations with less than 10 days prior notice (excluding emergencies) are subject to the following additional fee:
  - a. OPERATION FEE:     \$619
6. Asbestos demolition operations for the purpose of fire training are exempt from fees.

*(Amended 9/5/90, 1/5/94, 8/20/97, 10/7/98, 7/19/00, 8/1/01, 6/5/02, 7/2/03, 6/2/04, 6/6/07, 5/21/08, 5/20/09, 6/16/10, 6/15/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16,6/5/19)*

**SCHEDULE M**  
**MAJOR STATIONARY SOURCE FEES**  
(Adopted June 6, 1990)

For each major stationary source emitting 50 tons per year or more of Organic Compounds, Sulfur Oxides, Nitrogen Oxides, and/or PM<sub>10</sub>, the fee shall be based on the following:

	1.	Organic Compounds	<del>\$154.50</del> <u>159.60</u> per ton
	2.	Sulfur Oxides	<del>\$154.50</del> <u>159.60</u> per ton
	3.	Nitrogen Oxides	<del>\$154.50</del> <u>159.60</u> per ton
	4.	PM <sub>10</sub>	<del>\$154.50</del> <u>159.60</u> per ton

Emissions calculated by the APCO shall be based on the data reported for the most recent 12-month period prior to billing. In calculating the fee amount, emissions of Organic Compounds, Sulfur Oxides, Nitrogen Oxides, or PM<sub>10</sub>, if occurring in an amount less than 50 tons per year, shall not be counted.

(Amended 7/3/91, 6/15/94, 7/1/98, 5/9/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)

**SCHEDULE N**  
**TOXIC INVENTORY FEES**  
(Adopted October 21, 1992)

For each stationary source emitting substances covered by California Health and Safety Code Section 44300 *et seq.*, the Air Toxics "Hot Spots" Information and Assessment Act of 1987, which have trigger levels listed in Table 2-5-1, a fee based on the weighted emissions of the facility shall be assessed based on the following formulas:

1. A fee of \$7.44 for each gasoline product dispensing nozzle in a Gasoline Dispensing Facility;  
or
2. A fee calculated by multiplying the facility's weighted toxic inventory ( $w_i$ ) by the following factor:

Air Toxic Inventory Fee Factor	\$1.13 per weighted pound per year
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Using the last reported data, the facility's weighted toxic inventory ( $w_i$ ) is calculated as a sum of the individual TAC emissions multiplied by either the inhalation cancer potency factor for the TAC (see Regulation 2, Rule 5, Table 2-5-1, column 10) times 28.6 if the emission is a carcinogen, or by the reciprocal of the chronic inhalation reference exposure level for the TAC (see Regulation 2, Rule 5, Table 2-5-1, column 8) if the emission is not a carcinogen.

*(Amended 12/15/93, 6/15/05, 5/2/07, 6/16/10, 5/4/11, 6/4/14, 6/3/15, 6/15/16, 6/6/18, 6/5/19, 6/3/20, 6/16/21, 6/15/22, 6/7/23)*

**SCHEDULE P**  
**MAJOR FACILITY REVIEW FEES**  
(Adopted November 3, 1993)

1. MFR / SYNTHETIC MINOR ANNUAL FEES

Each facility, which is required to undergo major facility review in accordance with the requirements of Regulation 2, Rule 6, shall pay annual fees (1a and 1b below) for each source holding a District Permit to Operate. These fees shall be in addition to and shall be paid in conjunction with the annual renewal fees paid by the facility. However, these MFR permit fees shall not be included in the basis to calculate Alternative Emission Control Plan (bubble) or toxic air contaminant surcharges. If a major facility applies for and obtains a synthetic minor operating permit, the requirement to pay the fees in 1a and 1b shall terminate as of the date the APCO issues the synthetic minor operating permit.

- a. MFR SOURCE FEE ..... ~~\$1,1371,308~~ per source
- b. MFR EMISSIONS FEE..... ~~\$44,7351.44~~ per ton of regulated air pollutants emitted

Each MFR facility and each synthetic minor facility shall pay an annual monitoring fee (1c below) for each pollutant measured by a District-approved continuous emission monitor or a District-approved parametric emission monitoring system.

- c. MFR/SYNTHETIC MINOR MONITORING FEES ~~\$11,36313,067~~ per monitor per pollutant

2. SYNTHETIC MINOR APPLICATION FEES

Each facility that applies for a synthetic minor operating permit or a revision to a synthetic minor operating permit shall pay application fees according to 2a and either 2b (for each source holding a District Permit to Operate) or 2c (for each source affected by the revision). If a major facility applies for a synthetic minor operating permit prior to the date on which it would become subject to the annual major facility review fee described above, the facility shall pay, in addition to the application fee, the equivalent of one year of annual fees for each source holding a District Permit to Operate.

- a. SYNTHETIC MINOR FILING FEE ..... ~~\$1,5831,820~~ per application
- b. SYNTHETIC MINOR INITIAL PERMIT FEE ..... ~~\$1,1371,308~~ per source
- c. SYNTHETIC MINOR REVISION FEE..... ~~\$1,1371,308~~ per source modified

3. MFR APPLICATION FEES

Each facility that applies for or is required to undergo: an initial MFR permit, an amendment to an MFR permit, a minor or significant revision to an MFR permit, a reopening of an MFR permit or a renewal of an MFR permit shall pay, with the application and in addition to any other fees required by this regulation, the MFR filing fee and any applicable fees listed in 3b-h below. The fees in 3b apply to each source in the initial permit. The fees in 3g apply to each source in the renewal permit, The fees in 3d-f apply to each source affected by the revision or reopening.

- a. MFR FILING FEE ..... ~~\$1,5831,820~~ per application
- b. MFR INITIAL PERMIT FEE ..... ~~\$1,5831,820~~ per source
- c. MFR ADMINISTRATIVE AMENDMENT FEE ..... ~~\$448-515~~ per application
- d. MFR MINOR REVISION FEE ..... ~~\$2,2472,584~~ per source modified
- e. MFR SIGNIFICANT REVISION FEE ..... ~~\$4,1894,817~~ per source modified
- f. MFR REOPENING FEE ..... ~~\$1,3741,580~~ per source modified
- g. MFR RENEWAL FEE ..... ~~\$668-768~~ per source

Each facility that requests a permit shield or a revision to a permit shield under the provisions of Regulation 2, Rule 6 shall pay the following fee for each source (or group of sources, if the requirements for these sources are grouped together in a single table in the MFR permit) that is covered by the requested shield. This fee shall be paid in addition to any other applicable fees.

- h. MFR PERMIT SHIELD FEE ..... ~~\$2,3662,721~~ per shielded source or group of sources

4. MFR PUBLIC NOTICE FEES

Each facility that is required to undergo a public notice related to any permit action pursuant to Regulation 2-6 shall pay the following fee upon receipt of a District invoice.

MFR PUBLIC NOTICE FEE ..... Cost of Publication

5. MFR PUBLIC HEARING FEES

If a public hearing is required for any MFR permit action, the facility shall pay the following fees upon receipt of a District invoice.

a. MFR PUBLIC HEARING FEE .... Cost of Public Hearing not to exceed \$~~49,33822,239~~

b. NOTICE OF PUBLIC HEARING FEE ..... Cost of distributing Notice of Public Hearing

6. POTENTIAL TO EMIT DEMONSTRATION FEE

Each facility that makes a potential to emit demonstration under Regulation 2-6-312 in order to avoid the requirement for an MFR permit shall pay the following fee:

a. PTE DEMONSTRATION FEE ..... \$~~270-311~~ per source, not to exceed \$~~26,58430,572~~

*(Amended 6/15/94, 10/8/97, 7/1/98, 5/19/99, 6/7/00, 6/6/01, 5/1/02, 5/21/03, 6/2/04, 6/15/05, 6/7/06, 5/2/07, 5/21/08, 5/20/09, 6/16/10, 5/4/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*

**SCHEDULE Q  
EXCAVATION OF CONTAMINATED SOIL AND  
REMOVAL OF UNDERGROUND STORAGE TANKS  
(ADOPTED JANUARY 5, 1994)**

~~1. Persons excavating contaminated soil or removing underground storage tanks subject to the provisions of Regulation 8, Rule 40, Section 401, 402, 403 or 405 are subject to the following fee:~~

~~a. OPERATION FEE: \_\_\_\_\_ \$168~~

~~(Amended 7/19/00, 8/1/01, 6/5/02, 7/2/03, 6/2/04, 6/6/07, 5/21/08, 5/20/09, 6/16/10, 6/15/11, 6/6/12, 6/4/14, 6/3/15, 6/15/16)~~



**SCHEDULE R  
EQUIPMENT REGISTRATION FEES**

1. Persons operating commercial cooking equipment who are required to register equipment as required by District rules are subject to the following fees:
  - a. Conveyorized Charbroiler REGISTRATION FEE: \$744 per facility
  - b. Conveyorized Charbroiler ANNUAL RENEWAL FEE: \$209 per facility
  - c. Under-fired Charbroiler REGISTRATION FEE: \$744 per facility
  - d. Under-fired Charbroiler ANNUAL RENEWAL FEE: \$209 per facility
  
2. Persons operating non-halogenated dry cleaning equipment who are required to register equipment as required by District rules are subject to the following fees:
  - a. Dry Cleaning Machine REGISTRATION FEE: \$371
  - b. Dry Cleaning Machine ANNUAL RENEWAL FEE: \$259
  
3. Persons operating diesel engines who are required to register equipment as required by District or State rules are subject to the following fees:
  - a. Diesel Engine REGISTRATION FEE: \$250
  - b. Diesel Engine ANNUAL RENEWAL FEE: \$166
  - c. Diesel Engine ALTERNATIVE COMPLIANCE PLAN FEE (for each plan submitted under District Regulation 11-17-402): \$250
  
4. Persons operating boilers, steam generators and process heaters who are required to register equipment by District Regulation 9-7-404 are subject to the following fees:
  - a. REGISTRATION FEE \$137 per device
  - b. ANNUAL RENEWAL FEE: \$115 per device
  
5. Persons owning or operating graphic arts operations who are required to register equipment by District Regulation 8-20-408 are subject to the following fees:
  - a. REGISTRATION FEE: \$446
  - b. ANNUAL RENEWAL FEE: \$278
  
6. Persons owning or operating mobile refinishing operations who are required to register by District Regulation 8-45-4 are subject to the following fees:
  - a. REGISTRATION FEE \$209
  - b. ANNUAL RENEWAL FEE \$123

*(Adopted 7/6/07, Amended 12/5/07, 5/21/08, 7/30/08, 11/19/08, 12/3/08, 5/20/09, 6/16/10, 6/15/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18)*

**SCHEDULE S  
NATURALLY OCCURRING ASBESTOS OPERATIONS**

1. ASBESTOS DUST MITIGATION PLAN INITIAL REVIEW AND AMENDMENT FEES:

Any person submitting an Asbestos Dust Mitigation Plan (ADMP) for initial review of a Naturally Occurring Asbestos (NOA) project shall pay the following fee (including NOA Discovery Notifications which would trigger an ADMP review): \$9661,111

Any person submitting a request to amend an existing ADMP shall pay the following fee: \$495569

2. AIR MONITORING PROCESSING FEE:

NOA projects requiring an Air Monitoring component as part of the ADMP approval are subject to the following fee in addition to the ADMP fee: \$7,4528,570

3. GEOLOGIC EVALUATION FEE:

Any person submitting a Geologic Evaluation for exemption from Section 93105 shall pay the following fee: \$3,6804,232

4. INSPECTION FEES:

a. The owner of any property for which an ADMP is required shall pay fees to cover the costs incurred by the District in conducting inspections to determine compliance with the ADMP on an ongoing basis. Inspection fees shall be invoiced by the District on a quarterly basis, and at the conclusion of dust generating activities covered under the ADMP, based on the actual time spent in conducting such inspections, and the following time and materials rate: \$206-213 per hour

b. The owner of any property for which Geologic Evaluation is required shall pay fees to cover the costs incurred by the District. Inspection fees shall be invoiced by the District, based on the actual time spent in conducting such inspections, and the following time and materials rate: \$206-213 per hour

*(Adopted 6/6/07; Amended 5/21/08, 5/20/09, 6/16/10, 6/15/11, 6/6/12, 6/19/13, 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/16/21, 6/15/22, 6/7/23, TBD)*

**SCHEDULE T  
GREENHOUSE GAS FEES**

For each permitted facility emitting greenhouse gases, the fee shall be based on the following:

1. Carbon Dioxide Equivalent (CDE) Emissions \$0.174 per metric ton

Emissions calculated by the APCO shall be based on the data reported for the most recent 12-month period prior to billing. The annual emissions of each greenhouse gas (GHG) listed below shall be determined by the APCO for each permitted (i.e., non-exempt) source. For each emitted GHG, the CDE emissions shall be determined by multiplying the annual GHG emissions by the applicable Global Warming Potential (GWP) value. The GHG fee for each facility shall be based on the sum of the CDE emissions for all GHGs emitted by the facility, except that no fee shall be assessed for emissions of biogenic carbon dioxide.

**Global Warming Potential Relative to Carbon Dioxide\***

GHG	CAS Registry Number	GWP**
Carbon Dioxide	124-38-9	1
Methane	74-82-8	34
Nitrous Oxide	10024-97-2	298
Nitrogen Trifluoride	7783-54-2	17,885
Sulfur Hexafluoride	2551-62-4	26,087
HCFC-22	75-45-6	2,106
HCFC-123	306-83-2	96
HCFC-124	2837-89-0	635
HCFC-141b	1717-00-6	938
HCFC-142b	75-68-3	2,345
HCFC-225ca	422-56-0	155
HCFC-225cb	507-55-1	633
HFC-23	75-46-7	13,856
HFC-32	75-10-5	817
HFC-125	354-33-6	3,691
HFC-134a	811-97-2	1,549
HFC-143a	420-46-2	5,508
HFC-152a	75-37-6	167
HFC-227ea	431-89-0	3,860
HFC-236fa	690-39-1	8,998
HFC-245fa	460-73-1	1,032
HFC-365mfc	406-58-6	966
HFC-43-10-mee	138495-42-8	1,952
PFC-14	75-73-0	7,349
PFC-116	76-16-4	12,340
PFC-218	76-19-7	9,878
PFC-318	115-25-3	10,592

\* Source: Myhre, G., et al., 2013: Anthropogenic and Natural Radiative Forcing (and Supplementary Material). In: Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change [Stocker, T.F., et al. (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA. Available from [www.ipcc.ch](http://www.ipcc.ch).

\*\* GWPs compare the integrated radiative forcing over a specified period (i.e.100 years) from a unit mass pulse emission to compare the potential climate change associated with emissions of different GHGs. GWPs listed include climate-carbon feedbacks.

**SCHEDULE V  
OPEN BURNING**

1. Any prior notification required by Regulation 5, Section 406 is subject to the following fee:
  - a. OPERATION FEE: \$199
  - b. The operation fee paid as part of providing notification to the District prior to burning will be determined for each property, as defined in Regulation 5, Section 217, and will be valid for one year from the fee payment date when a given fire is allowed, as specified in Regulation 5, Section 401 for the following fires:

<b>Regulation 5 Section – Fire</b>	<b>Burn Period</b>
401.1 - Disease and Pest	January 1 – December 31
401.2 - Crop Replacement <sup>1</sup>	October 1 – April 30
401.3 - Orchard Pruning and Attrition <sup>2</sup>	November 1 – April 30
401.4 - Double Cropping Stubble	June 1 – August 31
401.6 - Hazardous Material <sup>1</sup>	January 1 – December 31
401.7 - Fire Training	January 1 – December 31
401.8 - Flood Debris	October 1 – May 31
401.9 - Irrigation Ditches	January 1 – December 31
401.10 - Flood Control	January 1 – December 31
401.11 - Range Management <sup>1</sup>	July 1 – April 30
401.12 - Forest Management <sup>1</sup>	November 1 – April 30
401.14 - Contraband	January 1 – December 31

<sup>1</sup> Any Forest Management fire, Range Management fire, Hazardous Material fire not related to Public Resources Code 4291, or any Crop Replacement fire for the purpose of establishing an agricultural crop on previously uncultivated land, that is expected to exceed 10 acres in size or burn piled vegetation cleared or generated from more than 10 acres is defined in Regulation 5, Section 213 as a type of Prescribed Burning and, as such, is subject to the Prescribed Burning operation fee in Section 3 below.

<sup>2</sup> Upon the determination of the APCO that heavy winter rainfall has prevented this type of burning, the burn period may be extended to no later than June 30.

- c. Any person who provided notification required under Regulation 5, Section 406, who seeks to burn an amount of material greater than the amount listed in that initial notification, shall provide a subsequent notification to the District under Regulation 5, Section 406 and shall pay an additional open burning operation fee prior to burning.
2. Any Marsh Management fire conducted pursuant to Regulation 5, Section 401.13 is subject to the following fee, which will be determined for each property by the proposed acreage to be burned:
  - a. OPERATION FEE: \$744,821 for 50 acres or less  
\$974,117 for more than 50 acres but less than or equal to 150 acres  
\$1,224,408 for more than 150 acres
  - b. The operation fee paid for a Marsh Management fire will be valid for a Fall or Spring burning period, as specified in Regulation 5, Subsection 401.13. Any burning subsequent to either of these time periods shall be subject to an additional open burning operation fee.
3. Any Wildland Vegetation Management fire (Prescribed Burning) conducted pursuant to Regulation 5, Section 401.15 is subject to the following fee, which will be determined for each prescribed burning project by the proposed acreage to be burned:
  - a. OPERATION FEE: \$796 for 50 acres or less  
 \$1,079 for more than 50 acres but less than or equal to 150 acres

\$1,404 for more than 150 acres

- b. The operation fee paid for a prescribed burn project will be valid for the burn project approval period, as determined by the District. Any burning subsequent to this time period shall be subject to an additional open burning operation fee.
- 4. Any Filmmaking fire conducted pursuant to Regulation 5, Section 401.16 and any Public Exhibition fire conducted pursuant to Regulation 5, Section 401.17 is subject to the following fee:
  - a. OPERATION FEE: \$1,029
  - b. The operation fee paid for a Filmmaking or Public Exhibition fire will be valid for the burn project approval period, as determined by the District. Any burning subsequent to this time period shall be subject to an additional open burning operation fee.
- 5. Any Stubble fire conducted pursuant to Regulation 5, Section 401.5 that requires a person to receive an acreage burning allocation prior to ignition is subject to the following fee, which will be determined for each property by the proposed acreage to be burned:
  - a. OPERATION FEE: \$509 for 25 acres or less  
\$714 for more than 25 acres but less than or equal to 75 acres  
\$867 for more than 75 acres but less than or equal to 150 acres  
\$1,021 for more than 150 acres
  - b. The operation fee paid for a Stubble fire will be valid for one burn period, which is the time period beginning September 1 and ending December 31, each calendar year. Any burning subsequent to this time period shall be subject to an additional open burning operation fee.
- 6. All fees paid pursuant to Schedule V are non-refundable.
- 7. All fees required pursuant to Schedule V must be paid before conducting a fire.

*(Adopted 6/19/13; Amended 6/4/14, 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19, 6/3/20, 6/16/21, 6/15/22, 6/7/23)*

**SCHEDULE W  
REFINING EMISSIONS TRACKING FEES**

1. ANNUAL EMISSIONS INVENTORIES:

Any Refinery owner/operator required to submit an Annual Emissions Inventory Report in accordance with Regulation 12, Rule 15, Section 401 shall pay the following fees:

- a. Initial submittal: \$89,518,102,946
- b. Each subsequent annual submittal: \$44,760,514,474

Any Support Facility owner/operator required to submit an Annual Emissions Inventory Report in accordance with Regulation 12, Rule 15, Section 401 shall pay the following fees:

- a. Initial submittal: \$5,472,293
- b. Each subsequent annual submittal: \$2,736,146

2. AIR MONITORING PLANS:

Any person required to submit an air monitoring plan in accordance with Regulation 12, Rule 15, Section 403 shall pay a one-time fee of \$12,433,14,298.

*(Adopted 6/15/16; Amended 6/5/19, 6/16/21, 11/3/21, 6/15/22, 6/7/23, TBD)*

**SCHEDULE X  
MAJOR STATIONARY SOURCE COMMUNITY AIR MONITORING FEES**

For each major stationary source, emitting 35 tons per year or more of Organic Compounds, Sulfur Oxides, Nitrogen Oxides, Carbon Monoxide and/or PM<sub>10</sub> within the vicinity of a District proposed community air monitoring location, the fee shall be based on the following:

1.	Organic Compounds	\$60.61 per ton
2.	Sulfur Oxides	\$60.61 per ton
3.	Nitrogen Oxides	\$60.61 per ton
4.	Carbon Monoxide	\$60.61 per ton
5.	PM <sub>10</sub>	\$60.61 per ton

Emissions calculated by the APCO shall be based on the data reported for the most recent 12-month period prior to billing. In calculating the fee amount, emissions of Organic Compounds, Sulfur Oxides, Nitrogen Oxides, Carbon Monoxide, or PM<sub>10</sub>, if occurring in an amount less than 35 tons per year, shall not be counted.

*(Adopted: 6/15/16; Amended: 6/21/17)*



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## **2024 COST RECOVERY REPORT**

Prepared by the staff of the  
Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, CA

Released: March 2024  
Updated May 2024



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## **Executive Summary**

The 2024 Cost Recovery Report includes the latest fee-related cost and revenue data gathered for the previous three fiscal years, July 1, 2021, to June 30, 2023. The results are used to prepare the Fiscal Year Ending (FYE) 2025 budget, and for evaluating potential amendments to the Air District's Regulation 3: Fees.

The completed cost recovery analysis indicates that in FYE 2023 there continued to be a revenue shortfall, as overall direct and indirect costs of regulatory programs exceeded fee revenue (see Figure 2).

The Air District is recovering approximately 87% of its fee-related activity costs (see Figure 5). The overall magnitude of this cost recovery gap was determined to be approximately \$5.1 million. This cost recovery gap was filled using General Fund revenue received by the Air District from the counties' property tax revenue. The Air District uses the three-year averages in evaluating proposed amendments to Regulation 3, Fees at the fee schedule level because longer averaging periods are less sensitive to year-to-year variations in activity levels that occur due to economic or market variations and regulatory program changes affecting various source categories.

The analysis also addressed fee-equity issues by analyzing whether there is a revenue shortfall at the individual Fee Schedule level. For the 3-year period, twenty-two (22) fee schedules for which cost recovery could be analyzed, six (6) of the component fee schedules had fee revenue contributions exceeding total cost.

Cost recovery is not a static target because the analysis is impacted by many factors on the revenue and expenses side. Personnel costs in fee-based programs have a heavy influence in overall cost recovery and cost recovery of specific fee schedules. In addition, the analysis does not account for future work/needs or address the health of any program.

## **Background**

The Air District is responsible for protecting public health and the environment by achieving and maintaining health-based national and state ambient air quality standards, and reducing public exposure to toxic air contaminants, in the nine-county Bay Area region. Fulfilling this task involves reducing air pollutant emissions from sources of regulated air pollutants and maintaining these emission reductions over time. In accordance with State law, the Air District's primary regulatory focus is on stationary sources of air pollution.

The Air District has defined units for organizational purposes (known as "Programs") to encompass activities which are either dedicated to mission-critical "direct" functions, such as permitting, rule-making, compliance assurance, sampling and testing, grant distribution, etc., or are primarily dedicated to support and administrative "indirect" functions. The Air District has also defined revenue source categories for time billing purposes (known as "Billing Codes") for all activities, i.e., the permit fee schedules, grant revenue sources, and general support activities.

The Air District's air quality regulatory activities are primarily funded by revenue from regulatory fees, government grants and subventions, and county property taxes. Between

1955 and 1970, the Air District was funded entirely through property taxes. In 1970, the California Air Resources Board (CARB) and U.S. Environmental Protection Agency began providing grant funding to the Air District. After the passage of Proposition 13, the Air District qualified as a “special district” and became eligible for funding from the property tax allocation system commonly referred to as “AB 8”, which currently make up the county revenue portion of the budget.

State law authorizes the Air District to impose a schedule of fees to generate revenue to recover the costs of activities related to implementing and enforcing air quality programs. On a regular basis, the Air District has considered whether these fees result in the collection of a sufficient and appropriate amount of revenue in comparison to the cost of related program activities.

In 1999, a comprehensive review of the Air District’s fee structure and revenue was completed by the firm KPMG Peat Marwick LLP (*Bay Area Air Quality Management District Cost Recovery Study, Final Report: Phase One – Evaluation of Fee Revenues and Activity Costs; February 16, 1999*). The Study recommended an activity-based costing model, which has been implemented. As a result of that Study, the Air District implemented a time-keeping system. These changes improved the Air District’s ability to track costs by program activities. The 1999 Cost Recovery Study indicated that fee revenue did not offset the full costs of program activities associated with sources subject to fees as authorized by State law. Property tax revenue (and in some years, fund balances) have been used to close this gap.

In 2004, the Air District’s Board of Directors approved funding for an updated Cost Recovery Study that was conducted by the accounting/consulting firm Stonefield Josephson, Inc. (*Bay Area Air Quality Management District Cost Recovery Study, Final Report; March 30, 2005*). This Cost Recovery Study analyzed data collected during the three-year period FYE 2002 through FYE 2004. It compared the Air District’s costs of program activities to the associated fee revenues and analyzed how these costs are apportioned amongst the fee-payers. The Study indicated that a significant cost recovery gap existed. The results of this 2005 report and subsequent internal cost recovery studies have been used by the Air District in its budgeting process, and to set various fee schedules.

In March 2011, another study was completed by Matrix Consulting Group (*Cost Recovery and Containment Study, Bay Area Air Quality Management District, Final Report; March 9, 2011*). The purpose of this Cost Recovery and Containment Study was to provide the Air District with guidance and opportunities for improvement regarding its organization, operation, and cost recovery/allocation practices. A Cost Allocation Plan was developed and implemented utilizing FYE 2010 expenditures. This Study indicated that overall, the Air District continued to under-recover the costs associated with its fee-related services. To reduce the cost recovery gap, further fee increases were recommended for adoption over a period of time in accordance with a Cost Recovery Policy to be adopted by the Air District’s Board of Directors. Also, Matrix Consulting Group reviewed and discussed the design and implementation of the new Production System which provides opportunities for increased efficiency and accuracy when fully developed.

Air District staff initiated a process to develop a Cost Recovery Policy in May 2011, and a Stakeholder Advisory Group was convened to provide input in this regard. A Cost Recovery

Policy was adopted by the Air District's Board of Directors on March 7, 2012. This policy specifies that the Air District should amend its fee regulation, in conjunction with the adoption of budgets for Fiscal Year Ending (FYE) 2014 through FYE 2018, in a manner sufficient to increase overall recovery of regulatory program activity costs to at least 85%. The policy also indicates that amendments to specific fee schedules should continue to be made in consideration of cost recovery analyses conducted at the fee schedule-level, with larger increases being adopted for the schedules that have the larger cost recovery gaps.

In February 2018, Matrix Consulting Group (Matrix) completed an update of the 2011 cost recovery and containment study for the fiscal year that ended June 30, 2017. The primary purpose of this Study was to evaluate the indirect overhead costs associated with the Air District and the cost recovery associated with the fees charged by the Air District. The project team evaluated the Air District's FYE 2017 Programs to assess their classification as "direct" or "indirect". In addition, they audited the time tracking data associated with each of the different fee schedules. The Study provided specific recommendations related to direct and indirect cost recovery for the Air District, as well as potential cost efficiencies. The Air District is currently working with Matrix to complete an update of the February 2018 cost recovery and containment study.

In July 2021, the Air District retained the services of the Matrix Consulting Group. The work was prompted by the Board to study the Air District's current indirect costs as well as fee-related cost recovery by fee schedule and continue to look at any cost containment practices. A key goal of this analysis was to determine methods to obtain 100% cost recovery associated with fee-based activities and schedules. The final report was presented to the Budget and Finance Committee on April 27, 2022. The proposed policy was developed using the 2022 Matrix study findings and comments from the Board meetings. On December 7, 2022, the Board of Directors adopted an amended Cost Recovery and Containment Policy (Consent Item 22) that provides the framework for the Air District to contain costs and to adjust fees in support of its regulatory programs. As provided in Appendix B, the policy has three (3) main elements: 1) Cost Containment, 2) Analysis of Cost Recovery and 3) Cost Recovery Goals. Part 3 provides the strategic framework for the Regulation 3 rule development process that is conducted in parallel with the next fiscal year annual budget.

The Air District has refined its cost recovery analysis of Fee Schedule V (Open Burning) to better define the cost recovery based on burn type. The analysis is provided in Appendix C. In the past, cost recovery for Schedule V was calculated on all costs and revenue related to Open Burning. The Air District's Open Burn Program is comprised of individual Operation Fees based on burn type. Schedule V includes five Open Burning Operation Fees for these burn types - Notifications, Marsh Management, Prescribed Burning, Filmmaking/Public Exhibition, and Stubble. Air District staff refined the cost recovery analysis to examine each individual fee in Schedule V to ensure the costs associated with one burn type would not impact fee payers of another burn type.

This 2024 Cost Recovery Report incorporated the accounting methodologies developed by KPMG in 1999, Stonefield Josephson, Inc. in 2005 and Matrix Consulting Group in 2011. The analysis included the latest cost and revenue data gathered for FYE 2023 (i.e., July 1, 2022 - June 30, 2023). The results will be used as a tool in the preparation of the budget

for FYE 2025, and for evaluating potential amendments to the Air District's Regulation 3: Fees.

## **Legal Authority**

In the post-Prop 13 era, the State Legislature determined that the cost of programs to address air pollution should be borne by the individuals and businesses that cause air pollution through regulatory and service fees. The primary authority for recovering the cost of Air District programs and activities related to stationary sources is given in Section 42311 of the Health and Safety Code (HSC), under which the Air District is authorized to:

- Recover the costs of programs related to permitted stationary sources;
- Recover the costs of programs related to area-wide and indirect sources of emissions which are regulated, but for which permits are not issued;
- Recover the costs of certain hearing board proceedings; and
- Recover the costs related to programs that regulate toxic air contaminants.

The measure of the revenue that may be recovered through stationary source fees is the full cost of all activities related to these sources, including all direct Program costs and a commensurate share of indirect Program costs. Such fees are valid so long as they do not exceed the reasonable cost of the service or regulatory program for which the fee is charged, and are apportioned amongst fee payers such that the costs allocated to each fee-payer bears a fair or reasonable relationship to its burden on, and benefits from, the regulatory system.

Air districts have restrictions in terms of the rate at which permit fees may be increased. Under HSC Section 41512.7, existing fees for authority-to-construct permits or permits to operate cannot be increased by more than 15% in any calendar year.

## **Methodology**

The methodology for determining regulatory program revenue and costs is summarized as follows:

### Revenue

Revenue from Regulation 3 fees during FYE 2023 was assigned to the appropriate Permit Fee Schedules. This is a continued improvement over prior years' process.

### Costs

Costs are expenditures that are characterized as being either direct or indirect. Direct costs can be identified specifically with a particular program activity. Direct costs include wages and benefits, operating expenses, and capital expenditures used in direct support of the particular activities of the Air District (e.g., permit-related activities, grant distribution, etc.).

Indirect costs are those necessary for the general operation of the Air District as a whole. Often referred to as "overhead", these costs include accounting, finance, human resources,

facility costs, information technology, executive management, etc. Indirect costs are allocated to other indirect Programs, using the reciprocal (double-step down) method, before being allocated to direct Programs.

Employee work time is tracked by the ¼ hour using both Program and Billing Code detail. This time-keeping system allows for the capture of all costs allocatable to a revenue source on a level-of-effort basis.

Employee work time is allocated to activities within Programs by billing codes (BC1-BC99), only two of which indicate general support. One of these two general support codes (BC8) is identified with permitting activities of a general nature, not specifically related to a particular Fee Schedule.

Operating and capital expenses are charged through the year to each Program, as incurred. In cost recovery, these expenses, through the Program's Billing Code profile, are allocated on a pro-rata basis to each Program's revenue-related activity. For example, employees working in grant Programs (i.e., Smoking Vehicle, Mobile Source Incentive Fund, etc.) use specific billing codes (i.e., BC3, BC17, etc.). All operating/capital expense charges in those grant Programs are allocated pro-rata to those grant activities. Employees working in permit-related Programs (i.e., Air Toxics, Compliance Assurance, Source Testing, etc.) also use specific permit-related billing codes (i.e., BC8, BC21, BC29, etc.) and all operating/capital expense charges incurred by those Programs are allocated pro-rata to those Program's activity profiles, as defined by the associated billing codes.

Direct costs for permit activities include personnel, operating and capital costs based on employee work time allocated to direct permit-related activities, and to general permit-related support and administrative activities (allocated to Fee Schedules on pro-rata basis). Indirect costs for permit activities include that portion of general support personnel, operating and capital costs allocated pro-rata to permit fee revenue-related program activities.

## **Results**

Appendix A contains the following figures:

- Figure 1: Total Permit Fee Revenue, Costs and Gap for FYE 2023
- Figure 2: Fee Revenue and Program Costs by Fee Schedule, FYE 2023
- Figure 3: Fee Revenue and Program Costs by Fee Schedule, FYE 2022
- Figure 4: Fee Revenue and Program Costs by Fee Schedule, FYE 2021
- Figure 5: Fee Revenue and Program Costs by Fee Schedule, FYE 2021-2023, 3-Year Average

## **Discussion of Results**

Figure 1 indicates that in FYE 2023 there continued to be a revenue shortfall, as the direct and indirect costs of regulatory programs exceeded fee revenue. The overall magnitude of the cost recovery gap was determined to be \$5.1million for FYE 2023. This cost recovery gap was filled by General Fund revenue received by the Air District from the counties.

Figure 2 shows that in FYE 2023 there were revenue shortfalls for most of the twenty-two fee schedules for which cost recovery can be analyzed. For FYE 2023, the Air District is recovering 92.32% of its fee-related activity costs. Collected revenue exceeds Program costs for nine (9) fee schedules:

- Schedule B (Combustion of Fuels),
- Schedule C (Stationary Containers for the Storage of Organic Liquids),
- Schedule D (Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants and Terminals),
- Schedule E (Solvent Evaporating Sources),
- Schedule G-5 (Miscellaneous Sources (e.g., refinery flares),
- Schedule L (Asbestos Operations),
- Schedule N (Toxic Inventory Fees),
- Schedule R (Equipment Registration Fees),
- Schedule T (Greenhouse Gas Fees).

Collected revenue was less than program costs for the following 13 fee schedules:

- Schedule A (Hearing Board),
- Schedule F (Miscellaneous Sources (e.g., storage silos, abrasive blasting)),
- Schedule G-1 (Miscellaneous Sources (e.g., glass manufacturing, soil remediation)),
- Schedule G-2 (Miscellaneous Sources (e.g., asphaltic concrete, furnaces)),
- Schedule G-3 (Miscellaneous Sources (e.g., metal melting, cracking units)),
- Schedule G-4 (Miscellaneous Sources (e.g., cement kilns, sulfur removal and coking units, acid manufacturing)),
- Schedule H (Semiconductor and Related Operations),
- Schedule I (Dry Cleaners),
- Schedule K (Solid Waste Disposal Sites),
- Schedule P (Major Facility Review Fees),
- Schedule S (Naturally Occurring Asbestos Operations),
- Schedule V (Open Burning), and
- Schedule W (Refinery Emissions Tracking).

Figure 5 shows that over a three-year period (FYE 2021 through FYE 2023) there were revenue shortfalls for most of the twenty-two fee schedules for which cost recovery can be analyzed. For this three-year period, the Air District is recovering approximately 87.35% of its fee-related activity costs. Collected revenue exceeds costs for six (6) fee schedules:

- Schedule C (Stationary Containers for the Storage of Organic Liquids),
- Schedule D (Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants and Terminals),
- Schedule L (Asbestos Operations),
- Schedule N (Toxic Inventory Fees),
- Schedule R (Equipment Registration Fees), and
- Schedule T (Greenhouse Gas Fees).

Collected revenue was lower than costs for the following 16 fee schedules:

- Schedule A (Hearing Board),
- Schedule B (Combustion of Fuel),
- Schedule E (Solvent Evaporating Sources),

- Schedule F (Miscellaneous Sources (e.g., storage silos, abrasive blasting)),
- Schedule G-1 (Miscellaneous Sources (e.g., glass manufacturing, soil remediation)),
- Schedule G-2 (Miscellaneous Sources (e.g., asphaltic concrete, furnaces)),
- Schedule G-3 (Miscellaneous Sources (e.g., metal melting, cracking units)),
- Schedule G-4 (Miscellaneous Sources (e.g., cement kilns, sulfur removal and coking units, acid manufacturing)),
- Schedule G-5 (Miscellaneous Sources (e.g., refinery flares)),
- Schedule H (Semiconductor and Related Operations),
- Schedule I (Dry Cleaners),
- Schedule K (Solid Waste Disposal Sites),
- Schedule P (Major Facility Review, Title V),
- Schedule S (Naturally Occurring Asbestos Operations),
- Schedule V (Open Burning), and
- Schedule W (Refinery Emissions Tracking).

The Air District uses the three-year averages shown in Figure 5 in evaluating proposed amendments to Regulation 3, Fees at the fee schedule level because longer averaging periods are less sensitive to year-to-year variations in activity levels that occur due to economic or market variations and regulatory program changes affecting various source categories. Currently, there are no active facilities that are charged Schedule I fees. Unless this schedule is deleted, Schedule I will be maintained with CPI-W adjustments.

## Conclusions

Air District staff has updated the analysis of cost recovery of its regulatory programs based on the methodology established by the accounting firms KPMG in 1999 and Stonefield Josephson, Inc. in 2005 and updated by Matrix Consulting Group in 2011 and in 2018. The analysis shows that fee revenue continues to fall short of recovering activity costs. For FYE 2021 to 2023, the Air District is recovering approximately 87% of its fee-related activity costs, while cost recovery of individual fee schedules continue to lag. The overall magnitude of this cost recovery gap was determined to be approximately \$5.1 million.

To reduce or stabilize expenditures, the Air District has implemented various types of cost containment strategies, including maintaining unfilled positions when feasible and reducing service and supply budgets. In October 2023, all permit activity was transitioned to the Production System. Although all the tools are not fully developed, this allows staff to focus improvements on one system and eliminates the maintenance of the legacy systems. The new platform provides the opportunity for improved tracking, online resources and the reduction of paper processes. In addition, addressing the recommendations from the management audit is currently underway including analyzing the Air District's programs and the use of staff resources for its programs. To reduce the cost recovery gap, further fee increases will need to be evaluated in accordance with the Cost Recovery and Containment Policy adopted by the Board of Directors.

## Discussion of Version History

Change made from the March 2024 report:

- The 2023 revenue for Schedule H was updated, impacting Figures 2 and 5.



## Appendix A: Figures

Figure 1: Total Permit Fee Revenue, Costs and Gap for FYE 2023

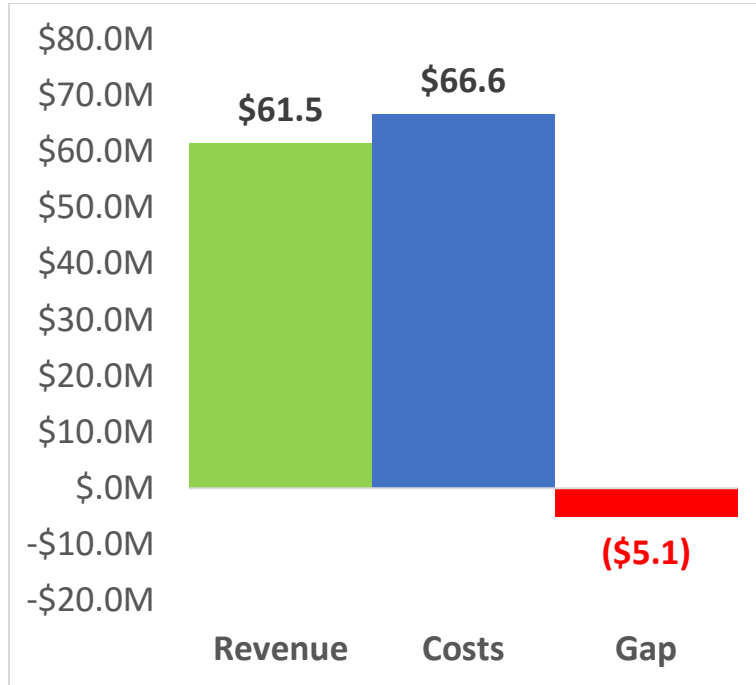


Figure 2: Fee Revenue and Program Costs by Fee Schedule, FYE 2023

Fee Schedule	Direct Cost	Indirect Cost	Total Cost	Application Revenue	Renewal Revenue	Schedule M	Reg 3-312 Bubble	Reg 3-327.1 Renewal Processing	Reg 3-327.2 - AB617 Fee	Reg 3-327.3 - CTR Fee	Reg 3-OBC Fees	Reg 3-311 - Banking	Total Revenue	Surplus/Deficit	Cost Recovery %
FS_A-Hearing Board	58,245	48,153	106,398	-	88,189	-	-	-	-	-	-	-	88,189	(18,209)	82.89%
FS_B-Combustion of Fuel	7,954,468	4,409,588	12,364,056	2,903,864	7,070,984	615,363	122,668	698,822	353,125	487,497	661,906	11,267	12,925,497	561,441	104.54%
FS_C-Storage Organic Liquid	764,222	425,762	1,189,984	349,633	2,124,033	128,393	151,932	39,443	160,237	130,059	299,914	-	3,383,644	2,193,660	284.34%
FS_D	4,785,954	2,694,779	7,480,734	415,044	6,428,000	51,139	78,624	266,717	67,968	313,028	300,658	-	7,921,179	440,445	105.89%
FS_E-Solvent Evaporation	3,103,319	1,758,401	4,861,721	1,495,704	2,809,262	123,696	56,643	203,905	52,152	132,762	176,044	-	5,050,168	188,448	103.88%
FS_F-Misc.	3,920,128	2,110,340	6,030,468	699,619	1,890,494	158,404	97,420	161,769	199,321	254,147	353,377	-	3,814,551	(2,215,917)	63.25%
FS_G1-Misc.	3,983,160	2,226,979	6,210,140	776,367	3,065,797	172,890	101,175	48,222	96,698	120,650	188,124	-	4,569,924	(1,640,216)	73.59%
FS_G2-Misc.	1,775,063	962,494	2,737,557	115,038	907,926	63,714	85,142	9,251	57,522	45,256	114,314	-	1,398,162	(1,339,395)	51.07%
FS_G3-Misc.	1,063,595	610,555	1,674,150	-	830,413	47,707	81,729	804	53,440	27,765	97,962	-	1,139,819	(534,331)	68.08%
FS_G4-Misc.	1,957,649	1,113,819	3,071,468	351,103	1,592,061	343,956	73,910	698	48,096	25,412	68,944	-	2,504,180	(567,288)	81.53%
FS_G5-Misc.	723,907	427,423	1,151,330	313,351	637,189	59,080	80,949	507	51,002	25,442	87,974	-	1,255,494	104,164	109.05%
FS_H-Semiconductor	264,775	146,182	410,957	8,984	147,075	-	-	116	-	39	-	-	156,214	(254,744)	38.01%
FS_I-Drycleaners	1,001	571	1,573	-	-	-	-	-	-	-	-	-	-	(1,573)	0.00%
FS_K-Waste Disposal	1,630,604	938,167	2,568,771	23,949	187,804	151,439	-	3,914	14,874	15,440	10,004	-	407,425	(2,161,346)	15.86%
FS_L-Asbestos	1,469,148	902,938	2,372,086	-	3,632,384	-	-	-	-	-	-	-	3,632,384	1,260,298	153.13%
FS_N-AB 2588	674,420	343,061	1,017,481	-	1,512,315	-	-	-	-	-	-	-	1,512,315	494,834	148.63%
FS_P-Title V	5,738,170	3,338,274	9,076,444	708,673	6,752,033	-	-	-	-	-	-	-	7,460,706	(1,615,738)	82.20%
FS_R-Registration	99,852	62,962	162,814	4,615	281,945	590	-	31,725	20,079	33,231	65,728	-	437,913	275,099	268.96%
FS_S-NatOccAsbBillable	644,183	377,204	1,021,387	-	120,681	-	-	-	-	-	-	-	120,681	(900,707)	11.82%
FS_T-GHG	1,181,743	577,271	1,759,014	-	3,339,911	-	-	-	-	-	-	-	3,339,911	1,580,897	189.87%
FS_V-Open Burning	268,801	180,486	449,287	-	299,792	-	-	-	-	-	-	-	299,792	(149,495)	66.73%
FS_W-PetroleumRefiningEmissionsReport	550,033	318,109	868,141	-	201,747	-	-	-	-	-	-	-	201,747	(666,394)	23.24%
<b>2023 SUM</b>	<b>42,612,440</b>	<b>23,973,520</b>	<b>66,585,961</b>	<b>8,165,944</b>	<b>43,920,034</b>	<b>1,916,372</b>	<b>930,193</b>	<b>1,465,893</b>	<b>1,174,512</b>	<b>1,610,728</b>	<b>2,424,949</b>	<b>11,267</b>	<b>61,619,893</b>	<b>(4,966,067)</b>	<b>92.54%</b>

Figure 3: Fee Revenue and Program Costs by Fee Schedule, FYE 2022

Fee Schedule	Direct Cost	Indirect Cost	Total Cost	Application Revenue	Renewal Revenue	Schedule M	Reg 3-312 Bubble	Reg 3-327.1 Renewal Processing	Reg 3-327.2 - AB617 Fee	Reg 3-327.3 - CTR Fee	Reg 3- OBC Fees	Reg 3-311 - Banking	Total Revenue	Surplus/ Deficit	Cost Recovery %
FS_A-Hearing Board	33,970	41,433	75,403	-	353	-	-	-	-	-	-	-	353	(75,050)	0.47%
FS_B-Combustion of Fuel	7,893,556	4,068,298	11,961,854	1,952,715	6,840,470	582,023	236,655	776,362	326,505	400,120	2,018	5,676	11,122,543	(839,312)	92.98%
FS_C-Storage Organic Liquid	1,106,057	551,981	1,658,038	341,256	2,100,841	126,595	201,110	33,663	155,117	119,216	-	-	3,077,798	1,419,760	185.63%
FS_D	4,632,049	2,399,869	7,031,918	357,464	6,505,991	33,749	47,173	245,143	40,327	257,453	-	-	7,487,300	455,382	106.48%
FS_E-Solvent Evaporation	2,470,406	1,332,906	3,803,313	505,868	2,534,082	83,894	32,040	190,403	46,102	108,305	135	-	3,500,829	(302,484)	92.05%
FS_F-Misc.	3,257,741	1,669,041	4,926,782	439,434	1,745,097	128,754	91,897	138,706	156,310	193,640	-	-	2,893,837	(2,032,945)	58.74%
FS_G1-Misc.	4,040,279	2,153,764	6,194,042	774,120	2,801,883	147,327	92,921	44,144	76,549	95,376	-	-	4,032,320	(2,161,722)	65.10%
FS_G2-Misc.	1,861,747	943,739	2,805,486	285,965	822,711	69,951	60,033	8,263	34,191	30,545	-	-	1,311,659	(1,493,827)	46.75%
FS_G3-Misc.	1,173,780	651,586	1,825,366	185,273	783,710	21,655	54,545	514	31,778	16,693	-	-	1,094,168	(731,198)	59.94%
FS_G4-Misc.	2,268,311	1,210,110	3,478,421	39,841	1,558,636	386,459	52,369	480	34,148	17,736	-	-	2,089,669	(1,388,752)	60.08%
FS_G5-Misc.	716,979	407,625	1,124,604	14,922	666,736	31,708	52,475	274	28,359	13,945	-	-	808,418	(316,186)	71.88%
FS_H-Semiconductor	432,852	224,335	657,186	127,511	114,277	-	-	19,691	-	9,777	-	-	271,256	(385,930)	41.28%
FS_I-Drycleaners	6,754	3,661	10,416	-	562	-	-	102	-	39	-	-	703	(9,713)	6.75%
FS_K-Waste Disposal	1,863,862	1,028,934	2,892,796	18,053	171,133	120,267	-	3,593	10,310	11,070	-	-	334,426	(2,558,370)	11.56%
FS_L-Asbestos	1,470,586	870,737	2,341,323	-	4,179,151	-	-	-	-	-	-	-	4,179,151	1,837,828	178.50%
FS_N-AB 2588	428,326	213,177	641,503	-	1,604,232	-	-	-	-	-	-	-	1,604,232	962,729	250.07%
FS_P-Title V	4,383,740	2,444,817	6,828,557	613,524	6,050,636	-	-	-	-	-	-	-	6,664,160	(164,397)	97.59%
FS_R-Registration	159,439	98,222	257,661	5,780	325,587	521	-	27,965	14,441	23,529	-	-	397,823	140,163	154.40%
FS_S-NatOccAsbBillable	432,514	244,994	677,508	-	139,486	-	-	-	-	-	-	-	139,486	(538,023)	20.59%
FS_T-GHG	1,786,972	815,414	2,602,387	-	2,966,045	-	-	-	-	-	-	-	2,966,045	363,658	113.97%
FS_V-Open Burning	486,632	311,070	797,702	-	248,007	-	-	-	-	-	-	-	248,007	(549,695)	31.09%
FS_W-PetroleumRefiningEmissionsReport	452,923	264,366	717,289	-	175,432	-	-	-	-	-	-	-	175,432	(541,857)	24.46%
<b>2022 SUM</b>	<b>41,359,475</b>	<b>21,950,080</b>	<b>63,309,555</b>	<b>5,661,726</b>	<b>42,335,059</b>	<b>1,732,903</b>	<b>921,216</b>	<b>1,489,302</b>	<b>954,137</b>	<b>1,297,444</b>	<b>2,153</b>	<b>5,676</b>	<b>54,399,616</b>	<b>(8,909,938)</b>	<b>85.93%</b>

Figure 4: Fee Revenue and Program Costs by Fee Schedule, FYE 2021

Fee Schedule	Direct Cost	Indirect Cost	Total Cost	Application Revenue	Renewal Revenue	Schedule M	Reg 3-312 Bubble	Reg 3-327.1 Renewal Processing	Reg 3-327.2 - AB617 Fee	Reg 3-327.3 - CTR Fee	Reg 3- OBC Fees	Reg 3-311 - Banking	Total Revenue	Surplus/ Deficit	Cost Recovery %
FS_A-Hearing Board	56,402	26,852	83,254	-	14,318	-	-	-	-	-	-	-	14,318	(68,936)	17.20%
FS_B-Combustion of Fuel	7,726,960	3,916,462	11,643,422	2,413,951	6,231,693	675,657	185,643	478,794	258,497	-	-	7,620	10,251,855	(1,391,567)	88.05%
FS_C-Storage Organic Liquid	1,068,686	517,654	1,586,341	266,955	2,158,839	141,097	164,370	33,347	117,138	-	-	-	2,881,746	1,295,405	181.66%
FS_D	4,245,809	2,261,320	6,507,130	437,768	6,450,788	47,035	59,251	240,285	47,495	-	-	-	7,282,623	775,493	111.92%
FS_E-Solvent Evaporation	2,163,333	1,149,365	3,312,699	389,358	2,421,367	68,961	38,453	194,272	29,561	-	-	-	3,141,973	(170,726)	94.85%
FS_F-Misc.	3,374,077	1,669,249	5,043,326	517,048	1,681,546	151,028	87,616	139,464	160,529	-	-	-	2,737,231	(2,306,094)	54.27%
FS_G1-Misc.	3,944,152	2,069,514	6,013,666	726,271	2,443,232	148,630	91,132	42,963	79,901	-	-	-	3,532,130	(2,481,536)	58.74%
FS_G2-Misc.	1,482,840	796,078	2,278,917	317,512	710,793	35,490	67,996	7,754	39,801	-	-	-	1,179,345	(1,099,572)	51.75%
FS_G3-Misc.	985,122	564,659	1,549,781	22,383	709,443	24,454	63,793	596	37,938	-	-	-	858,606	(691,175)	55.40%
FS_G4-Misc.	2,097,031	1,072,688	3,169,719	192,645	1,353,758	617,392	62,646	558	41,136	-	-	-	2,268,137	(901,583)	71.56%
FS_G5-Misc.	545,053	300,611	845,664	74,087	674,547	34,567	62,482	349	35,734	-	-	-	881,766	36,102	104.27%
FS_H-Semiconductor	221,204	114,783	335,987	53,182	138,344	-	-	4,738	-	-	-	-	196,264	(139,723)	58.41%
FS_I-Drycleaners	11,530	6,832	18,362	-	2,146	-	-	200	-	-	-	-	2,346	(16,016)	12.78%
FS_K-Waste Disposal	1,983,563	1,112,198	3,095,762	41,550	165,811	107,226	-	3,896	10,547	-	-	-	329,030	(2,766,732)	10.63%
FS_L-Asbestos	1,546,351	984,848	2,531,200	-	3,989,403	-	-	-	-	-	-	-	3,989,403	1,458,203	157.61%
FS_N-AB 2588	1,194,223	566,983	1,761,206	-	1,972,317	-	-	-	-	-	-	-	1,972,317	211,111	111.99%
FS_P-Title V	3,631,018	2,024,791	5,655,809	372,216	5,815,966	-	-	-	-	-	-	-	6,188,182	532,374	109.41%
FS_R-Registration	79,494	45,021	124,515	5,418	280,300	2,136	-	20,203	8,464	-	-	-	316,521	192,006	254.20%
FS_S-NatOccAsbBillable	387,951	212,513	600,464	-	105,251	-	-	-	-	-	-	-	105,251	(495,213)	17.53%
FS_T-GHG	2,077,606	940,313	3,017,920	-	2,890,490	-	-	-	-	-	-	-	2,890,490	(127,430)	95.78%
FS_V-Open Burning	435,117	249,263	684,380	-	212,252	-	-	-	-	-	-	-	212,252	(472,128)	31.01%
FS_W-PetroleumRefiningEmissionsReport	1,149,167	569,104	1,718,271	-	152,547	-	-	-	-	-	-	-	152,547	(1,565,724)	8.88%
<b>2021 SUM</b>	<b>40,406,691</b>	<b>21,171,102</b>	<b>61,577,793</b>	<b>5,830,345</b>	<b>40,575,152</b>	<b>2,053,673</b>	<b>883,383</b>	<b>1,167,419</b>	<b>866,741</b>			<b>7,620</b>	<b>51,384,333</b>	<b>(10,193,460)</b>	<b>83.45%</b>

Figure 5: Fee Revenue and Program Costs by Fee Schedule, FYE 2021-2023, 3-Year Average

Fee Schedule	Direct Cost	Indirect Cost	Total Cost	Application Revenue	Renewal Revenue	Schedule M	Reg 3-312 Bubble	Reg 3-327.1 Renewal Processing	Reg 3-327.2 - AB617 Fee	Reg 3-327.3 - CTR Fee	Reg 3- OBC Fees	Reg 3-311 - Banking	Total Revenue	Surplus/Deficit	Cost Recovery %
FS_A-Hearing Board	49,539	38,813	88,352	-	34,287	-	-	-	-	-	-	-	34,287	(54,065)	38.81%
FS_B-Combustion of Fuel	7,858,328	4,131,450	11,989,777	2,423,510	6,714,382	624,348	181,656	651,326	312,709	443,808	331,962	8,188	11,433,298	(556,479)	95.36%
FS_C-Storage Organic Liquid	979,655	498,466	1,478,121	319,281	2,127,904	132,028	172,470	35,485	144,164	124,637	149,957	-	3,114,396	1,636,275	210.70%
FS_D	4,554,604	2,451,990	7,006,594	403,426	6,461,593	43,974	61,683	250,715	51,930	285,240	150,329	-	7,563,700	557,107	107.95%
FS_E-Solvent Evaporation	2,579,020	1,413,558	3,992,577	796,977	2,588,237	92,184	42,379	196,193	42,605	120,534	88,090	-	3,897,657	(94,921)	97.62%
FS_F-Misc.	3,517,315	1,816,210	5,333,525	552,034	1,772,379	146,062	92,311	146,646	172,053	223,894	176,689	-	3,148,540	(2,184,985)	59.03%
FS_G1-Misc.	3,989,197	2,150,086	6,139,283	758,919	2,770,304	156,282	95,076	45,110	84,383	108,013	94,062	-	4,044,791	(2,094,491)	65.88%
FS_G2-Misc.	1,706,550	900,770	2,607,320	239,505	813,810	56,385	71,057	8,422	43,838	37,900	57,157	-	1,296,389	(1,310,931)	49.72%
FS_G3-Misc.	1,074,166	608,934	1,683,099	69,219	774,522	31,272	66,689	638	41,052	22,229	48,981	-	1,030,865	(652,234)	61.25%
FS_G4-Misc.	2,107,664	1,132,206	3,239,869	194,530	1,501,485	449,269	62,975	578	41,127	21,574	34,472	-	2,287,328	(952,541)	70.60%
FS_G5-Misc.	661,979	378,553	1,040,532	134,120	659,491	41,785	65,302	377	38,365	19,693	43,987	-	981,893	(58,640)	94.36%
FS_H-Semiconductor	306,277	161,767	468,043	63,226	133,232	-	-	8,182	-	4,908	-	-	207,911	(260,132)	44.42%
FS_I-Drycleaners	6,428	3,688	10,117	-	903	-	-	101	-	20	-	-	1,016	(9,100)	10.05%
FS_K-Waste Disposal	1,826,010	1,026,433	2,852,443	27,851	174,916	126,311	-	3,801	11,910	13,255	5,002	-	356,960	(2,495,483)	12.51%
FS_L-Asbestos	1,495,362	919,508	2,414,869	-	3,933,646	-	-	-	-	-	-	-	3,933,646	1,518,777	162.89%
FS_N-AB 2588	765,656	374,407	1,140,063	-	1,696,288	-	-	-	-	-	-	-	1,696,288	556,225	148.79%
FS_P-Title V	4,584,309	2,602,627	7,186,936	564,804	6,206,212	-	-	-	-	-	-	-	6,771,016	(415,920)	94.21%
FS_R-Registration	112,928	68,735	181,663	5,271	295,944	1,082	-	26,631	14,328	28,380	32,864	-	384,086	202,422	211.43%
FS_S-NatOccAsbBillable	488,216	278,237	766,453	-	121,806	-	-	-	-	-	-	-	121,806	(644,648)	15.89%
FS_T-GHG	1,682,107	777,666	2,459,773	-	3,065,482	-	-	-	-	-	-	-	3,065,482	605,709	124.62%
FS_V-Open Burning	396,850	246,940	643,790	-	253,350	-	-	-	-	-	-	-	253,350	(390,439)	39.35%
FS_W-PetroleumRefiningEmissionsReport	717,374	383,859	1,101,234	-	176,575	-	-	-	-	-	-	-	176,575	(924,658)	16.03%
<b>3YrAvg SUM</b>	<b>41,459,535</b>	<b>22,364,901</b>	<b>63,824,436</b>	<b>6,552,672</b>	<b>42,276,748</b>	<b>1,900,983</b>	<b>911,597</b>	<b>1,374,205</b>	<b>998,463</b>	<b>1,454,086</b>	<b>1,213,551</b>	<b>8,188</b>	<b>55,801,281</b>	<b>(8,023,155)</b>	<b>87.43%</b>

# **Appendix B: 2022 Cost Recovery and Containment Policy**

**Adopted December 7, 2022**

## **COST RECOVERY AND CONTAINMENT POLICY FOR BAY AREA AIR QUALITY MANAGEMENT DISTRICT REGULATORY PROGRAMS**

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### **PURPOSE**

WHEREAS, the Air District has the primary authority for the control of air pollution from all sources of air emissions located in the San Francisco Bay Area, other than emissions from motor vehicles, in accordance with the provisions of Health & Safety Code sections 39002 and 40000.

WHEREAS, the Air District is responsible for implementing and enforcing various Air District, State, and federal air quality regulatory requirements that apply to non-vehicular sources.

WHEREAS, the Air District's regulatory programs include but are not limited to permitting and notification programs, compliance and enforcement of permitted and registered facilities, compliance assistance at permitted and registered facilities, source testing and monitoring at permitted facilities, rule development for regulated industries, the development of the emissions inventory for permitted and registered facilities and other permit work at permitted facilities.

WHEREAS, the Air District is authorized to assess fees to regulated entities for the purpose of recovering the reasonable costs of regulatory program activities, and these authorities include those provided for in California Health and Safety Code sections 42311, 42364, and 44380.

WHEREAS, the Air District's fees fall within the categories provided in Section 1(e) of Article XIII C of the California Constitution, which indicates that charges assessed to regulated entities to recover regulatory program activity costs, and charges assessed to cover the cost of conferring a privilege or providing a service, are not taxes.

WHEREAS, the Air District has adopted, and periodically amends, a fee regulation for the purpose of recovering regulatory program activity costs, and this regulation with its various fee schedules, is used to allocate costs to fee payers in a manner which bears a fair or reasonable relationship to the payer's burden on, or benefits received from, regulatory activities.

WHEREAS, the Air District analyzes whether assessed fees result in the collection of sufficient revenue to recover the costs of related program activities; and Air District staff conduct these analyses on an annual basis, with an independent contractor review of these analyses and methodologies -conducted approximately every five years, with the most recent independent study conducted in 2022. Each fee study and cost recovery update completed revealed that District fee revenue falls short of recovering the costs of related program activities.



WHEREAS, the Air District's most recent independent fee report (2022 Cost Recovery Report, Bay Area Air Quality Management District, May 2022) concluded that in Fiscal Year Ending (FYE) 2021, the Air District recovered approximately 83.7 percent of its fee-related activity costs (up from 65 percent in FYE 2011), resulting in an under-recovery of costs (i.e., a cost recovery gap), and a subsidy to fee payers, of approximately \$10.2 million, and that this cost recovery gap resulted despite the implementation of a number of strategies to contain costs.

WHEREAS, the Air District's Board of Directors has recognized since 1999 that the Air District's cost recovery gap has been an issue that needs to be addressed, and since that time has adopted annual fee amendments in order to increase fee revenue.

WHEREAS, the Air District's Board of Directors adopted a policy in 2012 with a goal to increase overall recovery of regulatory program activity costs to 85 percent.

WHEREAS, in addition to fee revenue, the Air District receives revenue from Bay Area counties that is derived from property taxes, and a large portion of this tax revenue has historically been used on an annual basis to fill the cost recovery gap.

WHEREAS, the tax revenue that the Air District receives varies on a year-to-year basis, and cannot necessarily be relied on to fill the cost recovery gap and also cover other Air District operational costs necessitating, in certain years, the use of reserve funds. WHEREAS, tax revenue that the Air District receives, to the extent that it is not needed to fill the cost recovery gap, can be used to fund initiatives or programs that may further the Air District's mission but that lack a dedicated funding source.

WHEREAS, it may be appropriate as a matter of policy to establish specific fee discounts for small businesses, green businesses, or other regulated entities or members of the public, where tax revenue is used to cover a portion of regulatory program activity costs, and the Air District's existing fee regulation contains several fee discounts of this type.

## **POLICY**

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Bay Area Air Quality Management District that:

**(1) Cost Containment** – In order to ensure that the costs of its regulatory programs remain reasonable, the Air District should continue to implement feasible cost containment measures, including the use of appropriate best management practices, without compromising the Air District's effective implementation and enforcement of applicable regulatory requirements. The Air District's annual budget documents should include a summary of cost containment measures that are being implemented.

**(2) Analysis of Cost Recovery** – The Air District should continue to analyze the extent to which fees recover regulatory program activity costs, both on an overall basis, and at the level of individual fee schedules. An independent review of the Air District cost recovery analyses should be periodically completed by a qualified Air District contractor and should be updated on an annual basis by Air District staff using a consistent methodology.

**(3) Cost Recovery Goals** – It is the general policy of the Air District, except as otherwise noted below, that the costs of regulatory program activities be fully recovered by assessing fees to regulated entities. To move towards this goal, the Air District should amend its fee regulation over the next several years, in conjunction with the adoption of the Air District budget, in a manner sufficient to increase overall recovery of regulatory program activity costs to 100 percent. Proposed amendments to specific fee schedules should also be made in consideration of cost recovery analyses conducted at the fee schedule-level, with larger increases being adopted for the schedules that have the larger cost recovery gaps. Proposed fee amendments should include fee-recoverable work that is currently not being charged a fee. As allowed by law, any proposed regulatory measures should also propose new fees or fee amendments that are designed to recover increased regulatory program implementation costs concurrent with rule adoption, unless the Board of Directors determines that a portion of those costs should be covered by tax revenue. Tax revenue should also continue to be used to cover existing fee discounts that the Air District provides (e.g., for small businesses, green businesses, and third-party permit appeals).

BE IT FURTHER RESOLVED that this resolution is non-binding in the case of unforeseen financial circumstances, and may also be reconsidered or updated by the Air District's Board of Directors.

# Appendix C: Fee Schedule V Cost Recovery Analysis

### Schedule V (Open Burning) Analysis

In the past, cost recovery for Schedule V was calculated on all costs and revenue related to Open Burning. The Air District’s Open Burn Program is comprised of individual Operation Fees based on burn type. Schedule V includes five Open Burning Operation Fees for these burn types - Notifications, Marsh Management, Prescribed Burning, Filmmaking/Public Exhibition, and Stubble. Air District staff refined the cost recovery analysis to examine each individual fee in Schedule V to ensure the costs associated with one burn type would not impact fee payers of another burn type.

**FIGURE 1 – Fee Revenue and Program Costs for Individual Open Burn Types, FYE 2023**

Burn Type	Salary	Benefits @ 61.4%	Indirect @ 64%	Total Expense	Revenue	Cost Recovery %
Notification	\$92,446	\$66,356	\$94,674	\$253,476	(\$288,496)	114%
Marsh	\$18,384	\$11,288	\$18,990	\$48,662	(\$3,771)	8%
Prescribed	\$179,006	\$109,910	\$184,906	\$473,821	(\$7,525)	2%
<b>Total</b>	<b>\$289,836</b>	<b>\$187,553</b>	<b>\$298,570</b>	<b>\$775,959</b>	<b>(\$299,792)</b>	<b>39%</b>

Figure 1 shows that collected revenue exceeds costs for Notifications, and there were revenue shortfalls for Marsh Burns and Prescribed Burning.

#### Prescribed Burning

In November 2019, the Air District Board of Directors adopted a Limited Fee Exemption for Public Agencies that waived the Operation Fee for public agencies conducting prescribed burns. In 2023, approximately 90% of prescribed burn projects were conducted by public agencies. Given the Limited Fee Exemption, the Prescribed Burning Program cannot be fully funded through its Operation Fee. Prescribed Burning will be changed to “No Revenue Source” in the Cost Recovery process.

#### Filmmaking/Public Exhibition and Stubble fires

In FYE 2023, there were no costs or revenue associated with these two Operation Fees.

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

### RESOLUTION No. 2024 – XXXX

#### **A Resolution of the Board of Directors of the Bay Area Air Quality Management District Amending Regulation 3 (Fees)**

WHEREAS, a public hearing has been properly noticed in accordance with the provisions of Health & Safety Code sections 40725;

WHEREAS, in 2005 the Bay Area Air Quality Management District (“District”) retained the accounting firm of Stonefield Josephson, Inc. to conduct a study of the District’s fee structure for permitted and non-permitted sources in order to determine whether or not fee revenue from these regulated sources was sufficient to pay for the costs of those regulatory activities and services;

WHEREAS, Stonefield Josephson, after a thorough analysis of the District’s fee structure, revenues, and associated costs, found that District fee revenue have not been sufficient to offset the costs of associated regulatory activities and reported this and other findings in *Bay Area Air Quality Management District Cost Recovery Study, Final Report; March 30, 2005* (“2005 Cost Recovery Study”);

WHEREAS, Stonefield Josephson also found that: (1) despite an across-the-board fee increase of 15 percent in fiscal year ending (FYE) 2000 and adjustments during the subsequent 5 years for inflation, a significant cost recovery gap still existed; and (2) for FYE 2004, fee revenue covered only about 60 percent of direct and indirect program activity costs, leaving a gap of approximately \$13 million to be filled with property tax revenue;

WHEREAS, Stonefield Josephson, based on its findings, recommended that, if the identified revenue gap was to be reduced, fees should be increased by more than annual cost of living adjustments over a period of time;

WHEREAS, in each year from 2005 through and including 2022, the Board approved amendments to Regulation 3 – Fees to increase fees to address this revenue gap and to move toward full alignment between permit fee revenues and associated District permit-related activities and services;

WHEREAS, in September 2010, the District contracted with Matrix Consulting Group to complete an updated Cost Recovery and Containment Study (“2011 Cost Recovery and Containment Study”) based on cost and revenue data for FYE 2010;

WHEREAS, the 2011 Cost Recovery and Containment Study indicated that a significant cost recovery gap continued to exist, with fee revenues for FYE 2010 covering only 62 percent of the direct and indirect costs of program costs;

WHEREAS, in the 2011 Cost Recovery and Containment Study, Matrix Consulting Group recommended that the District adopt a Cost Recovery Policy to guide future fee amendments;

WHEREAS, on March 7, 2012, the Board adopted a Cost Recovery Policy (“2012 Cost Recovery Policy”) that provides as a general policy that the District should fully recover the costs of regulatory program activities by assessing fees to regulated entities, that the District should amend Regulation 3 – Fees in order to increase the overall recovery of the District’s direct and indirect costs of program costs to 85 percent by the end of FYE 2016, and further, that the District should continue to amend specific fee schedules in consideration of cost recovery analyses conducted at the fee schedule level, with larger increases adopted for schedules with larger cost recovery gaps;

WHEREAS, in September 2017, the District contracted with Matrix Consulting Group to complete an updated Cost Recovery and Containment Study (“2018 Cost Recovery and Containment Study”) based on cost and revenue data for FYE 2017;

WHEREAS, a primary focus of the 2018 Cost Recovery and Containment Study was to improve the District’s accounting for indirect costs and overhead in its cost recovery efforts;

WHEREAS, in July 2021, the District contracted with Matrix Consulting Group to complete an updated Cost Recovery and Containment Study (“2022 Cost Recovery and Containment Study”) based on cost and revenue data for FYE 2021;

WHEREAS, 2022 Cost Recovery and Containment Study focused on the District’s accounting for indirect costs and overhead in its cost recovery efforts and options to reach 100 percent cost recovery of the District’s direct and indirect costs of fee-based program costs;

WHEREAS, in December 2022, the Board of Directors updated the Cost Recovery and Containment policy which included a 100 percent cost recovery of the District’s direct and indirect costs of fee-based program costs;

WHEREAS, the 2024 Cost Recovery Report indicates that a \$4.97 million cost recovery gap continues to exist with fee revenues for FYE 2021 to 2023 covering only 87 percent of the direct and indirect costs of program costs;

WHEREAS, the Board of Directors has determined for FYE 2025 there is a need to increase fees to further reduce the misalignment between permit fee revenues and associated District permit-related activities and services and to further reduce the misalignment between fee revenues for non-permitted sources and associated District activities and services related to those sources;

WHEREAS, District staff proposed to increase fee schedules with a cost recovery fee percentage greater than or equal to 100 percent but less than 110 percent by the annual Consumer Price Index for Bay Area Urban Wage Earners and Clerical Workers (CPI-W) and fee schedules with a cost recovery fee percentage less than 100 percent by 15 percent where the cost recovery fee percentage is based on the previous three-year average;

WHEREAS, District staff proposed to increase administrative fees by CPI-W;

WHEREAS, District staff proposed clarifying language in Section 304.2, Alteration: Schedule G Fees, Section 327, Permit to Operate, Renewal Fees, Section 331, Registration Fees, and Schedule H, Semiconductor and Related Operations;

WHEREAS, District staff proposed clarifying language in new subsection Section 327.5, Permit to Operate, Renewal Fees;

WHEREAS, District staff proposed to delete Section 320.1, Section 322, Section 335, and Schedule Q;

WHEREAS, District staff proposed the increase of the Risk Assessment fee for Stationary Containers for the Storage of Organic Liquids in Schedule C to align the calculation with the filing fee;

WHEREAS, District staff proposed the increase of the Risk Assessment fee for existing Gas Dispensing Facilities in Schedule D.A by 15 percent;

WHEREAS, District staff discussed the proposed amendments to Regulation 3 – Fees at a public workshop on February 15, 2024;

WHEREAS, the Finance and Administration Committee of the Board of Directors held regularly scheduled public meeting on March 20 and April 17, 2024, at which the proposed amendments to Regulation 3 were discussed, at which oral or written presentations could be made on the subject of the proposed amendments, and the proposal was decided upon for the public hearing;

WHEREAS, the Board of Directors of the Bay Area Air Quality Management District held a public hearing on May 1, 2024, to consider the proposed amendments to Regulation 3 in accordance with all provisions of law;

WHEREAS, an additional public hearing is required by Health and Safety Code section 41512.5 for fees applicable to sources not included within the District's permit system, specifically, the proposed amendment of the following fee schedules: Schedule L: Asbestos Operations, Schedule Q: Excavation of Contaminated Soil and Removal of Underground Storage Tanks, Schedule R: Equipment Registration Fees, Schedule S: Naturally Occurring Asbestos Operations, Schedule U: Indirect Source Fees and Schedule V: Open Burning;

WHEREAS, on May 4 and May 6, 2024, District staff published in newspapers the notice of public hearings required by Health and Safety Code sections 40725 and also distributed and published on the District's website a request for public comments and input on the proposed amendments to Regulation 3;

WHEREAS, the Board of Directors of the Bay Area Air Quality Management District held a second public hearing on June 5, 2024, to consider the proposed amendments to Regulation 3 related to non-permitted sources in accordance with all provisions of law;

WHEREAS, the Board of Directors obtains its authority to adopt, amend or repeal rules and regulations from sections 40702, 42311, 42311.2, 41512.7, 42364 and 40725 through 40728 of the Health & Safety Code and Title 40, Code of Federal Regulations, Part 70.9;

WHEREAS, the Board of Directors has determined that the proposed amendments to Regulation 3 are written or displayed so that its meaning can be understood by the persons directly affected by the regulation;

WHEREAS, the Board of Directors has determined that the proposed amendments to Regulation 3 are in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations;

WHEREAS, the Board of Directors has determined that the proposed amendments to Regulation 3 do not impose the same requirements as any existing state or federal regulation and are necessary and proper to execute the power and duties granted to and imposed upon the District;

WHEREAS, the Board of Directors by adopting the proposed amendments to Regulation 3 is implementing, interpreting, and making specific the provisions of Health & Safety Code section 42311 (fee schedule for district programs), section 41512.7 (allowable increases to authority to construct and permit to operate fees), and section 42364 (fees schedule for hearing board review of permit appeals);

WHEREAS, District staff has determined that a socioeconomic analysis of the proposed amendments to Regulation 3 pursuant to Health & Safety Code section 40728.5 is not required because the amendments will not significantly affect air quality or emissions limitations within the meaning of that section;

WHEREAS, District staff has determined that an incremental cost-effectiveness analysis of the proposed amendments to Regulation 3 pursuant to Health & Safety Code section 40920.6 is not required because the amendments do not impose best available retrofit control requirements;

WHEREAS, District staff has prepared and presented to this Board, a detailed staff report relative to the subject matter of the proposed amendment which is incorporated by reference and attached hereto;

WHEREAS, District staff recommends adoption of the proposed amendments to Regulation 3 and its associated fee schedules; and

WHEREAS, this Board concurs with District staff's recommendations and desires to adopt the proposed amendments to Regulation 3 and associated schedules as described above and set forth in Attachment A hereto.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Bay Area Air Quality Management District does hereby adopt, pursuant to the authority granted by law, the proposed amendments to Regulation 3 – Fees as set forth in Attachment A hereto and discussed in the staff report with instructions to staff to correct any typographical or formatting errors before final publication of the text of the proposed amended rule as adopted.

BE IT FURTHER RESOLVED that the effective date of the proposed amendments attached hereto shall be July 1, 2024.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, on the \_\_\_\_ day of \_\_\_\_\_, 2024 by the following vote of the Board:



DRAFT

**ATTACHMENT A**

**[PROPOSED AMENDED RULE]**

**Regulation 3: Fees**

DRAFT



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

**AGENDA: 31**

# **Amendments to Regulation 3, Fees**

**Board of Directors Meeting  
June 5, 2024**

**Fred Tanaka  
Manager, Engineering Division  
[FTanaka@baaqmd.gov](mailto:FTanaka@baaqmd.gov)**

# Presentation Outcome



Provide information for consideration of the adoption of proposed Regulation 3 (Fees) Amendments for Fiscal Year Ending (FYE) 2025.

# Presentation Outline



- Rule Development Schedule
- Proposed Fee Amendments
- Cost Recovery Trends
- Overview of Public Comments
- Resolution and Recommendation

# Requested Action



Consider adoption of proposed amendments to Regulation 3, that would become effective on July 1, 2024.

# Budget and Rule Development: Schedule



Description	Date
Public workshop for Regulation 3 amendments	February 15, 2024
Written workshop comments on Regulation 3 due	March 18, 2024
Finance and Administration Committee briefing	March 20, 2024
Finance and Administration Committee briefing	April 17, 2024
First public hearing on budget & Regulation 3 to receive testimony	May 1, 2024
Written Public Hearing comments on Regulation 3 due	May 17, 2024
<b>Second public hearing on budget and Regulation 3 to consider adoption</b>	<b>June 5, 2024</b>
Budget and fee amendments effective, if adopted	July 1, 2024

# Proposed Amendments: Cost Recovery Impact



- Proposed amendments are dictated by the Board-approved Cost Recovery strategy and include other proposed amendments.
- Estimated budget increase is \$4.7 million compared to projected FYE 2023 revenues
- This strategy has a weighted fee schedule increase of **7.8 percent.**



# Proposed Amendments: Cost Recovery



- This effort is to recover reasonable costs from fee-based programs.
- Cost recovery analyzes revenue and costs looking at the previous 3 years.

Revenue from Fee Schedule (3-year average)	Change in Fees	Fee Schedules
Greater than 110% of costs	0% increase	C, L, N, R, T
100 to <110% of costs	3.3% increase (CPI-W)	D, I, M
Less than 100% of costs	15% increase	A, B, E, F, G1, G2, G3, G4, G5, H, K, P, S, V*, W

- CPI-W is the annual Consumer Price Index for Bay Area Urban Wage Earners and Clerical Workers.
- No facilities are currently charged Schedule I fees. Proposed increase is continued maintenance.
- Schedule M is not evaluated for cost recovery, but the proposed increase is based as a general fee.
- \*Marsh management fees only

# Proposed Amendments: Cost Recovery



## Fee Schedules with 3.3% increase

Schedule D: Gasoline Transfer at GDFs & Bulk Plants and Bulk Terminals  
Except the Risk Assessment Fee (RAF) for existing GDFs

Schedule I: Dry Cleaners (not registered machines & currently none are permitted)

Schedule M: Major Stationary Source Fees

## Fee Schedules with 15% increase

Schedule A: Hearing Board Fees

Schedule B: Combustion of Fuels (E.g., permitted boilers, engines, heaters,)

Schedule E: Solvent Evaporating Sources (E.g., permitted graphic arts, painting, wipe cleaning)

# Proposed Amendments: Cost Recovery



## Fee Schedules with 15% increase

Schedule F:	Misc. Sources (storage silos, abrasive blasting)
Schedule G-1:	Misc. Sources (e.g., glass manufacturing, soil remediation)
Schedule G-2:	Misc. Sources (e.g., asphaltic concrete, furnaces)
Schedule G-3:	Misc. Sources (e.g., metal melting, cracking units)
Schedule G-4:	Misc. Sources (e.g., cement kilns, sulfur removal & coking units)
Schedule G-5:	Misc. Sources (Refinery flares)
Schedule H:	Semiconductor and Related Operations
Schedule K:	Solid Waste Disposal Sites (e.g., Landfills)
Schedule P:	Major Facility Review Fees
Schedule S:	Naturally Occurring Asbestos Operations
Schedule V:	Open Burning – Marsh Management fees only
Schedule W:	Petroleum Refining Emissions Tracking Fees

# Proposed Amendments: Cost Recovery



## Specific fees in Section 300 are proposed to be increased by 3.3% (CPI-W)

- Section 302: New and modified source filing fees
- Section 311: Emission Banking Fees
- Section 312: Regulation 2, Rule 9 Alternative Compliance Plan fee
- Section 330: Fee for Renewing an Authority to Construct
- Section 327: Permit to Operate renewal fees
- Section 337: Exemption Fee
- Section 341: Fee for Risk Reduction Plan
- Section 342: Fee for Facility-Wide Health Risk Assessment
- Section 343: Fees for Air Dispersion Modeling
- Section 345: Evaluation of Plans, Regulation 6
- Section 346: Request for a Petition, Regulation 8
- Section 347: Evaluation of Reports, Organic Waste Recovery Sites

# Proposed Amendments: Schedules Not Being Increased



Fees and fee schedules that are not proposed for increase:

- Section 3-307: Transfers of Permits
- Schedule C: Stationary Storage Tanks of Organic Liquids Except the RAF
- Schedule L: Asbestos Operations
- Schedule N: Toxic Inventory Fees
- Schedule R: Equipment Registration Fees
- Schedule T: Greenhouse Gas Fees
- Schedule V: Open Burning except Marsh Management fees
- Schedule X: Major Stationary Source Community Air Monitoring Fees

# Proposed Amendments: Delete Obsolete Sections



## Subsection 320.1

The Toxic Inventory Fee for Small Businesses is no longer applicable.

## Section 322 and Schedule Q

Excavation of Contaminated Soil and Removal of Underground Storage Tank Operation work is no longer performed by the Air District.

## Section 335

The referenced Schedule U for Indirect Source Fees was deleted in 2023.

# Proposed Amendments: Clarifying Language



## Section 304.2 (Alteration: Schedule G Fees)

- Clarify fees charged for alterations involving Schedules G-3, G-4 and G-5 sources.

## Section 327 (Permit to Operate, Renewal Fees)

- Clarify language on proration applicability when new/modified sources are started up.

## Section 327.5 (Permit to Operate, Renewal Fees) and Section 331 (Registration Fees)

- Clarify no proration or refund of fees shuts downs before the expiration date.

## Schedule H – Semiconductor & Related Operations

- Clarify applicability of the minimum fee.

# Proposed Amendments: Alignment of Risk Assessment Fees



## Schedule C: Stationary Containers for the Storage of Organic Liquids

The base fee in Schedule C.2.a is proposed for a 3.3% increase.

## Schedule D.A: Gasoline Transfer at Gasoline Dispensing Facilities (GDFs)

For existing GDFs, the RAF is proposed for a 15% increase.



# Cost Recovery Trends: By Fee Schedule



2021 - 2023 Average Revenue	# of fee schedules
110% or more of costs	5
100 to <110% of costs	1
95 to < 100% of costs	2
75 to < 95% of costs	2
50 to < 75% of costs	5
25 to < 50% of costs	3
Less than 25% of costs	3*

- Specific fee schedule cost recovery levels are published in the Cost Recovery reports.
- \* Schedule I is omitted from the count because there are no facilities associated with that schedule since 8/2022.

# Cost Recovery Trends: Overall Cost Recovery



## Overall Cost recovery

	FYE 2010	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023
<b>By Year</b>	63.8%	66.9%	76.1%	80.2%	79.5%	83.1%	81.4%	81.2%	83.0%	84.7%	83.2%	83.8%	85.9%	92.3%
<b>3-Year Average</b>			68.8%	73.6%	78.7%	80.8%	81.4%	82.2%	81.9%	83.0%	83.6%	83.5%	84.3%	87.4%

- Other funding sources have historically been used to close the cost recovery gap.

# Cost Recovery Trends: Board Actions and Policies



Timeline toward a 100% Cost Recovery target because the 85% target strategy would take a longer period to achieve.

Date	Description
April 2012	Board Resolution with a minimum 85% cost recovery target
February 2018	Cost Recovery Study finalized.
July 2021	Cost Recovery Study commenced, emphasizing 100% cost recovery target.
April 2022	Cost Recovery Study and Containment report presented to Finance & Administration Committee.
December 2022	Board adopted an updated Cost Recovery and Containment Policy, emphasizing 100% cost recovery target.

# Cost Recovery Trends: Cost Recovery Direction



Revenue from Fee Schedule (3-year average)	FYE 2022	Current
110% or more of costs	-	-
100 to <110% of costs	CPI-W*	CPI-W
95 to < 100% of costs	CPI-W	<b>+15%</b>
85 to < 95% of costs	+7%	<b>+15%</b>
75 to < 85% of costs	+8%	<b>+15%</b>
50 to < 75% of costs	+9%	<b>+15%</b>
Less than 50% of costs	+15%	+15%

- Effective changes based on Board’s direction.
- \* This field was incorrectly marked as NULL at the May 1, 2024 Public Hearing presentation.
- 15 percent increase is the maximum allowed under state law.

# Cost Recovery Trends: Board Policies and Programs



Programs and associated fees that are not fee schedule specific.

- These fees are charged at permit renewal
- They have a greater impact on overall cost recovery
- No changes proposed

Fee Description	Adopted Year	Fee as a % of renewal fees	Applicability
AB 617 Community Health Impact	2020	5.7%	Title V facilities
AB 617 Criteria Pollutant and Toxic Air Contaminant Reporting (CTR)	2021	4.4%	All permitted facilities
Overburdened Community (OBC)	2022	15%	Permitted facilities in an overburdened community

# Overview of Public Comments Objection to Fee Increases



Comment: 1) There should be no fee increase (for dry cleaners). 2) Air District should operate with existing fees and resources. 3) Board should adopt more moderate fee increases.

- All dry cleaners are charged under Schedule R which has no proposed increase.
- Without fee increases, the work backlog will likely worsen and impede the ability to fulfill the agency's mission.
- Impact to small businesses is considered.
  - Continue to review the appropriateness of sources in Schedule F.
  - Review the definition of small business.
- Continue to implement efficiencies and cost containment strategies while ensuring that all facilities are paying their fair share.

# Overview of Public Comments: Level of Service/Staffing



Comment: Fee increases should be tied to a higher level of service.

- Cost recovery does not address level of service. It looks back at cost and revenues that have already occurred.
- The Air District is working to address fees, staffing and priorities when new/modified rules are adopted.
- Level of service is typically addressed in new staffing (budget process), reallocation of existing resources, and program efficiencies. The latter includes implementing recommendations from the management audit.

# Overview of Public Comments: Improve Cost Containment and Efficiency



Comment: Fees should not be increased until the implementation of the audit recommendations and action plan.

Identifying and implementing program improvements takes resources, including cost containment and efficiency strategies. These include:

- Audit timekeeping.
- Review and contain expenditures.
- Implement the action plan from the management audit.
- Increase usage of online tools.
- Add/improve functionality to the New Production System, “NPS”.
  - Legacy systems were deprecated in Quarters 2 and 3 of FYE 2024.
- Streamline processes when applicable.



# Overview of Public Comments: Possible Fee Reductions from the Online System



Comment: Will there be a reduction in fees with the launch of the new online permitting system?

- Section 418 allows for a reduction of fees when using the online system.
- Potential opportunities for fee reductions:
  - Submission of permit applications
  - Reporting of annual data updates
  - Invoice payments
    - In February 2024, the \$1 service fee was removed for eCheck payments.

# Overview of Public Comments: Notification of the process



Comment: 1) Who was notified? 2) How do we get included in the notification?

- About 10,600 notices of the rule development effort and workshop were distributed.
- Recipients were facility owners with active permits, owners of new facilities on Authority to Construct, asbestos contractors, open burn contacts, naturally occurring asbestos contacts, and interested parties.
- At the workshop, we informed interested parties to sign-up for rule development notifications on our website.

# Overview of Public Comments: Other



Comment: Rule development timing should be timed with industry budgets.

- Regulation 3 amendments are proposed in parallel with the Air District budget cycle.
- Companies have different budget planning schedules.

Comment: Need fee increases to be more predictable.

- The Cost Recovery Reports show trends for specific fee schedules. Fee schedules that are well below cost recovery are likely to be increased next year. Projections for average fee increases were provided in budget presentations.

Comment: Need to improve timing of response to comments:

- Schedule was amended to allow responses to be sent earlier.

# Overview of Public Comments: Other



Comment: Complying with permit requirements for subslab operations is costly.

- The Air District is open to discuss alternative strategies that satisfy compliance and protect public health.

Comment: Consider suspending Schedule X fees (Major Stationary Source Community Air Monitoring Fees) until community monitors are installed.

- These fees are part of a community monitoring plan and not specific to a site or monitor. There is considerable time and effort in the planning, coordination and procurement of equipment before monitors are installed.
- A monitoring station in Benicia near the Valero Refinery has been sited and constructed. Operation is scheduled to begin in June 2024.

# Resolution and Recommendation



Staff recommends that the Board adopt the proposed amendments to Regulation 3, effective July 1, 2024.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Public Hearing to Consider Adoption of Proposed Budget for Fiscal Year 2024-2025

RECOMMENDED ACTION

Adopt the attached Resolution approving the proposed budget for Fiscal Year 2024-2025, with proposed staffing recommendations, salary schedule and benefits, and other related budget actions, as recommended by the Finance and Administration Committee.

BACKGROUND

Under Section 9.3 of the Air District's Administrative Code, the Executive Officer or their designee is required to present the Fiscal Year 2024-2025 Proposed Budget to the Finance and Administration Committee (Committee). On March 20, 2024, and April 17, 2024, the Committee reviewed and discussed the proposed budget. At its April 17, 2024, meeting, the Committee took action to recommend the full Board conduct the required public hearings to consider the budget and receive public testimony. On May 5, 2024, the Board of Directors conducted the first of two required public hearings.

At today's meeting, the Board of Directors will conduct the second public hearing to consider the adoption of the budget. This item will be presented by Dr. Philip Fine, Executive Officer/Air Pollution Control Officer, and Stephanie Osaze, Director of Finance.

DISCUSSION

In the FY 2024-2025 Proposed Budget, comprising \$154 million from the General Fund and \$137 million from Special Funds, we have allocated an increase of \$16.68 million compared to the previous fiscal year. This additional funding will advance key initiatives aligned with the Air District's strategic goals.

Key recommendations within this budget increase include:

- Funding for nineteen (19) additional Full-time Equivalent (FTE) positions to bolster critical programs and enhance service delivery, supported by additional penalty assessments and General Fund reserves as a short-term investment strategy.
- Continuation of funding for seven (7) Limited Term Contract Employees (LTCE) to support the AB 617 program, utilizing AB 617 implementation Grant Funds.
- Allocation of \$6.8 million for one-time investments to address essential services and acquire necessary capital assets.
- Implementation of fee increases consistent with the Cost Recovery Policy, ensuring sustainable funding for our operations.
- A 4.5% general wage adjustment for Air District employees to mitigate the impact of economic inflation. The salary schedule can be found in Attachment C.
- Provision for an average 7% vacancy savings to accommodate recruitment timelines and attrition due to retirements.
- Continued commitment to pre-funding pension and other post-employment benefits liabilities, by the Air District’s funding policy.
- Implementation of a formal reserve policy to address economic uncertainties and maintain adequate cash flow.
- Investment in various grant incentive programs and projects across the nine Bay Area counties.

To support critical programs and enhance service delivery, staff is recommending nineteen (19) additional Full-Time Equivalent (FTE) positions, which will be supported by penalty assessments and General Fund reserves as a short-term investment strategy. The proposed cost impact for this recommendation is approximately \$3.9 million and is summarized in Table 1 below. Further details on the recommended positions can be found in Attachment A.

Table 1 summarizes the cost impacts for the 19 new FTEs requested in each division.

Division	FTE	Annual Cost
Compliance & Enforcement	5	\$952,745
Engineering	5	\$1,094,412
Strategic Incentives	1	\$206,562
Administration Resources	1	\$190,549
Human Resources	1	\$162,850
Information Services Operations	1	\$150,901
Enterprise Technology Solutions	1	\$194,407
General Counsel	1	\$290,125
Communications	1	\$260,744
Rules	1	\$260,744
Meteorology & Measurements	1	\$206,562
<b>Total</b>	<b>19</b>	<b>\$3,970,601</b>

Apart from the 19 staffing recommendations, staff is seeking reclassification of positions to enhance organizational operations. This recommendation will generate approximately \$123,272 in total cost savings, as outlined in Table 2 below. For more in-depth information on the recommended reclassifications, please refer to Attachment A.

Table 2 summarizes the 10 reclassifications requested in each division

Division/Office	Reclassification	Annual Impact
Communication Office	1	(\$76,040)
DEI	1	(\$42,904)
Enterprise Technology Solutions	1	\$6,409
Executive Office	1	(\$8,738)
Finance	1	(\$32,534)
Human Resources Office	1	\$20,737
Information System	1	-
Rules & Strategic Policy	1	\$22,197
Meteorology & Measurement	2	(\$12,399)
<b>Total</b>		<b>(\$123,272)</b>

The staffing roster of the Air District has been revised to incorporate all staffing recommendations, which are outlined in Appendix G of the FY 2025 Proposed Budget (Attachment B). Furthermore, staff proposes designating a \$1.8 million reserve for Limited Term Contract Employee (LTCE) Staffing and Technology Implementation Grant funds, aimed at facilitating up to six (6) additional LTCE positions for a maximum duration of up to three (3) years. With the updated terms outlined in the Memorandum of Understanding, the Air District can hire LTCEs to fulfill tasks arising from grant programs or to fill temporary vacancies resulting from District employees accepting limited-term appointments. The proposed budget does not include these additional LTCE positions. As part of the budget actions to adopt the FYE 2025 Budget, staff will seek authorization to transfer reserves from the \$1.8 million allocated for Limited Term Contract Employee Staffing Reserve to fill the three (3) positions not funded by a grant.

Since 2022, staff have obtained approval from the Board of Directors for the benefits package provided to Air District employees. Attachment D outlines the FY 2024-2025 proposed benefits for represented, confidential, and management employees.

Today, the Board of Directors will consider adopting the FY 2024-25 budget and other budget-related actions outlined in Attachment E: FY 2024-2025 proposed budget resolution.

**BUDGET CONSIDERATION/FINANCIAL IMPACT**

The total consolidated FY 2024-2025 proposed budget is \$291,111,724. This amount comprises \$154,453,550 for the General Fund Budget and \$136,658,174 for the Special Fund Budget. Included in the proposed budget are costs related to the additional nineteen (19) full-time equivalents (FTEs) positions across the respective divisions and program budgets.



Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Stephanie Osaze  
Reviewed by: Hyacinth Hinojosa

ATTACHMENTS:

1. Attachment A: FY 2025 Proposed Staffing Justification
2. Attachment B1: Appendix G FY 2025 Proposed Authorized Staffing for Full Time Equivalent (FTE)
3. Attachment B2: Appendix G\_FY 2025 Proposed Authorized Staffing for Limited Term Contract Employees (LTCE)
4. Attachment C: BAAQMD Proposed FY 2025 Salary Schedule (effective July 14, 2024)
5. Attachment D: Benefit Summary for Represented Confidential and Management Employees
6. Attachment E: FY 2024-2025 Proposed Budget Resolution
7. Budget in Brief Document
8. BAAQMD FYE 2025 Proposed Budget
9. FY 2025 Proposed Budget Hearing Presentation for June 5, 2024

FYE 2025 FTE Staffing Requests	
Division	Justification
<b>Administrative Resources</b>	An additional staff position is needed to effectively manage the increasing procurement workload, address evolving responsibilities, and accommodate proposed policy changes. This staff will provide much-needed support for day-to-day tasks like documentation, data entry, and contractor correspondence. By handling routine responsibilities, this role will allow for a strategic redistribution of higher-level duties among existing team members. Given the over 50 procurements, 500 contract documents, and 2,200 purchase orders processed in 2023 alone, adding dedicated capacity at the Staff Specialist level is critical for optimizing efficiency and positioning the Business Office for sustained success amid increasing volume and complexity.
Staff Specialist I/II (1)	
<b>Communications</b>	The Communications Office has experienced a substantial increase in workload due to more media inquiries, outreach demands, crisis communications, incident response requirements from wildfires, industrial incidents, AB617 activities, controversial rules, legal actions, and HR issues. This heightened workload has significantly strained the small team, requiring the Communications Director and Manager to consistently handle after-hours responsibilities. A new Media Manager position is requested to manage the evolving challenges and ensure timely and high-quality communications. This role would bolster our capacity to strategize and execute media campaigns, provide rapid incident response, and deliver consistent messaging - ultimately enhancing our efficiency, responsiveness, and the Air District's reputation for reliable public communications.
Manager (1)	
<b>Compliance &amp; Enforcement</b>	To address significant workload challenges stemming from increased responsibilities under CARB's ACTM and MOUs, EPA's Title V program, additional inspections for SID programs and rule development support, expanded coverage areas leading to more travel time, and a heightened need for incident response staffing - all while facing a 14 inspector position reduction since 2017 leaving only 48 authorized field inspectors - I am requesting five (5) new Air Quality Specialist I/II FTEs in Compliance and Enforcement. This critical staffing augmentation will allow the division to effectively maintain core inspection duties, provide adequate incident response, enable enhanced inspections under AB617, support enforcement against unpermitted facilities per audit findings, and facilitate collaboration on complex sources like refineries - ensuring the Air District can meet expanding priorities and obligations with appropriate resources.
Air Quality Specialist I/II (5)	
<b>Engineering</b>	To address significant permit backlogs and understaffing identified in audits by Sjoberg & Evashenk and the US EPA Title V Program Evaluation, the Engineering Division is requesting five new FTEs. Two Senior Air Quality Engineer positions dedicated to refineries, which are highly complex sources impacting environmental justice communities, will support intricate applications including Title V permits. A Principal Air Quality Engineer for Organics Recovery and Title V will focus on delayed permits for landfills, composting, wastewater, and emerging technologies like pyrolysis and gasification projects with novel emission factors. Another Senior Air Quality Engineer for Material Handling will tackle complex permits affecting EJ areas, such as metal shredding facilities, as well as unique sources like EV/battery manufacturing and cannabis cultivation still lacking clear regulatory
Principal Air Quality Engineer (1)	
Senior Air Quality Engineer (4)	

Attachment A: Staffing Justification

	guidance. Shifting less technical work to Air Quality Specialists will further allow engineers to concentrate on more complex permitting, mitigating backlogs through strategic staffing augmentation.
<b>Human Resources Office</b>	While the Bay Area Air Quality Management District's staffing has grown 11% since 2019, with many positions filled internally doubling recruitment efforts, the Human Resources department's headcount has remained stagnant despite the challenges of pandemic-impacted public sector hiring. Simultaneously, the HR team's workload has intensified with implementing the Corrective Action Plan's multiple projects and the transient nature of temporary hires who often depart for permanent roles, resulting in loss of institutional knowledge. To provide stable assistance with high-volume recruiting, onboarding, reporting, compliance tracking, and project support while allowing HR analysts to prioritize strategic initiatives, a new Human Resources Technician position is needed. This permanent role will build lasting HR competencies within the team and alleviate administrative burdens hindering higher-level workforce management objectives.
Human Resources Technician II (1)	
<b>Information Services Operations</b>	The Document Management Section is currently staffed with one Assistant Manager and one temporary Assistant Staff Specialist I, which has proven insufficient to make meaningful progress migrating legacy backfile into the electronic repository per Board Policy and State law requirements. An additional permanent position is needed to accelerate backlog migration by sharing administrative responsibilities with the existing staff. This will allow the Assistant Manager to concentrate on program development, contract management, and policy document creation critical to optimizing section operations and compliance. Augmenting personnel is essential for the Document Management Section to effectively manage the Air District's official records repository in adherence with governing policies.
Assistant Staff Specialist I/II (1)	
<b>Legal Services</b>	The Legal Division is currently understaffed to effectively handle the Air District's expanding workload and priorities. Additional attorney resources are critically needed to bolster enforcement credibility through more forceful settlement negotiations and Hearing Board cases, resolve permitting backlogs contributing to ongoing compliance issues, provide legal guidance on complex regulatory matters, and support new initiatives like CERP development in East Oakland and Bayview Hunters Point communities. Incorporating Title VI civil rights analyses into permitting, overhauling the cost-recovery structure, and increased staffing across the agency will further increase legal work. Hiring one new attorney would reduce our reliance on outside counsel for routine work like Public Records Act requests and litigation, allowing efficient in-house handling, cost savings on fees, and valuable experience for developing our attorneys' skillsets. Augmenting the Legal team is essential to keep pace with the Air District's mounting requirements and uphold its mission.
Assistant Counsel I/II (1)	
<b>Meteorology &amp; Measurement</b>	The Meteorology and Measurements Division, responsible for collecting EPA-required air quality data across 30 monitoring stations, is hampered by outdated and failing data acquisition systems leading to data quality issues. With no dedicated staff for maintaining these critical systems, the Division requests one new Senior Air Quality Specialist FTE. This role will spearhead modernizing, maintaining, and future-proofing the data acquisition infrastructure by heading a team to address the current inadequate setups causing data integrity problems and
Senior Air Quality Specialist (1)	

Attachment A: Staffing Justification

	reporting delays. The position will oversee installation, configuration, maintenance, and testing environments for new instrumentation - ensuring the Division can reliably meet its air monitoring obligations.
<b>Information Services Development</b>	For the past 15 years, the Air District has primarily relied on vendor contracts for software development, resulting in limited transfer of technical expertise and product knowledge to internal staff. In accordance with the My Air Online performance audit recommendations, the Air District aims to recruit an experienced software developer proficient in modern techniques. This hands-on resource will serve as the technical lead for documenting and maintaining vendor-developed systems, allowing the Air District to gain a deeper understanding of these products and reduce longstanding dependencies on software vendors. While vendor engagements will continue, this dedicated in-house role is crucial for building internal software capabilities and oversight to optimize system development and maintenance moving forward.
Systems Analyst (1)	
<b>Rules</b>	The Rules & Strategic Policy Division, currently staffed with 11 FTEs including one Director, one Manager, and three Senior Air Quality Specialists, is responsible for developing regulations to implement air quality plans. However, with rising demands from AB 617 implementation, internal streamlining efforts, and expectations for increased policy leadership, the Division must increase its productivity from 1-3 rules per year to 5 rules annually. To achieve this heightened output, additional managerial and staff resources are needed. Specifically, one new Manager FTE is requested to provide guidance and supervision to less experienced staff members, allowing the Director to focus on strategic planning and review functions, ultimately enabling the Division to meet its amplified rulemaking obligations.
Manager (1)	
<b>Strategic Incentives</b>	A senior staff position is requested to implement community-identified emission reduction strategies under AB 617, new and diversified revenue streams are needed as existing funding sources have limitations or uncertain futures. Developing new programs like lawn/garden and engine replacement incentives, modifying others like fireplace changeouts, securing reauthorization for Carl Moyer and MSIF funds before 2034, advocating for increased administrative funding, and preparing for competitive grants to support large-scale zero-emission transitions all require dedicated resources. This request proposes creating a staff position focused on proactive research into technical feasibility, draft funding comments, new revenue applications, program development plans, board approval facilitation, contract negotiations, guidance documentation, website/outreach content, and grants management system integration. With a role dedicated to continuously seeking funds and launching new initiatives, the Air District can ensure timely rollout of prioritized AB 617 community projects despite operational lags between award and implementation.
Senior Staff Specialist (1)	

Attachment A: Staffing Justification

LTCE Request FYE2025	
Division	Justification
<b>Technology Implementation</b>	
Assistant Staff Specialist I/II	<p>To support the growing workload for successful electric vehicle (EV) and EV charging infrastructure programs with recent increases in grant allocations, two new limited-term contract employee (LTCE) positions are requested in the Technology Implementation Office for an estimated two-year term. Two Staff Specialists LTCE are needed to administer a newly awarded federal grant expanding EV initiatives. Additionally, an Assistant Staff Specialist LTCE will provide vital administrative assistance for the Clean Cars for All program, which is receiving its largest grant to date and requires enhanced one-on-one participant support to manage the high application volume. These temporary roles will supply the dedicated resources necessary to effectively implement and scale up EV adoption efforts in alignment with increased program funding levels.</p>
Staff Specialist I/II	
Staff Specialist I/II	
<b>Software Application Development</b>	
Systems Analyst (SID/SAD)	<p>Grants Management systems (GMS) used by the Strategic Incentives Division (SID) that is used for Carl Moyer and other state grant sources of funding have grown obsolete and can no longer be updated to store required data. A new consolidated GMS is urgently needed for SID to enable efficient data-gathering capabilities and allow reporting flexibility for greater transparency of incentive program results. A staff person who is fluent in IT is needed to lead and oversee the process of developing this new GMS and to be the lead staff acting as the local administrator to maintain the system after it is built.</p>
<b>Meteorology &amp; Measurement Division</b>	
Air Quality Specialist I/II	<p>To enhance the team providing support for quality assurance, data, and records, including to address recent audit findings from the EPA, two LTCE positions are sought rather than contractors to reduce the management burden. The Air Quality Specialist I/II would provide comprehensive organization of laboratory data and records. The Senior Air Quality Specialist will be dedicated to developing and updating quality assurance procedures and documentation and implementing data validation.</p>
Senior Air Quality Specialist	

Attachment A: Staffing Justification

Add/Delete Requests FYE2025		
<b>Meteorology &amp; Measurement Division</b>		
Old Position Title	New Position Title	Justification
Senior Air Quality Chemist	Air Quality Chemist I/II	As experienced senior staff members retire, these add/deletes create opportunities for advancement among existing employees. This strategy allows the team to backfill the senior position internally by promoting current staff, while bringing in new talent at the entry-level.
Assistant Manager	Manager	The Meteorology and Measurement Division requires an additional manager to focus on coordination and addressing key needs for the regulatory monitoring network including data quality assurance to address findings from recent audits from the U.S. EPA and the siting and installation of new monitors in refinery communities.
<b>Rules &amp; Strategic Policy Division</b>		
Old Position Title	New Position Title	Justification
Senior Air Quality Engineer	Principal Air Quality Specialist	As staff members continue to gain experience and progress in their role, this add/delete creates an opportunity for advancement among existing employees. This strategy allows the team to backfill the principal position internally by promoting current staff, while bringing in new talent in other positions. The position would provide lead capabilities on more complex projects and can provide project guidance and advisory support for existing and new staff, including new LTCE positions.
<b>Human Resources Office</b>		
Old Position Title	New Position Title	Justification

Attachment A: Staffing Justification

Senior Human Resources Analyst	Principal Human Resources Analyst	HR currently has multiple Senior Analyst positions and no Principal Analyst, leaving a gap in our career ladder. The reclass of this position would allow for a full suite of Human Resource professionals, allowing us to “grow our own” and add to HR employees feeling that the Air District is invested in their growth and development. The Principal Analyst would provide day-to-day guidance and expertise to staff working on some of the projects listed above and in addition, would be our “data guru” assisting with the organization’s growing need to create reports, provide data analysis, and put forth recommendations allowing for smarter decision making with regards to improvements of our processes.
<b>Finance Office</b>		
<b>Old Position Title</b>	<b>New Position Title</b>	<b>Justification</b>
Accountant	Accounting Assistant I/II	A request is being made to delete the vacant Accountant position and add one (1) new Accounting Assistant position within the Finance Office. With the agency’s expanding operations, there is a need for additional support in the accounts payable function and other administrative duties to meet the growing operational needs.
<b>Executive Office</b>		
<b>Old Position Title</b>	<b>New Position Title</b>	<b>Justification</b>
Senior Executive Assistant	Executive Assistant I/II	A request is being made to delete the vacant Senior Executive Assistant position and add one (1) new Executive Assistant position within the Executive. This role is part of our strategic initiative to enhance operational efficiency and optimize resource allocation. Upon thorough evaluation of the duties and responsibilities associated with the Senior Executive Assistant role, we have determined that a significant portion of the tasks can be effectively managed by an Executive Assistant without compromising the quality of support provided to our executives.
<b>Diversity Equity &amp; Inclusion Office</b>		
<b>Old Position Title</b>	<b>New Position Title</b>	<b>Justification</b>

Attachment A: Staffing Justification

<p>Manager</p>	<p>Supervising Staff Specialist I/II</p>	<p>A request is being made to delete the vacant Manager position and add one (1) new Senior Staff Specialist position within the DEI Office. This position will report to the Office of Diversity, Equity and Inclusion Director to assist lead the development, execution of programs and strategies to promote DEI within the Air District. The position will define key performance indicators by developing metrics for DEI programs and processes, aligned with business and DEI organizational objectives. The position will assist lead and govern our Employee Resource Groups structure, vision, action plan, and strategic roadmap.</p>
<p><b>Enterprise Technology Solutions</b></p>		
<p><b>Old Position Title</b></p>	<p><b>New Position Title</b></p>	<p><b>Justification</b></p>
<p>Assistant Manager</p>	<p>Manager</p>	<p>A promotional recruitment from assistant manager to manager is needed for the reason there are management duties are not being effectively and efficiently addressed. Establishing this promotional opportunity will provide retention and development opportunities and provide proper oversight, streamline decision-making processes, and enhance overall efficiency within the division This step is crucial for addressing gaps in leadership and promoting a more organized and effective division.</p>
<p><b>Information Services</b></p>		
<p><b>Old Position Title</b></p>	<p><b>New Position Title</b></p>	<p><b>Justification</b></p>



Attachment A: Staffing Justification

Principal Systems Analyst	Principal Cybersecurity Analyst	To address the Human Resources Management Audit recommendation for centralizing information systems administration and creating a cybersecurity program overseen by IT professionals aligned with agency priorities, staff recommend and add/delete of the current Principal Systems Analyst to a Principal Cybersecurity Analyst. This specialized role will focus on ensuring proper security controls and confidentiality measures are implemented across the Air District's information systems. This specialized cybersecurity expert will focus on developing and implementing policies, procedures, and technical controls to protect the confidentiality, integrity, and availability of the Air District's information assets.
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**Add/Delete and Position Transfer Requests FYE2025**

<b>Executive Office</b>		
<b>Old Position Title</b>	<b>New Position Title</b>	<b>Justification</b>
Assistant Manager	Staff Specialist I/II	A request is being made to delete the vacant Assistant Manager position in the Executive Office and add one (1) new Staff Specialist position in the Communications Division.

<b>Position Transfer Requests FYE2025</b>	
Executive Division to Public Affairs Service Area, External Affairs Division	
<b>Positions being transferred</b>	<b>Justification</b>
Director	With the creation of the Public Affairs Service Areas, External Affairs will move from Executive to Public Affairs. Positions in External Affairs will be moved from the Executive Division to the newly created Public Affairs Service Area.
Manager	
Assistant Staff Specialist	

# ATTACHMENT B1: APPENDIX G - FTE FY25

## FYE 2025 Proposed Full-Time Equivalent (FTE) Positions

**Table 1:** The positions listed in Table 1, below, constitute the entirety of authorized permanent full-time positions and division assignments at the designated classifications for Fiscal Year Ending (FYE) 2024 as shown in the first column. The second column FYE 24 AMEND authorized staffing as presented below includes the staffing changes approved by the Board at its December 20, 2023 meeting. The FYE 25 column represents proposed changes to the designated classifications and/or division assignments (if any) which is reflected in the "difference" column. The total proposed staffing for FYE 2025 includes 19 additional FTEs bringing the total to 491 FTEs.

Division	Position Classification	Salary Range ID	FYE 24 ORIG	FYE 24 AMEND	FYE 25 PROPOSED	DIFF
<b>Administrative Resources</b>						
	Director/Officer	156	1	1	1	
	Facilities Maintenance Worker	108	1	1	1	
	Manager	148	2	2	2	
	Senior Executive Assistant	134	1	1	1	
	Senior Staff Specialist	138		1	1	
<b>FY25 Proposed</b>	Staff Specialist I/II	130/134			1	+1
	Staff Specialist I/II	130/134	6	7	7	
	Supervising Staff Specialist	142	3	1	1	
	Principal Staff Specialist	142				
<b>Administrative Resources Total</b>			<b>14</b>	<b>14</b>	<b>15</b>	<b>+1</b>
<b>Assessment, Inventory &amp; Modeling</b>						
	Advanced Projects Advisor	144	2	2	2	
	Air Quality Engineer I/II	132/136	2	2	2	
	Air Quality Meteorologist I/II	131/135	1	1	1	
	Atmospheric Modeler	140	1	1	1	
	Director/Officer	156	1	1	1	
	Manager	148	2	2	2	
	Principal Air Quality Engineer	144	3	3	3	
	Research Analyst	130	1	1	1	
	Senior Advanced Projects Advisor	148	2	2	2	
	Senior Air Quality Engineer	140	1	1	1	
	Senior Atmospheric Modeler	144	1	1	1	
	Statistician	137	1	1	1	
<b>Assessment, Inventory &amp; Modeling Total</b>			<b>18</b>	<b>18</b>	<b>18</b>	
<b>Communications</b>						
	Assistant Staff Specialist I/II	122/126	2	2	2	
	Director/Officer	156	1	1	1	
<b>FY25 Proposed</b>	Manager	148			1	+1
	Manager	148	1	1	1	
	Public Information Officer I/II	130/134	5	5	5	
FYE 25 Reclass/Transfer	Staff Specialist I/II	130/134			1	1
	Senior Public Information Officer	138	1	1	1	
<b>Communications Total</b>			<b>10</b>	<b>10</b>	<b>12</b>	<b>+2</b>
<b>Community Engagement</b>						
	Administrative Assistant I/II	114/118	1	1	1	
	Assistant Manager	147	1	1	1	
	Assistant Staff Specialist I/II	122/126	1	1	1	
	Director/Officer	156	1	1	1	
	Manager	148	2	2	2	
	Public Information Officer I/II	130/134	1	1	1	
	Senior Air Quality Engineer	140	1	1	1	
	Senior Staff Specialist	138	5	5	5	
	Staff Specialist I/II	130/134	4	4	4	
<b>Community Engagement Total</b>			<b>17</b>	<b>17</b>	<b>17</b>	
<b>Compliance &amp; Enforcement</b>						
	Administrative Assistant I/II	114/118	2	2	2	
	Air Quality Engineer I/II	132/136	1	1	1	
<b>FY25 Proposed</b>	Air Quality Specialist I/II	130/134			5	+5
	Air Quality Specialist I/II	130/134	44	44	44	
	Air Quality Technician I/II	122/126	6	6	6	
	Assistant Air Quality Specialist I/II	122/126	2	2	2	
	Director/Officer	156	1	1	1	
	Manager	148	5	5	5	

**ATTACHMENT B1: APPENDIX G - FTE FY25**

Division	Position Classification	Salary Range ID	FYE 24 ORIG	FYE 24 AMEND	FYE 25 PROPOSED	DIFF
	Principal Air Quality Specialist	142	1	2	2	
	Radio/Telephone Operator	113	4	4	4	
	Senior Advanced Projects Advisor	148	1	1	1	
	Senior Air Quality Engineer	140	3	3	3	
	Senior Air Quality Specialist	138	11	11	11	
	Senior Air Quality Technician	130	2	2	2	
	Supervising Air Quality Specialist	142	10	10	10	
<b>Compliance &amp; Enforcement Total</b>			<b>93</b>	<b>94</b>	<b>99</b>	<b>+5</b>
<b>Diversity, Equity &amp; Inclusion</b>						
	Director/Officer	156		1	1	
FY25 Reclass	Manager	148	1	1		-1
FY25 Reclass	Supervising Staff Specialist	142			1	1
	Senior Staff Specialist	138		1	1	
	Staff Specialist I/II	130/134	1	1	1	
<b>Diversity, Equity &amp; Inclusion Total</b>			<b>2</b>	<b>4</b>	<b>4</b>	
<b>Engineering</b>						
	Administrative Assistant I/II	114/118	4	4	4	
	Air Quality Engineer I/II	132/136	21	21	21	
	Air Quality Permit Technician I/II	122/126	2	2	2	
	Air Quality Specialist I/II	130/134	3	4	4	
	Air Quality Technician I/II	122/126	5	5	5	
	Assistant Manager	147	1	1	1	
	Director/Officer	156	1	1	1	
	Manager	148	5	5	5	
	Principal Air Quality Engineer	144	4	5	5	
<b>FY25 Proposed</b>	Principal Air Quality Engineer	144			1	+1
	Senior Advanced Projects Advisor	148	1	1	1	
<b>FY25 Proposed</b>	Senior Air Quality Engineer	140			4	+4
	Senior Air Quality Engineer	140	9	9	9	
	Senior Air Quality Technician	130	2	1	1	
	Supervising Air Quality Engineer	144	12	12	12	
	Supervising Air Quality Specialist	142	1	1	1	
	Supervising Systems Analyst	139	1	1	1	
	Toxicologist	144	1	1	1	
<b>Engineering Total</b>			<b>73</b>	<b>74</b>	<b>79</b>	<b>+5</b>
<b>Enterprise Technology Solutions</b>						
FY25 Reclass	Assistant Manager	147	4	4	3	-1
FY25 Reclass	Manager	148			1	1
	Director/Officer	156	1	1	1	
<b>FY25 Proposed</b>	Systems Analyst	135			1	+1
	Supervising Systems Analyst	139	1	1	1	
	Systems Analyst	135	1	1	1	
	Web Master	135	1	1	1	
<b>Enterprise Technology Solutions Total</b>			<b>8</b>	<b>8</b>	<b>9</b>	<b>+1</b>
<b>Executive</b>						
	Administrative Assistant I/II	114/118	1	1	1	
	Air Quality Technician I/II	122/126	1			
FY25 Transfer	Assistant Staff Specialist I/II	122/126		1		-1
FY25 Reclass/transfer	Assistant Manager	147	1	1		-1
	Clerk of the Boards	132	1	1	1	
	Deputy Air Pollution Control Officer	160	2	2	2	
	Deputy Executive Officer	169	5	5	5	
FY25 Transfer	Director/Officer	156	4	2	1	-1
FY25 reclass	Executive Assistant I/II	128/132	2	2	3	1
	Executive Officer/Air Pollution Control Officer	Contract	1	1	1	
FY25 Transfer	Manager	148	3	3	2	-1
	Principal Environmental Planner	142	1	1	1	
	Senior Advanced Projects Advisor	148	2	3	3	
FY25 reclass	Senior Executive Assistant	134	3	4	3	-1
<b>Executive Total</b>			<b>27</b>	<b>27</b>	<b>23</b>	<b>-4</b>
<b>External Affairs</b>						
FY25 Transfer	Director/Officer	156			1	1
FY25 Transfer	Assistant Staff Specialist I/II	122/126			1	1

**ATTACHMENT B1: APPENDIX G - FTE FY25**

Division	Position Classification	Salary Range ID	FYE 24 ORIG	FYE 24 AMEND	FYE 25 PROPOSED	DIFF
FY25 Transfer	Manager	148			1	
<b>External Affairs Total</b>					<b>3</b>	<b>3</b>
<b>Finance Office</b>						
FY25 Reclass	Accountant I/II	130/134	6	6	5	-1
FY25 Reclass	Accounting Assistant I/II	122/126	3	3	4	1
	Director/Officer	156	1	1	1	
	Fiscal Services Supervisor	142	1	1	1	
	Manager	148	3	3	3	
	Senior Payroll Analyst	138	1	1	1	
	Senior Staff Specialist	138	1	1	1	
	Staff Specialist I/II	130/134	1	1	1	
	Supervising Staff Specialist	142	1			
	Systems Analyst	135	1			
	Principal Human Resources Analyst	142		1	1	
<b>Finance Office Total</b>			<b>19</b>	<b>18</b>	<b>18</b>	
<b>Human Resources Office</b>						
	Director/Officer	156	1	1	1	
<b>FY25 Proposed</b>	Human Resources Technician II	122/126			1	+1
	Human Resources Analyst I/II	130/134	1	1	1	
	Manager	148	2	2	2	
FY25 Reclass	Principal Human Resources Analyst	142	1		1	1
FY25 Reclass	Senior Human Resources Analyst	138	5	5	4	-1
<b>Human Resources Office Total</b>			<b>10</b>	<b>9</b>	<b>10</b>	<b>+1</b>
<b>Information Service Operations</b>						
	Air Quality Specialist I/II	130/134	1	1	1	
	Assistant Air Quality Specialist I/II	122/126	1	1	1	
<b>FY25 Proposed</b>	Assistant Staff Specialist I/II	122/126			1	+1
	Assistant Manager	147	1	1	1	
	Director/Officer	156	1	1	1	
	Manager	148	3	3	3	
	Programmer Analyst I/II	127/131	1	1	1	
	Supervising Systems Analyst	139	2	2	2	
	Supervising Staff Specialist	139		1	1	
FY25 Reclass	Principal Cybersecurity Analyst	142			1	1
FY25 Reclass	Principal System Analyst	142		1		-1
	Systems Analyst	135	3	3	3	
<b>Information Service Operations Total</b>			<b>13</b>	<b>15</b>	<b>16</b>	<b>1</b>
<b>General Counsel</b>						
<b>FY25 Proposed</b>	Assistant Counsel I/II				1	+1
	Assistant Counsel I/II	149/153	8	8	8	
	Counsel	Contract	1	1	1	
	Legal Office Services Specialist	124	1	1	1	
	Senior Assistant Counsel	157	2	2	2	
	Staff Specialist I/II	130/134	4	4	4	
<b>General Counsel Total</b>			<b>16</b>	<b>16</b>	<b>17</b>	<b>+1</b>
<b>Legislative</b>						
	Director/Officer	156	1	1	1	
	Staff Specialist I	130/134	1	1	1	
<b>Legislative Total</b>			<b>2</b>	<b>2</b>	<b>2</b>	
<b>Meteorology &amp; Measurement</b>						
	Advanced Projects Advisor	144	1	1	1	
	Air Quality Engineer I/II	132/136	3	3	3	
	Air Quality Laboratory Technician I/II	122/126	1	1	1	
	Air Quality Meteorologist I/II	131/135	2	2	2	
FY25 Reclass	Air Quality Chemist I/II	130/134			1	1
	Air Quality Specialist I/II	130/134	15	14	14	
	Assistant Air Quality Specialist I/II	122/126	4	5	5	
FY25 Reclass	Assistant Manager	147	2	2	1	-1
	Assistant Staff Specialist I/II	122/126	3	3	3	
	Director/Officer	156	1	1	1	
FY25 Reclass	Manager	148	5	5	6	1
	Principal Air & Meteorological Monitoring Specialist	143	1	1	1	

**ATTACHMENT B1: APPENDIX G - FTE FY25**

Division	Position Classification	Salary Range ID	FYE 24 ORIG	FYE 24 AMEND	FYE 25 PROPOSED	DIFF
	Principal Air Quality Chemist	142	3	3	3	
	Principal Air Quality Engineer	144	1	1	1	
	Principal Air Quality Meteorologist	143	1	1	1	
	Principal Air Quality Specialist	142	5	6	6	
FY25 Reclass	Senior Air Quality Chemist	138	2	2	1	-1
	Senior Air Quality Engineer	140	2	2	2	
<b>FY25 Proposed</b>	Senior Air Quality Specialist	138			1	+1
	Senior Air Quality Specialist	138	10	10	10	
	Staff Specialist I/II	130/134	1	1	1	
	Supervising Air Quality Engineer	144	1	1	1	
	Supervising Air Quality Specialist	142	4	4	4	
	Systems Analyst	135	2	2	2	
<b>Meteorology &amp; Measurement Total</b>			<b>70</b>	<b>71</b>	<b>72</b>	<b>+1</b>
<b>Planning &amp; Climate Protection</b>						
	Administrative Assistant I/II	114/118				
	Advanced Projects Advisor	144	1	1	1	
	Assistant Manager	147	2	2	2	
	Assistant Staff Specialist II	126	1	1	1	
	Director/Officer	156	1	1	1	
	Environmental Planner I/II	130/134	3	3	3	
	Manager	148	2	2	2	
	Principal Environmental Planner	142	2	3	3	
	Senior Advanced Projects Advisor	148	1	1	1	
	Senior Air Quality Engineer	140	1	1	1	
	Senior Air Quality Specialist	138	1	1	1	
	Senior Environmental Planner	138	4	4	4	
	Senior Policy Advisor	148	1	1	1	
<b>Planning &amp; Climate Protection Total</b>			<b>20</b>	<b>21</b>	<b>21</b>	
<b>Rules</b>						
	Assistant Manager	147	1	1	1	
	Director/Officer	156	1	1	1	
<b>FY25 Proposed</b>	Manager	148			1	+1
	Manager	148	1	1	1	
FY25 Reclass	Senior Air Quality Engineer	140	5	5	4	-1
FY25 Reclass	Principal Air Quality Specialist	142			1	1
	Senior Air Quality Specialist	138	3	3	3	
<b>Rules Total</b>			<b>11</b>	<b>11</b>	<b>12</b>	<b>+1</b>
<b>Strategic Incentives</b>						
	Administrative Assistant I/II	114/118	1	1	1	
	Assistant Staff Specialist I/II	122/126	4	6	6	
	Director/Officer	156	1	1	1	
	Manager	148	4	4	4	
<b>FY25 Proposed</b>	Senior Staff Specialist	138			1	+1
	Senior Staff Specialist	138	5	5	5	
	Staff Specialist I/II	130/134	12	10	10	
	Principal Staff Specialist	142		1	1	
	Supervising Staff Specialist	142	4	4	4	
<b>Strategic Incentives Total</b>			<b>31</b>	<b>32</b>	<b>33</b>	<b>+1</b>
<b>Technology Implementation</b>						
	Assistant Staff Specialist I/II	122/126	2	2	2	
	Director/Officer	156	1	1	1	
	Manager	148	1	1	1	
	Senior Staff Specialist	138	2	2	2	
	Staff Specialist I/II	130/134	4	4	4	
	Supervising Staff Specialist	142	1	1	1	
<b>Technology Implementation Total</b>			<b>11</b>	<b>11</b>	<b>11</b>	
<b>Grand Total</b>			<b>465</b>	<b>472</b>	<b>491</b>	<b>+19</b>

**ATTACHMENT B2: APPENDIX G**

**FYE 2025 Proposed Limited Term Contract Employee (LTCE) Positions**

**Table 2:** The positions listed in Table 2, below, constitute the entirety of limited term contract employee positions and division assignments at the designated classifications presented during fiscal year 2024 as shown in the FYE 24 AMEND column. The FYE 25 column represents proposed changes to the designated classifications and/or division assignments (if any) which is reflected in the “difference” column. The total proposed LTCE positions for next fiscal year includes 6 additional positions as shown in FYE 25 proposed column.

Division	Position Classification	Salary Range ID	FYE 24 ORG	FYE 24 AMEND	FYE 25 PROPOSED	Difference
<b>Community Engagement</b>						
	Staff Specialist I/II	130/134		2	2	-
<b>Community Engagement Total</b>			-	2	2	-
<b>Information Service Operations</b>						
<b>FY25 Proposed</b>	Systems Analyst	135	-	-	1	1
<b>Information Service Operations Total</b>			-	-	1	+1
<b>Meteorology &amp; Measurement</b>						
<b>FY25 Proposed</b>	Air Quality Specialist I/II	130/134	-	-	1	1
<b>FY25 Proposed</b>	Senior Air Quality Specialist	138	-	-	1	1
<b>Meteorology &amp; Measurement Total</b>			-	-	2	+2
<b>Planning &amp; Climate Protection</b>						
	Environmental Planner	134		1	1	-
	Senior Environmental Planner	138		2	2	-
<b>Planning &amp; Climate Protection Total</b>			-	3	3	-
<b>Rules</b>						
	Air Quality Specialist	130/134	-	2	2	-
<b>Rules Total</b>			-	2	2	-
<b>Technology Implementation</b>						
<b>FY25 Proposed</b>	Assistant Staff Specialist I/II	122/126	-	-	1	1
<b>FY25 Proposed</b>	Staff Specialist I/II	130/134	-	-	2	2
<b>Technology Implementation Total</b>			-	-	3	+3
<b>Strategic Incentives</b>						
	Principal Staff Specialist	142	-	1	1	-
<b>Strategic Incentives Total</b>			-	1	1	-
<b>Grand Total</b>			-	8	14	+6

# ATTACHMENT C

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
SALARY SCHEDULE FOR MANAGEMENT AND CONFIDENTIAL CLASSES**  
Annually/Monthly/Bi-weekly/Hourly effective July 14, 2024

**ID-JDE MANAGEMENT**

**Per Employment Agreement**

1B101 Executive Officer/Air Pollution Control Officer*	401321.00 33443.38 15435.41 192.94
1B102 Counsel*	350174.35 29181.20 13468.24 168.35

**ID-JDE MANAGEMENT**

	Range	Step A	Step B	Step C	Step D	Step E
3M101 Air Monitoring Manager	148M	165221.94 13768.49 6354.69 79.43	173483.03 14456.92 6672.42 83.41	182157.18 15179.77 7006.05 87.58	191265.04 15938.75 7356.35 91.95	200828.30 16735.69 7724.17 96.55
3M102 Air Quality Engineering Manager	148M	165221.94 13768.49 6354.69 79.43	173483.03 14456.92 6672.42 83.41	182157.18 15179.77 7006.05 87.58	191265.04 15938.75 7356.35 91.95	200828.30 16735.69 7724.17 96.55
3M103 Air Quality Planning Manager	148M	165221.94 13768.49 6354.69 79.43	173483.03 14456.92 6672.42 83.41	182157.18 15179.77 7006.05 87.58	191265.04 15938.75 7356.35 91.95	200828.30 16735.69 7724.17 96.55
3M104 Air Quality Program Manager	148M	165221.94 13768.49 6354.69 79.43	173483.03 14456.92 6672.42 83.41	182157.18 15179.77 7006.05 87.58	191265.04 15938.75 7356.35 91.95	200828.30 16735.69 7724.17 96.55
8M101 Assistant Counsel I	149M	166409.18 13867.43 6400.35 80.00	174729.63 14560.80 6720.37 84.00	183466.12 15288.84 7056.39 88.20	192639.42 16053.29 7409.21 92.62	202271.39 16855.95 7779.67 97.25
7M101 Assistant Counsel II	153M	186655.57 15554.63 7179.06 89.74	195988.35 16332.36 7538.01 94.23	205787.77 17148.98 7914.91 98.94	216077.15 18006.43 8310.66 103.88	226881.01 18906.75 8726.19 109.08
3M121 Assistant Manager	147M	161240.10 13436.67 6201.54 77.52	169302.10 14108.51 6511.62 81.40	177767.21 14813.93 6837.20 85.47	186655.57 15554.63 7179.06 89.74	195988.35 16332.36 7538.01 94.23

\*Effective July 1, 2024 per employment agreement

# ATTACHMENT C

ID-JDE MANAGEMENT(CONTINUED)	Range	Step A	Step B	Step C	Step D	Step E
3M117 Audit & Special Projects Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M105 Business Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
2M111 Communications Officer	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
1M101 Deputy Air Pollution Control Officer	160M	221413.20	232483.86	244108.05	256313.45	269129.12
		18451.10	19373.65	20342.34	21359.45	22427.43
		8515.89	8941.69	9388.77	9858.21	10351.12
		106.45	111.77	117.36	123.23	129.39
1M102 Deputy Executive Officer	169M	275775.29	289564.05	304042.26	319244.37	335206.59
		22981.27	24130.34	25336.85	26603.70	27933.88
		10606.74	11137.08	11693.93	12278.63	12892.56
		132.58	139.21	146.17	153.48	161.16
2M110 Director/Officer	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M101 Director of Administration	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M102 Director of Enforcement	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M103 Director of Engineering	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M108 Director of Strategic Incentives	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M104 Director of Information Services	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58



# ATTACHMENT C

ID-JDE MANAGEMENT(CONTINUED)	Range	Step A	Step B	Step C	Step D	Step E
2M105 Director of Planning and Research	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M107 Director of Technical Services	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
3M119 Engineering Project Processing Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M113 Executive Operations Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M107 Finance Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M106 Fleet and Facilities Manager	134M	117420.15	123291.15	129455.71	135928.50	142724.92
		9785.01	10274.26	10787.98	11327.37	11893.74
		4516.16	4741.97	4979.07	5228.02	5489.42
		56.45	59.27	62.24	65.35	68.62
2M111 Health Officer	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
3M118 Human Resources Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M108 Human Resources Officer	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
3M109 Information Systems Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
2M109 Information Technology Officer	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58

# ATTACHMENT C

ID-JDE MANAGEMENT(CONTINUED)	Range	Step A	Step B	Step C	Step D	Step E
3M110 Manager (Laboratory)	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M120 Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M115 Manager of Executive Operations	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M111 Meteorology and Data Analysis Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M112 Research and Modeling Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
6M101 Senior Assistant Counsel	157M	205787.77	216077.15	226881.01	238225.06	250136.32
		17148.98	18006.43	18906.75	19852.09	20844.69
		7914.91	8310.66	8726.19	9162.50	9620.63
		98.94	103.88	109.08	114.53	120.26
6M102 Senior Policy Advisor	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
8M102 Staff Attorney	145M	153562.00	161240.10	169302.10	177767.21	186655.57
		12796.83	13436.67	14108.51	14813.93	15554.63
		5906.23	6201.54	6511.62	6837.20	7179.06
		73.83	77.52	81.40	85.47	89.74
3M116 Strategic Facilities Planning Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55

# ATTACHMENT C

ID-JDE CONFIDENTIAL	Range	Step A	Step B	Step C	Step D	Step E
8C006 Administrative Assistant I (Confidential)	114	69986.20	73485.51	77159.78	81017.77	85068.66
		5832.18	6123.79	6429.98	6751.48	7089.06
		2691.78	2826.37	2967.68	3116.07	3271.87
		33.65	35.33	37.10	38.95	40.90
7C009 Administrative Assistant II (Confidential)	118	77159.78	81017.77	85068.66	89322.09	93788.20
		6429.98	6751.48	7089.06	7443.51	7815.68
		2967.68	3116.07	3271.87	3435.47	3607.24
		37.10	38.95	40.90	42.94	45.09
7C007 Administrative Secretary (Confidential)	118	77159.78	81017.77	85068.66	89322.09	93788.20
		6429.98	6751.48	7089.06	7443.51	7815.68
		2967.68	3116.07	3271.87	3435.47	3607.24
		37.10	38.95	40.90	42.94	45.09
5C101 Clerk of the Boards	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45
4C102 Principal Cybersecurity Analyst	139	128788.96	135228.41	141989.83	149089.32	156543.79
		10732.41	11269.03	11832.49	12424.11	13045.32
		4953.42	5201.09	5461.15	5734.20	6020.91
		61.92	65.01	68.26	71.68	75.26
8C005 Executive Assistant I	128	98477.61	103401.49	108571.56	114000.14	119700.15
		8206.47	8616.79	9047.63	9500.01	9975.01
		3787.60	3976.98	4175.83	4384.62	4603.85
		47.35	49.71	52.20	54.81	57.55
7C008 Executive Assistant II	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45
8C004 Executive Secretary I	128	98477.61	103401.49	108571.56	114000.14	119700.15
		8206.47	8616.79	9047.63	9500.01	9975.01
		3787.60	3976.98	4175.83	4384.62	4603.85
		47.35	49.71	52.20	54.81	57.55
7C001 Executive Secretary II	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45
8C101 Human Resources Analyst I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7C103 Human Resources Analyst II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
8C001 Human Resources Technician I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71

# ATTACHMENT C

ID-JDE CONFIDENTIAL(CONTINUED)	Range	Step A	Step B	Step C	Step D	Step E
7C002 Human Resources Technician II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
7C003 Legal Intern	124	89322.09	93788.20	98477.61	103401.49	108571.56
		7443.51	7815.68	8206.47	8616.79	9047.63
		3435.47	3607.24	3787.60	3976.98	4175.83
		42.94	45.09	47.35	49.71	52.20
7C003 Legal Office Services Specialist	124	89322.09	93788.20	98477.61	103401.49	108571.56
		7443.51	7815.68	8206.47	8616.79	9047.63
		3435.47	3607.24	3787.60	3976.98	4175.83
		42.94	45.09	47.35	49.71	52.20
8C002 Legal Secretary I	116	73485.51	77159.78	81017.77	85068.66	89322.09
		6123.79	6429.98	6751.48	7089.06	7443.51
		2826.37	2967.68	3116.07	3271.87	3435.47
		35.33	37.10	38.95	40.90	42.94
7C004 Legal Secretary II	120	81017.77	85068.66	89322.09	93788.20	98477.61
		6751.48	7089.06	7443.51	7815.68	8206.47
		3116.07	3271.87	3435.47	3607.24	3787.60
		38.95	40.90	42.94	45.09	47.35
8C003 Office Assistant I (HR)	104	54836.02	57577.82	60456.71	63479.54	66653.52
		4569.67	4798.15	5038.06	5289.96	5554.46
		2109.08	2214.53	2325.26	2441.52	2563.60
		26.36	27.68	29.07	30.52	32.04
7C005 Office Assistant II (HR)	108	60456.71	63479.54	66653.52	69986.20	73485.51
		5038.06	5289.96	5554.46	5832.18	6123.79
		2325.26	2441.52	2563.60	2691.78	2826.37
		29.07	30.52	32.04	33.65	35.33
7C102 Paralegal	124	89322.09	93788.20	98477.61	103401.49	108571.56
		7443.51	7815.68	8206.47	8616.79	9047.63
		3435.47	3607.24	3787.60	3976.98	4175.83
		42.94	45.09	47.35	49.71	52.20
4C101 Principal Human Resources Analyst	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
6C002 Senior Executive Assistant	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
6C001 Senior Executive Secretary	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62

# ATTACHMENT C

## ID-JDE CONFIDENTIAL(CONTINUED)

	Range	Step A	Step B	Step C	Step D	Step E
6C103 Senior Payroll Analyst	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
6C102 Senior Human Resources Analyst	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45

# ATTACHMENT C

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**SALARY SCHEDULE FOR TECHNICAL/GENERAL AND PROFESSIONAL EMPLOYEES**  
 Effective July 14, 2024 per Memorandum of Understanding effective July 1, 2023

ID-JDE PROFESSIONAL	Range	Step A	Step B	Step C	Step D	Step E
7P001 Accountant I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7P014 Accountant II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
7P002 Advanced Projects Advisor	144	145496.28	152771.09	160409.65	168430.13	176851.64
		12124.69	12730.92	13367.47	14035.84	14737.64
		5596.01	5875.81	6169.60	6478.08	6801.99
		69.95	73.45	77.12	80.98	85.02
8P001 Air Quality Chemist I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7P003 Air Quality Chemist II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
8P002 Air Quality Engineer I	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45
7P004 Air Quality Engineer II	136	119700.15	125685.16	131969.41	138567.88	145496.28
		9975.01	10473.76	10997.45	11547.32	12124.69
		4603.85	4834.04	5075.75	5329.53	5596.01
		57.55	60.43	63.45	66.62	69.95
8P003 Air Quality Meteorologist I	131	105955.00	111252.75	116815.38	122656.15	128788.96
		8829.58	9271.06	9734.62	10221.35	10732.41
		4075.19	4278.95	4492.90	4717.54	4953.42
		50.94	53.49	56.16	58.97	61.92
7P005 Air Quality Meteorologist II	135	116815.38	122656.15	128788.96	135228.41	141989.83
		9734.62	10221.35	10732.41	11269.03	11832.49
		4492.90	4717.54	4953.42	5201.09	5461.15
		56.16	58.97	61.92	65.01	68.26
7P006 Atmospheric Modeler	140	131969.41	138567.88	145496.28	152771.09	160409.65
		10997.45	11547.32	12124.69	12730.92	13367.47
		5075.75	5329.53	5596.01	5875.81	6169.60
		63.45	66.62	69.95	73.45	77.12

# ATTACHMENT C

ID-JDE PROFESSIONAL(continued)	Range	Step A	Step B	Step C	Step D	Step E
8P004 Environmental Planner I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7P007 Environmental Planner II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
7P008 Legislative Analyst	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
7P009 Librarian	128	98477.61	103401.49	108571.56	114000.14	119700.15
		8206.47	8616.79	9047.63	9500.01	9975.01
		3787.60	3976.98	4175.83	4384.62	4603.85
		47.35	49.71	52.20	54.81	57.55
4P001 Principal Accountant	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
4P002 Principal Air and Meteorological Monitoring Specialist	143	141989.83	149089.32	156543.79	164370.98	172589.52
		11832.49	12424.11	13045.32	13697.58	14382.46
		5461.15	5734.20	6020.91	6321.96	6638.06
		68.26	71.68	75.26	79.02	82.98
4P005 Principal Air Quality Chemist	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
4P003 Principal Air Quality Engineer	144	145496.28	152771.09	160409.65	168430.13	176851.64
		12124.69	12730.92	13367.47	14035.84	14737.64
		5596.01	5875.81	6169.60	6478.08	6801.99
		69.95	73.45	77.12	80.98	85.02
4P006 Principal Air Quality Meteorologist	143	141989.83	149089.32	156543.79	164370.98	172589.52
		11832.49	12424.11	13045.32	13697.58	14382.46
		5461.15	5734.20	6020.91	6321.96	6638.06
		68.26	71.68	75.26	79.02	82.98
4P004 Principal Environmental Planner	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98

# ATTACHMENT C

ID-JDE PROFESSIONAL(continued)	Range	Step A	Step B	Step C	Step D	Step E
7P010 Research Analyst	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
6P007 Senior Accountant	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
6P001 Senior Advanced Projects Advisor	148	160409.65	168430.13	176851.64	185694.22	194978.93
		13367.47	14035.84	14737.64	15474.52	16248.24
		6169.60	6478.08	6801.99	7142.09	7499.19
		77.12	80.98	85.02	89.28	93.74
6P002 Senior Air Quality Chemist	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
6P003 Senior Air Quality Engineer	140	131969.41	138567.88	145496.28	152771.09	160409.65
		10997.45	11547.32	12124.69	12730.92	13367.47
		5075.75	5329.53	5596.01	5875.81	6169.60
		63.45	66.62	69.95	73.45	77.12
6P004 Senior Air Quality Meteorologist	139	128788.96	135228.41	141989.83	149089.32	156543.79
		10732.41	11269.03	11832.49	12424.11	13045.32
		4953.42	5201.09	5461.15	5734.20	6020.91
		61.92	65.01	68.26	71.68	75.26
6P005 Senior Atmospheric Modeler	144	145496.28	152771.09	160409.65	168430.13	176851.64
		12124.69	12730.92	13367.47	14035.84	14737.64
		5596.01	5875.81	6169.60	6478.08	6801.99
		69.95	73.45	77.12	80.98	85.02
6P006 Senior Environmental Planner	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
7P011 Statistician	137	122656.15	128788.96	135228.41	141989.83	149089.32
		10221.35	10732.41	11269.03	11832.49	12424.11
		4717.54	4953.42	5201.09	5461.15	5734.20
		58.97	61.92	65.01	68.26	71.68
5P001 Supervising Air Quality Engineer	144	145496.28	152771.09	160409.65	168430.13	176851.64
		12124.69	12730.92	13367.47	14035.84	14737.64
		5596.01	5875.81	6169.60	6478.08	6801.99
		69.95	73.45	77.12	80.98	85.02
5P002 Supervising Air Quality Meteorologist	143	141989.83	149089.32	156543.79	164370.98	172589.52
		11832.49	12424.11	13045.32	13697.58	14382.46
		5461.15	5734.20	6020.91	6321.96	6638.06
		68.26	71.68	75.26	79.02	82.98
5P003 Supervising Environmental Planner	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98



# ATTACHMENT C

ID-JDE PROFESSIONAL(continued)	Range	Step A	Step B	Step C	Step D	Step E
7P012 Toxicologist	144	145496.28	152771.09	160409.65	168430.13	176851.64
		12124.69	12730.92	13367.47	14035.84	14737.64
		5596.01	5875.81	6169.60	6478.08	6801.99
		69.95	73.45	77.12	80.98	85.02
ID-JDE TECHNICAL/GENERAL	Range	Step A	Step B	Step C	Step D	Step E
8T001 Accounting Assistant I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T001 Accounting Assistant II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
7T002 Administrative Analyst	131	105955.00	111252.75	116815.38	122656.15	128788.96
		8829.58	9271.06	9734.62	10221.35	10732.41
		4075.19	4278.95	4492.90	4717.54	4953.42
		50.94	53.49	56.16	58.97	61.92
8T015 Administrative Assistant I	114	69986.20	73485.51	77159.78	81017.77	85068.66
		5832.18	6123.79	6429.98	6751.48	7089.06
		2691.78	2826.37	2967.68	3116.07	3271.87
		33.65	35.33	37.10	38.95	40.90
7T034 Administrative Assistant II	118	77159.78	81017.77	85068.66	89322.09	93788.20
		6429.98	6751.48	7089.06	7443.51	7815.68
		2967.68	3116.07	3271.87	3435.47	3607.24
		37.10	38.95	40.90	42.94	45.09
7T003 Administrative Secretary	118	77159.78	81017.77	85068.66	89322.09	93788.20
		6429.98	6751.48	7089.06	7443.51	7815.68
		2967.68	3116.07	3271.87	3435.47	3607.24
		37.10	38.95	40.90	42.94	45.09
8T002 Air Quality Case Settlement Specialist I	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
7T004 Air Quality Case Settlement Specialist II	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
8T003 Air Quality Inspector I	124	89322.09	93788.20	98477.61	103401.49	108571.56
		7443.51	7815.68	8206.47	8616.79	9047.63
		3435.47	3607.24	3787.60	3976.98	4175.83
		42.94	45.09	47.35	49.71	52.20

# ATTACHMENT C

ID-JDE TECHNICAL/GENERAL(cont'd)	Range	Step A	Step B	Step C	Step D	Step E
7T005 Air Quality Inspector II	128	98477.61	103401.49	108571.56	114000.14	119700.15
		8206.47	8616.79	9047.63	9500.01	9975.01
		3787.60	3976.98	4175.83	4384.62	4603.85
		47.35	49.71	52.20	54.81	57.55
8T004 Air Quality Instrument Specialist I	124	89322.09	93788.20	98477.61	103401.49	108571.56
		7443.51	7815.68	8206.47	8616.79	9047.63
		3435.47	3607.24	3787.60	3976.98	4175.83
		42.94	45.09	47.35	49.71	52.20
7T006 Air Quality Instrument Specialist II	128	98477.61	103401.49	108571.56	114000.14	119700.15
		8206.47	8616.79	9047.63	9500.01	9975.01
		3787.60	3976.98	4175.83	4384.62	4603.85
		47.35	49.71	52.20	54.81	57.55
8T005 Air Quality Laboratory Technician I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T007 Air Quality Laboratory Technician II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
8T006 Air Quality Permit Technician I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T008 Air Quality Permit Technician II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
8T007 Air Quality Specialist I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7T009 Air Quality Specialist II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
7T010 Air Quality Technical Assistant	118	77159.78	81017.77	85068.66	89322.09	93788.20
		6429.98	6751.48	7089.06	7443.51	7815.68
		2967.68	3116.07	3271.87	3435.47	3607.24
		37.10	38.95	40.90	42.94	45.09
8T008 Air Quality Technician I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71

# ATTACHMENT C

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
7T011 Air Quality Technician II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
8T016 Assistant Air Quality Specialist I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T035 Assistant Air Quality Specialist II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
8T014 Assistant Staff Specialist I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T033 Assistant Staff Specialist II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
7T012 Building Maintenance Mechanic	114	69986.20	73485.51	77159.78	81017.77	85068.66
		5832.18	6123.79	6429.98	6751.48	7089.06
		2691.78	2826.37	2967.68	3116.07	3271.87
		33.65	35.33	37.10	38.95	40.90
7T013 Data Entry Operator	111	65047.18	68299.54	71714.51	75300.24	79065.25
		5420.60	5691.63	5976.21	6275.02	6588.77
		2501.81	2626.91	2758.25	2896.16	3040.97
		31.27	32.84	34.48	36.20	38.01
5T010 Data Support Supervisor	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
7T014 Database Specialist	135	116815.38	122656.15	128788.96	135228.41	141989.83
		9734.62	10221.35	10732.41	11269.03	11832.49
		4492.90	4717.54	4953.42	5201.09	5461.15
		56.16	58.97	61.92	65.01	68.26
7T015 Deputy Clerk of the Boards	123	87169.44	91527.91	96104.30	100909.52	105955.00
		7264.12	7627.33	8008.69	8409.13	8829.58
		3352.67	3520.30	3696.32	3881.14	4075.19
		41.91	44.00	46.20	48.51	50.94
7T028 Facilities Maintenance Worker	108	60456.71	63479.54	66653.52	69986.20	73485.51
		5038.06	5289.96	5554.46	5832.18	6123.79
		2325.26	2441.52	2563.60	2691.78	2826.37
		29.07	30.52	32.04	33.65	35.33

# ATTACHMENT C

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
5T008 Facilities Services Supervisor	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7T031 Fiscal Services Supervisor	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
8T009 Mechanic I	121	83018.51	87169.44	91527.91	96104.30	100909.52
		6918.21	7264.12	7627.33	8008.69	8409.13
		3193.02	3352.67	3520.30	3696.32	3881.14
		39.91	41.91	44.00	46.20	48.51
7T016 Mechanic II	125	91527.91	96104.30	100909.52	105955.00	111252.75
		7627.33	8008.69	8409.13	8829.58	9271.06
		3520.30	3696.32	3881.14	4075.19	4278.95
		44.00	46.20	48.51	50.94	53.49
8T010 Office Assistant I	104	54836.02	57577.82	60456.71	63479.54	66653.52
		4569.67	4798.15	5038.06	5289.96	5554.46
		2109.08	2214.53	2325.26	2441.52	2563.60
		26.36	27.68	29.07	30.52	32.04
7T017 Office Assistant II	108	60456.71	63479.54	66653.52	69986.20	73485.51
		5038.06	5289.96	5554.46	5832.18	6123.79
		2325.26	2441.52	2563.60	2691.78	2826.37
		29.07	30.52	32.04	33.65	35.33
5T001 Office Services Supervisor	116	73485.51	77159.78	81017.77	85068.66	89322.09
		6123.79	6429.98	6751.48	7089.06	7443.51
		2826.37	2967.68	3116.07	3271.87	3435.47
		35.33	37.10	38.95	40.90	42.94
7T018 Permit Coordinator	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
6T009 Principal Air Quality Instrument Specialist	136	119700.15	125685.16	131969.41	138567.88	145496.28
		9975.01	10473.76	10997.45	11547.32	12124.69
		4603.85	4834.04	5075.75	5329.53	5596.01
		57.55	60.43	63.45	66.62	69.95
4T001 Principal Air Quality Specialist	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
4T002 Principal Staff Specialist	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98

# ATTACHMENT C

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
8T011 Programmer Analyst I	127	96104.30	100909.52	105955.00	111252.75	116815.38
		8008.69	8409.13	8829.58	9271.06	9734.62
		3696.32	3881.14	4075.19	4278.95	4492.90
		46.20	48.51	50.94	53.49	56.16
7T019 Programmer Analyst II	131	105955.00	111252.75	116815.38	122656.15	128788.96
		8829.58	9271.06	9734.62	10221.35	10732.41
		4075.19	4278.95	4492.90	4717.54	4953.42
		50.94	53.49	56.16	58.97	61.92
8T012 Public Information Officer I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7T020 Public Information Officer II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
7T027 Purchasing Agent	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T021 Radio/Telephone Operator	113	68299.54	71714.51	75300.24	79065.25	83018.51
		5691.63	5976.21	6275.02	6588.77	6918.21
		2626.91	2758.25	2896.16	3040.97	3193.02
		32.84	34.48	36.20	38.01	39.91
5T002 Radio/Telephone Operator Supervisor	119	79065.25	83018.51	87169.44	91527.91	96104.30
		6588.77	6918.21	7264.12	7627.33	8008.69
		3040.97	3193.02	3352.67	3520.30	3696.32
		38.01	39.91	41.91	44.00	46.20
7T022 Receptionist	104	54836.02	57577.82	60456.71	63479.54	66653.52
		4569.67	4798.15	5038.06	5289.96	5554.46
		2109.08	2214.53	2325.26	2441.52	2563.60
		26.36	27.68	29.07	30.52	32.04
7T023 Secretary	112	66653.52	69986.20	73485.51	77159.78	81017.77
		5554.46	5832.18	6123.79	6429.98	6751.48
		2563.60	2691.78	2826.37	2967.68	3116.07
		32.04	33.65	35.33	37.10	38.95
6T001 Senior Accounting Assistant	120	81017.77	85068.66	89322.09	93788.20	98477.61
		6751.48	7089.06	7443.51	7815.68	8206.47
		3116.07	3271.87	3435.47	3607.24	3787.60
		38.95	40.90	42.94	45.09	47.35
6T002 Senior Air Quality Inspector	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45

# ATTACHMENT C

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
6T003 Senior Air Quality Instrument Specialist	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45
6T007 Senior Air Quality Permit Technician	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
6T004 Senior Air Quality Specialist	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
6T006 Senior Air Quality Technician	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
6T005 Senior Public Information Officer	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
6T008 Senior Staff Specialist	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
8T013 Staff Specialist I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7T032 Staff Specialist II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
5T003 Supervising Air Quality Inspector	136	119700.15	125685.16	131969.41	138567.88	145496.28
		9975.01	10473.76	10997.45	11547.32	12124.69
		4603.85	4834.04	5075.75	5329.53	5596.01
		57.55	60.43	63.45	66.62	69.95
5T004 Supervising Air Quality Instrument Speciali	136	119700.15	125685.16	131969.41	138567.88	145496.28
		9975.01	10473.76	10997.45	11547.32	12124.69
		4603.85	4834.04	5075.75	5329.53	5596.01
		57.55	60.43	63.45	66.62	69.95

# ATTACHMENT C

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
5T005 Supervising Air Quality Specialist	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
5T006 Supervising Public Information Officer	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
5T009 Supervising Staff Specialist	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
5T007 Supervising Systems Analyst	139	128788.96	135228.41	141989.83	149089.32	156543.79
		10732.41	11269.03	11832.49	12424.11	13045.32
		4953.42	5201.09	5461.15	5734.20	6020.91
		61.92	65.01	68.26	71.68	75.26
7T024 Systems Analyst	135	116815.38	122656.15	128788.96	135228.41	141989.83
		9734.62	10221.35	10732.41	11269.03	11832.49
		4492.90	4717.54	4953.42	5201.09	5461.15
		56.16	58.97	61.92	65.01	68.26
7T025 Systems Quality Assurance Specialist	135	116815.38	122656.15	128788.96	135228.41	141989.83
		9734.62	10221.35	10732.41	11269.03	11832.49
		4492.90	4717.54	4953.42	5201.09	5461.15
		56.16	58.97	61.92	65.01	68.26
7T026 Web Master	135	116815.38	122656.15	128788.96	135228.41	141989.83
		9734.62	10221.35	10732.41	11269.03	11832.49
		4492.90	4717.54	4953.42	5201.09	5461.15
		56.16	58.97	61.92	65.01	68.26

# ATTACHMENT D

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT 2024 REPRESENTED EMPLOYEE BENEFITS

The following benefits for represented employees are adopted under the Memorandum of Understanding between the Air District and the Employee Association and approved by the Board of Directors. The amounts below are subject to change based on health care premium rates and/or federal and state regulatory limits.

**\*Hired before 7/1/17:** Fringe Benefit Allowance (FBA) is the **greater** of frozen 2017 allowance of **\$1,763.70** or post 1/1/2019 EE only, EE+1 or EE+ Family tier. **(See Below)**  
Employees may use FBA to purchase additional Life Insurance.

**\*Hired after 7/1/17:** Fringe Benefit Allowance (FBA) is based on medical enrollment and is as follows:

**EE Only - 100% Kaiser rate, Dental, Vision (\$1,095.35)**

**EE+1 - 95% Kaiser Rate, Dental, Vision (\$2,084.24)**

**EE+Family - 90% Kaiser rate, Dental, Vision (\$2,586.08)**

The following benefits may be covered under the FBA:

<b>MEDICAL INSURANCE</b>	Medical insurance is covered under California Public Employees Retirement System (CalPERS) for the employee and eligible dependents including domestic partner benefits pursuant to the Public Employees Medical and Hospital Care Program requirements. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>
<b>DENTAL INSURANCE</b>	Dental insurance is covered under Delta Dental for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.deltadentalins.com">www.deltadentalins.com</a>
<b>VISION INSURANCE</b>	Vision insurance is covered under Vision Service Plan for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.vsp.com">www.vsp.com</a> .

In addition, the District provides the following benefits:

<b>CAFETERIA PLAN</b>	
<b>LIFE INSURANCE</b>	<p><b>Basic Life (District paid)</b> - Up to age 55, the coverage is equal to five (5) times the employee's annual salary up to a maximum of \$500,000. Coverage decreases with age. This is a District paid program.</p> <p><b>Additional Life</b> - The coverage is equal to two (2) times the employee's annual salary up to a maximum of \$100,000. Employees may use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p> <p><b>Dependent Life</b> - The coverage is equal to \$5,000 for each eligible dependent covered. Employees may NOT use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p>
<b>LONG TERM DISABILITY (LTD)</b>	The District provides LTD coverage which equals 66-2/3% of salary for any on or off the job disability, up to a maximum of \$6,500 per month. This is a District paid program.
<b>STATE DISABILITY (SDI)</b>	The District adheres to SDI coverage including sick leave integration for non-industrial illness or injury. Employees contribute 1.1% of salary. Participation is mandatory. Payroll deductions are taken biweekly (26 pay periods).
<b>WORKER'S COMPENSATION</b>	The District provides Worker's Compensation coverage for industrial injury or illness. The District provides full salary continuation for the first ninety (90) days from the date of injury or illness for claims accepted by the workers' compensation carrier.
<b>INSURANCE CONTINUATION</b>	An employee who is ill or injured and is eligible for either Worker's Compensation or State Disability Insurance and on medical leave continues to receive group insurance coverage.
<b>MONEY PURCHASE PENSION PLAN</b>	The District contributes \$237.72 per month for each eligible employee. Adjustment in subsequent years to match increase in the cost of living. Effective July 1, 2024, the District contributes \$245.56 per month for each eligible employee. Vendor: MissionSquare Retirement (formerly known as ICMA-RC) <a href="http://www.missionsq.org">www.missionsq.org</a>



# ATTACHMENT D

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

### 2024 REPRESENTED EMPLOYEE BENEFITS

<b>RETIREMENT</b>	Employees are covered under the provisions of the California Public Employees Retirement System (CalPERS). The retirement formula is 2% at 55 and the employee contribution is 7% of salary. Employees hired after 01/01/2013 will be subject to the Public Employees' Pension Reform Act of 2013 (PEPRA). Payroll deductions are taken biweekly (26 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>
<b>DEFERRED COMPENSATION</b>	The District provides a 457 deferred compensation plan through MissionSquare Retirement (formerly known as ICMA-RC). Participation is optional. The maximum employee contribution is \$23,000 for 2024 with an additional \$7,500 catch-up for employees who are 50 years old or older. Employees can make pre-tax and/or Roth after-tax contributions. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.missionsq.org">www.missionsq.org</a>
<b>PAID LEAVE (ANNUAL, SICK, FLOATING)</b>	<b>Annual Leave</b> - Accrue based on number of years of service starting at 3.69 hours to a maximum of 9.23 hours per pay period. Annual accruals will cease when the annual leave balance exceeds 460 hours and will resume when the balance falls below 460 hours. Annual leave cash-out policy for any unused annual leave in excess of 160 hours per year up to a maximum of 40 hours per calendar year.
<b>HOLIDAY</b>	<b>Sick Leave</b> - Accrue at 3.69 hours per pay period. There is no limitation on sick leave accumulation.  <b>Floating Holiday</b> - Accrue 40 hours of leave per fiscal year. Employees hired between January 1 and May 31 will receive 8 hours for that fiscal year. Employees hired between June 1 and June 30 will receive 0 hours for that fiscal year.
<b>HOLIDAYS</b>	The District has 14 paid holidays.
<b>EMPLOYEE ASSISTANCE PROGRAM</b>	The District provides an employee assistance program for the employee and the members of their household. This is a District paid program. <a href="http://www.magellanassist.com">www.magellanassist.com</a>
<b>EDUCATIONAL REIMBURSEMENT</b>	The District reimburses up to a maximum of \$2,000 per fiscal year for job related educational pursuits and up to a maximum of \$1,500 per fiscal year for skills enhancement pursuits.  The District offers student loan repayment assistance in amounts up to \$1,000 per year, per employee. The program is administered on a first-come, first-served basis.
<b>TRANSIT/CAR POOL SUBSIDY</b>	Employees are eligible for a transit or carpool subsidy of up to \$315 per month. Parking associated with a mass transit agency is eligible for the remaining transit subsidy and or to be paid with pre-tax salary dollars up to the maximum monthly IRS transit subsidy and/or parking subsidy equivalent. In lieu of other transit subsidy, District employees who live more than 1.0 miles from their work location and walk or bicycle to work are eligible for up to \$3 per day (\$1.50 per one-way trip). This is a District paid program.
<b>DEPENDENT CARE ASSISTANCE PLAN (DCAP)</b>	The District provides a dependent care assistance program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for dependent care. Plan year maximum is \$5,000 for household. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a>
<b>MEDICAL CARE REIMBURSEMENT ACCOUNT (MCRA)</b>	The District provides a medical care reimbursement program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for medical care. Plan year maximum is \$3,200. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a>

For complete details regarding these benefits, please refer to the Memorandum of Understanding and plan documents.

# ATTACHMENT D

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT 2024 CONFIDENTIAL EMPLOYEE BENEFITS

The following benefits for confidential employees are adopted by the Board of Directors. The confidential group is not represented. The amounts below are subject to change based on health care premium rates and/or federal and state regulatory limits.

**\*Hired before 7/1/17:** Fringe Benefit Allowance (FBA) is the **greater** of frozen 2017 allowance of **\$1,763.70** or post 1/1/2019 EE only, EE+1 or EE+ Family tier. **(See Below)**  
Employees may use FBA to purchase additional Life Insurance.

**\*Hired after 7/1/17:** Fringe Benefit Allowance (FBA) is based on Medical enrollment and is as follows:

**EE Only - 100%** Kaiser rate, Dental, Vision **(\$1,095.35)**

**EE+1 - 95%** Kaiser Rate, Dental, Vision **(\$2,084.24)**

**EE+Family - 90%** Kaiser rate, Dental, Vision **(\$2,586.08)**

The following benefits may be covered under the FBA:

<b>MEDICAL INSURANCE</b>	Medical insurance is covered under California Public Employees Retirement System (CalPERS) for the employee and eligible dependents including domestic partner benefits pursuant to the Public Employees Medical and Hospital Care Program requirements. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>
<b>DENTAL INSURANCE</b>	Dental insurance is covered under Delta Dental for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.deltadentalins.com">www.deltadentalins.com</a>
<b>VISION INSURANCE</b>	Vision insurance is covered under Vision Service Plan for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.vsp.com">www.vsp.com</a> .

In addition, the District provides the following benefits:

<b>CAFETERIA PLAN</b>	
<b>LIFE INSURANCE</b>	<p><b>Basic Life (District paid)</b> - Up to age 55, the coverage is equal to five (5) times the employee's annual salary up to a maximum of \$500,000. Coverage decreases with age. This is a District paid program.</p> <p><b>Additional Life</b> - The coverage is equal to two (2) times the employee's annual salary up to a maximum of \$100,000. Employees may use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p> <p><b>Dependent Life</b> - The coverage is equal to \$5,000 for each eligible dependent covered. Employees may NOT use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p>
<b>LONG TERM DISABILITY (LTD)</b>	The District provides LTD coverage which equals 66-2/3% of salary for any on or off the job disability, up to a maximum of \$6,500 per month. This is a District paid program.
<b>STATE DISABILITY (SDI)</b>	The District adheres to SDI coverage including sick leave integration for non-industrial illness or injury. Employees contribute 1.1% of salary. Participation is mandatory. Payroll deductions are taken biweekly (26 pay periods).
<b>WORKER'S COMPENSATION</b>	The District provides Worker's Compensation coverage for industrial injury or illness. The District provides full salary continuation for the first ninety (90) days from the date of injury or illness for claims accepted by the workers' compensation carrier.
<b>INSURANCE CONTINUATION</b>	An employee who is ill or injured and is eligible for either Worker's Compensation or State Disability Insurance and on medical leave continues to receive group insurance coverage.
<b>MONEY PURCHASE PENSION PLAN</b>	The District contributes \$237.72 per month for each eligible employee. Effective July 1, 2024, the District contributes \$245.56 per month for each eligible employee. Adjustment in subsequent years to match increase in the cost of living. Vendor: MissionSquare Retirement (formerly known as ICMA-RC) <a href="http://www.missionsq.org">www.missionsq.org</a>

# ATTACHMENT D

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT 2024 CONFIDENTIAL EMPLOYEE BENEFITS

<b>RETIREMENT</b>	Employees are covered under the provisions of the California Public Employees Retirement System (CalPERS). The retirement formula is 2% at 55 and the employee contribution is 7% of salary. Employees hired after 01/01/2013 will be subject to the Public Employees' Pension Reform Act of 2013 (PEPRA). Payroll deductions are taken biweekly (26 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>
<b>DEFERRED COMPENSATION</b>	The District provides a 457 deferred compensation plan through MissionSquare Retirement (formerly known as ICMA-RC). Participation is optional. The maximum employee contribution is \$23,000 for 2024 with an additional \$7,500 catch-up for employees who are 50 years old or older. Employees can make pre-tax and/or Roth after-tax contributions. <a href="http://www.missionsq.org">www.missionsq.org</a>
<b>PAID LEAVE (ANNUAL, SICK, FLOATING HOLIDAY)</b>	<b>Annual Leave</b> - Accrue based on number of years of service starting at 3.69 hours to a maximum of 9.23 hours per pay period. Annual accruals will cease when the annual leave balance exceeds 460 hours and will resume when the balance falls below 460 hours. Annual leave cash-out policy for any unused annual leave in excess of 160 hours per year up to a maximum of 40 hours per calendar year.  <b>Sick Leave</b> - Accrue at 3.69 hours per pay period. There is no limitation on sick leave accumulation.  <b>Floating Holiday</b> - Accrue 40 hours of leave per fiscal year. New hire hours are prorated based on remaining months in fiscal year.
<b>HOLIDAYS</b>	The District has 14 paid holidays.
<b>EMPLOYEE ASSISTANCE PROGRAM</b>	The District provides an employee assistance program for the employee and the members of their household. This is a District paid program. <a href="http://www.magellanassist.com">www.magellanassist.com</a>
<b>EDUCATIONAL REIMBURSEMENT</b>	The District reimburses up to a maximum of \$2,000 per fiscal year for job related educational pursuits and up to a maximum of \$1,500 per fiscal year for skills enhancement pursuits.  The District offers student loan repayment assistance in amounts up to \$1,000 per year, per employee. The program is administered on a first-come, first-served basis.
<b>TRANSIT/CAR POOL SUBSIDY</b>	Employees are eligible for a transit or carpool subsidy of up to \$315 per month. Parking associated with a mass transit agency is eligible for the remaining transit subsidy and or to be paid with pre-tax salary dollars up to the maximum monthly IRS transit subsidy and/or parking subsidy equivalent. In lieu of other transit subsidy, District employees who live more than 1.0 miles from their work location and walk or bicycle to work are eligible for up to \$3 per day (\$1.50 per one-way trip). This is a District paid program.
<b>DEPENDENT CARE ASSISTANCE PLAN (DCAP)</b>	The District provides a dependent care assistance program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for dependent care. Plan year maximum is \$5,000 for household. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a>
<b>MEDICAL CARE REIMBURSEMENT ACCOUNT (MCRA)</b>	The District provides a medical care reimbursement program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for medical care. Plan year maximum is \$3,200. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a>

For complete details regarding these benefits, please refer to the Administrative Code and plan documents.

# ATTACHMENT D

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT 2024 MANAGEMENT EMPLOYEE BENEFITS

The following benefits for management employees are adopted by the Board of Directors. The management group is not represented. The amounts below are subject to change based on health care premium rates and/or federal and state regulatory limits.

**\*Hired before 7/1/17:** Fringe Benefit Allowance (FBA) is the **greater** of frozen 2017 allowance of **\$1,813.70** or post 1/1/2019 EE only, EE+1 or EE+ Family tier. **(See Below)**  
Employees may use FBA to purchase additional Life Insurance.

**\*Hired after 7/1/17:** Fringe Benefit Allowance (FBA) is based on Medical enrollment and is as follows:

**EE Only - 100%** Kaiser rate, Dental, Vision **(\$1,095.35)**

**EE +1 - 95%** Kaiser Rate, Dental, Vision **(\$2,084.24)**

**EE+Family - 90%** Kaiser rate, Dental, Vision **(\$2,586.08)**

The following benefits may be covered under the FBA:

<b>MEDICAL INSURANCE</b>	Medical insurance is administered through California Public Employees Retirement System (CalPERS) for the employee and eligible dependents including domestic partner benefits pursuant to the Public Employees Medical and Hospital Care Program requirements. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>
<b>DENTAL INSURANCE</b>	Dental insurance is administered through Delta Dental for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.deltadentalins.com">www.deltadentalins.com</a>
<b>VISION INSURANCE</b>	Vision insurance is administered through Vision Service Plan for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.vsp.com">www.vsp.com</a>

In addition, the District provides the following benefits:

<b>CAFETERIA PLAN</b>	
<b>LIFE INSURANCE</b>	<p><b>Basic Life (District paid)</b> - Up to age 55, the coverage is equal to five (5) times the employee's annual salary up to a maximum of \$500,000. Coverage decreases with age. This is a District paid program.</p> <p><b>Additional Life</b> - The coverage is equal to two (2) times the employee's annual salary up to a maximum of \$100,000. Employees may use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p> <p><b>Dependent Life</b> - The coverage is equal to \$5,000 for each eligible dependent covered. Employees may NOT use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p>
<b>LONG TERM DISABILITY (LTD)</b>	The District provides LTD coverage which equals 66-2/3% of salary for any on or off the job disability, up to a maximum of \$6,500 per month. This is a District paid program.
<b>STATE DISABILITY (SDI)</b>	The District adheres to SDI coverage including sick leave integration for non-industrial illness or injury. Employees contribute 1.1% of salary. Participation is mandatory. Payroll deductions are taken biweekly (26 pay periods).
<b>WORKER'S COMPENSATION</b>	The District provides Worker's Compensation coverage for industrial injury or illness. The District provides full salary continuation for the first ninety (90) days from the date of injury or illness for claims accepted by the workers' compensation carrier.
<b>INSURANCE CONTINUATION</b>	An employee who is ill or injured and is eligible for either Worker's Compensation or State Disability Insurance and on medical leave receives continued group insurance coverage.
<b>MONEY PURCHASE PENSION PLAN</b>	The District contributes \$237.72 per month for each eligible employee. Effective July 1, 2024, the District contributes \$245.56 per month for each eligible employee. Adjustment in subsequent years to match increase in the cost of living. Vendor: MissionSquare Retirement (formerly known as ICMA-RC) <a href="http://www.missionsq.org">www.missionsq.org</a>

# ATTACHMENT D

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT 2024 MANAGEMENT EMPLOYEE BENEFITS

<b>RETIREMENT</b>	Employees are covered under the provisions of the California Public Employees Retirement System (CalPERS). The retirement formula is 2% at 55 and the employee contribution is 7% of salary. Employees hired after 01/01/2013 will be subject to the Public Employees' Pension Reform Act of 2013 (PEPRA). Payroll deductions are taken biweekly (26 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>
<b>DEFERRED COMPENSATION</b>	The District provides a 457 deferred compensation plan through MissionSquare Retirement (formerly known as ICMA-RC). Participation is optional. The maximum employee contribution is \$23,000 for 2024 with an additional \$7,500 catch-up for employees who are 50 years old or older. Employees can make pre-tax and/or Roth after-tax contributions. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.missionsq.org">www.missionsq.org</a>
<b>PAID LEAVE (ANNUAL, SICK, FLOATING HOLIDAY, MANAGEMENT LEAVE)</b>	<p><b>Annual Leave</b> - Accrue based on number of years of service starting at 3.69 hours to a maximum of 9.23 hours per pay period. Annual accruals will cease when the annual leave balance exceeds 460 hours and will resume when the balance falls below 460 hours. Annual leave cash-out policy for any unused annual leave in excess of 160 hours per year up to a maximum of 40 hours per calendar year.</p> <p><b>Sick Leave</b> - Accrue at 3.69 hours per pay period. There is no limitation on sick leave accumulation.</p> <p><b>Floating Holiday</b> - Accrue 72 hours of leave per fiscal year. Employees hired after July 1 of the current fiscal year will receive a prorated portion based on the remaining months for that fiscal year.</p> <p><b>Management Leave</b> - (in lieu of overtime) Effective 7/1/13, 80 hours per fiscal year; any unused portion may be cashed out.</p> <p><b>Deputy Air Pollution Control Officer and Deputy Executive Officer only</b> - Effective 7/1/12, in addition to above, 40 hours of management leave per fiscal year; any unused portion may be cashed out.</p>
<b>HOLIDAYS</b>	The District has 14 paid holidays.
<b>EMPLOYEE ASSISTANCE PROGRAM</b>	The District provides an employee assistance program for the employee and the members of their household. This is a District paid program. <a href="http://www.magellanassist.com">www.magellanassist.com</a>
<b>EDUCATIONAL REIMBURSEMENT</b>	<p>The District reimburses up to a maximum of \$2,000 per fiscal year for job related educational pursuits and up to a maximum of \$1,500 per fiscal year for skills enhancement pursuits.</p> <p>The District offers student loan repayment assistance in amounts up to \$1,000 per year, per employee. The program is administered on a first-come, first-served basis.</p>
<b>TRANSIT/CAR POOL SUBSIDY</b>	Employees are eligible for a transit or carpool subsidy of up to \$315 per month. Parking associated with a mass transit agency is eligible for the remaining transit subsidy and/or to be paid with pre-tax salary dollars up to the maximum monthly IRS transit subsidy and/or parking subsidy equivalent. In lieu of other transit subsidy, District employees who live more than 1.0 miles from their work location and walk or bicycle to work are eligible for up to \$3 per day (\$1.50 per one-way trip). This is a District paid program.
<b>VEHICLE ALLOWANCE</b>	Senior Management Employees only--\$500 per month vehicle allowance in lieu of a District assigned vehicle and transit/carpool subsidy. Requires insurance coverage.
<b>DEPENDENT CARE ASSISTANCE PLAN (DCAP)</b>	The District provides a dependent care assistance program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for dependent care. Plan year maximum is \$5,000 per household. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a>
<b>MEDICAL CARE REIMBURSEMENT ACCOUNT (MCRA)</b>	The District provides a medical care reimbursement program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for medical care. Plan year maximum is \$3,200. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a>

For complete details regarding these benefits, please refer to the Administrative Code and plan documents.

# ATTACHMENT E

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

### Resolution No. 2024 -

#### **A Resolution of the Board of Directors of the Bay Area Air Quality Management District to Approve the Budget for the Fiscal Year Ending June 30, 2025, (FY 2024-2025) and Various Budget-Related Actions**

WHEREAS, the Board of Directors of the Bay Area Air Quality Management District (Air District) has the statutory authority and direction to adopt the Air District's financial budget pursuant to Health & Safety Code Sections 40130 and 40131;

WHEREAS, by Resolution No. 2023-07, the Board of Directors adopted the Air District Budget for Fiscal Year (FY) 2023-2024 on June 7, 2023, pursuant to the above-mentioned statutory authority;

WHEREAS, the Board of Directors, in connection with that action, approved the following budget-related actions:

- A. Transfer Funds from Encumbered Balance of Appropriations to the Next Fiscal Year for Continuation of Projects/Programs
- B. Transfer Funds from Unencumbered Balance of Appropriations to the General Reserve;
- C. Fund the General Reserve from Year to Year;
- D. Authorize Disposal of Surplus Government Property;
- E. Approve Salary Ranges for District Employees;
- F. Approve Funding for CalPERS Pension Benefits and Other Post-Employment Benefits for FY 2023-2024; and
- G. Adopt Air District Budget for FY 2023-2024.

WHEREAS, Air District staff has determined through its annual budget review and analysis that similar actions are necessary in connection with the adoption of a budget for FY 2024-2025 and that all of these actions should be incorporated into a single resolution;

WHEREAS, the Finance and Administration Committee of the Board of Directors reviewed the proposed FY 2024-2025 Air District Budget at public meetings held on March 20, 2024, and April 17, 2024, and recommended that the Board of Directors approve as submitted;

WHEREAS, an initial public hearing was duly noticed and held on May 1, 2024, at a Special Meeting of the Board of Directors held pursuant to Health & Safety Code Section 40131, for the exclusive purpose of reviewing the Air District's proposed FY 2024-2025 Budget and of providing the public with an opportunity to comment upon the proposed Air District Budget;

# ATTACHMENT E

WHEREAS, at the May 17, 2023, Special Meeting of the Board of Directors, the Proposed FY 2024-2025 Air District Budget was set for a further hearing and proposed adoption at the Regular Meeting of the Board of Directors to be held on June 5, 2024;

WHEREAS, in connection with the public hearing and consideration of the Proposed FY 2024-2025 Air District Budget on June 5, 2024, the Board of Directors takes the following actions and adopts the following resolutions related to the FY 2024-2025 District Budget:

**A. CARRY FORWARD ENCUMBERED BALANCE OF APPROPRIATIONS TO THE NEXT FISCAL YEAR FOR CONTINUATION OF PROJECTS/PROGRAMS NOT COMPLETED IN THE CURRENT FISCAL YEAR**

WHEREAS, the Air District Budget for FY 2023-2024 has appropriated funds committed for projects/programs not completed in the current fiscal year that will carry over to the next fiscal year;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby directs Air District staff, that in the event there is encumbered balance of appropriations from FY 2023-2024 for continuation of projects/programs, to transfer such appropriations to the FY 2024-2025 budget as needed for completion of such projects/programs;

**B. TRANSFER FUNDS FROM UNENCUMBERED BALANCE OF APPROPRIATIONS TO THE GENERAL RESERVE**

WHEREAS, the Proposed Air District Budget provides sufficient funds for the operation of the Air District for FY 2024-2025;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby directs Air District staff, that in the event there is an unencumbered balance of appropriations from FY 2023-2024, to transfer such excess balance to the General Reserve.

**C. CONTINUE TO FUND THE GENERAL RESERVE FROM YEAR TO YEAR, WITH MODIFICATIONS TO THE NAME AND PURPOSE OF CERTAIN DESIGNATED RESERVE FUNDS**

WHEREAS, the Board of Directors on June 12, 1958, created a General Reserve in the Air District's budget and transferred certain funds into it;

WHEREAS, the Air District has operated for much of its existence with a General Reserve in its fiscal year budget;

WHEREAS, the Board of Directors finds that maintaining a healthy and properly funded General Reserve in the Air District's budget is a prudent and financially sound decision;

# ATTACHMENT E

WHEREAS, the Air District's Economic Contingency Reserve Policy, adopted by the Board of Directors on May 1, 2024, establishes a policy to maintain an economic contingency reserve in a range between 25% to 35% of the General Fund Budget;

WHEREAS, in addition to the Economic Contingency Designation, the proposed FY 2024-2025 Budget includes modifications to the name and purpose of certain Designated Reserve Funds;

NOW THEREFORE, BE IT FURTHER RESOLVED that the General Reserve be continued for FY 2024-2025, with the modifications to Designated Reserve Funds as specified in the FY 2024-2025 Budget, and that it be continued thereafter until discontinued by resolution of the Board of Directors.

## **D. AUTHORIZATION TO TRANSFER BUDGET BETWEEN ACCOUNTS TO CARRY OUT THE BUSINESS OF THE DISTRICT**

WHEREAS, the Board of Directors desires gives the Executive Officer/APCO authority to make administrative budget transfers as necessary to carry out the business of the District, so long as there is no funding source incompatibility and provided these adjustments do not increase the overall budget appropriation of the FY 2024-2025 Air District General Fund Budget;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby authorizes the Executive Officer/APCO, or their designee, to:

1. Make necessary administrative budget adjustments to transfer budget funds between certain accounts, so long as there is no funding source incompatibility and provided these adjustments do not increase the overall budget appropriation of the FY 2024-2025 Air District General Fund Budget;
2. Transfer personnel positions from one program to another and transfer the pertinent budgeted funds between personnel accounts, provided that the Executive Officer/APCO shall report such transfers to the Board of Directors;
3. Transfer Limited-Term Contract Employees (LTCE) Reserve Designations to the General Fund's personnel accounts to fund the approved LTCE staffing recommendations; and
4. Transfer services and supplies accounts between operating accounts and programs within the General Fund, so long as the transfers are not between the operating and capital accounts, which requires the Board of Directors' approval.



# ATTACHMENT E

## **E. AUTHORIZE DISPOSAL OF SURPLUS GOVERNMENT PROPERTY**

WHEREAS, the Air District Budget for FY 2024-2025 provides for the replacement of certain equipment and other property that either has become obsolete and surplus or will become obsolete and surplus;

WHEREAS, Air District staff has determined that certain equipment or other property will no longer be economically feasible to maintain or repair, and that some equipment will become obsolete and not useful for Air District purposes;

WHEREAS, from time to time during the course of the coming fiscal year it may be advantageous to the Air District to sell or dispose of such equipment or other property;

WHEREAS, in the judgment of the Board of Directors, such surplus or obsolete equipment or other property is no longer required for the purposes of the Air District;

WHEREAS, the Board of Directors desires to authorize the Executive Officer/APCO, or their designee, to sell or dispose of such surplus or obsolete equipment or other property pursuant the authority provided in Health & Safety Code section 40701(e);

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Board of Directors hereby authorizes the Executive Officer/APCO, or their designee, to sell or dispose of surplus or obsolete equipment or other property during FY 2024-2025 in a public manner and in accordance with governmental best practices, with all proceeds or compensation therefore to be paid into the General Fund of the Air District.

## **F. ADOPT SALARY RANGES AND BENEFITS PACKAGE FOR AIR DISTRICT EMPLOYEES**

WHEREAS, the Board of Directors establishes salary ranges and classifications for Air District employees, as well as employment-related benefits for those employees;

WHEREAS, the current Memorandum of Understanding (“MOU”) with the Bay Area Air Quality Management District Employees’ Association, Inc. (“EA”), the recognized employee organization of the Air District, is in effect through June 30, 2025, and provides for salary ranges and benefits for represented employees for the FY 2024-2025 period;

WHEREAS, the Board of Directors desires to establish salary ranges and benefits for confidential and management employees, who are not represented by the EA and are not covered by the MOU, and desires to apply similar provisions for those non-represented employees as apply to represented employees under the MOU;

WHEREAS, the FY 2024-2025 salary schedule attached hereto reflects a 4.5% general wage increase to the salary ranges for represented and non-represented employees (except where otherwise required by contracts with individual employees);

# ATTACHMENT E

WHEREAS, the FY 2024-2025 salary schedule attached hereto reflects a 3.3% general wage increase for the Executive Officer/APCO and the General Counsel positions, effective July 1, 2024, as required under the separate, independent employment agreements between the Air District and its Executive Officer/APCO and General Counsel, and based on the California Consumer Price Index for Urban Wage Earners and Clerical Workers for the San Francisco Bay Area;

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Board of Directors adopts the attached FY 2024-2025 salary schedule and FY 2024-2025 Employee Benefits as outlined in the attached statement of benefits for represented, confidential and management.

**G. APPROVE FUNDING FOR PENSION BENEFITS AND OTHER POST-EMPLOYMENT BENEFITS (OPEB) FOR FY 2024-2025**

WHEREAS, in December 2022, the Board of Directors adopted a policy of prefunding its OPEB and Pension benefit plans by contributing up to \$5 million (\$4M to OPEB and \$1M to Pension) in discretionary funding annually towards achieving a minimum 90% funded target level;

WHEREAS, based on the most recent actuarial valuations, the OPEB plan has reached its target funded level at 92% and the pension plan is below the target funded level at 74%;

WHEREAS, the funding policy also states that the Board of Directors can redirect the \$4 million discretionary funds from OPEB upon reaching its funded target to the 115 Pension Trust with California Employers' Pension Prefunding Trust (CEPPT);

NOW, THEREFORE, BE IT FURTHER RESOLVED that as a part of the FY 2024-2025 Proposed Budget, the Board of Directors hereby authorizes and directs staff to redirect the \$4 million in OPEB discretionary funding to the CEPPT pension trust for a total of \$5 million for the continuation of prefunding the Air District's Pension plan.

**H. ADOPT AIR DISTRICT BUDGET FOR FY 2024-2025**

WHEREAS, on May 1, 2024, and June 5, 2024, public proceedings have been held in the manner and form required by Health & Safety Code Section 40131 for the adoption of the FY 2024-2025 Budget of the Bay Area Air Quality Management District;

WHEREAS, the Board of Directors has considered the Proposed FY 2024-2025 Air District Budget, as well as the recommendation to adopt this Proposed Budget from the Finance and Administration Committee of the Board of Directors, which considered the Proposed Budget at its meetings of March 20, 2024, and April 17, 2024;

# ATTACHMENT E

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Proposed Air District Budget for Fiscal Year 2024-2025, in the total consolidated amount of Two Hundred Ninety-One Million, One Hundred Eleven Thousand, Seven Hundred and Twenty Four Dollars (\$291,111,724), specifying by appropriation classification funding levels for personnel, services and supplies, capital outlay, program distributions and transfers, is hereby adopted by the Board of Directors of the Bay Area Air Quality Management District to become effective as of July 1, 2024.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of \_\_\_\_\_, seconded by \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_ 2024, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
DAVINA HURT  
Chairperson of the Board of Directors

ATTEST:

\_\_\_\_\_

# ATTACHMENT E

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
SALARY SCHEDULE FOR MANAGEMENT AND CONFIDENTIAL CLASSES**  
Annually/Monthly/Bi-weekly/Hourly effective July 14, 2024

**ID-JDE MANAGEMENT**

**Per Employment Agreement**

1B101 Executive Officer/Air Pollution Control Officer*	401321.00 33443.38 15435.41 192.94
1B102 Counsel*	350174.35 29181.20 13468.24 168.35

**ID-JDE MANAGEMENT**

	Range	Step A	Step B	Step C	Step D	Step E
3M101 Air Monitoring Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M102 Air Quality Engineering Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M103 Air Quality Planning Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M104 Air Quality Program Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
8M101 Assistant Counsel I	149M	166409.18	174729.63	183466.12	192639.42	202271.39
		13867.43	14560.80	15288.84	16053.29	16855.95
		6400.35	6720.37	7056.39	7409.21	7779.67
		80.00	84.00	88.20	92.62	97.25
7M101 Assistant Counsel II	153M	186655.57	195988.35	205787.77	216077.15	226881.01
		15554.63	16332.36	17148.98	18006.43	18906.75
		7179.06	7538.01	7914.91	8310.66	8726.19
		89.74	94.23	98.94	103.88	109.08
3M121 Assistant Manager	147M	161240.10	169302.10	177767.21	186655.57	195988.35
		13436.67	14108.51	14813.93	15554.63	16332.36
		6201.54	6511.62	6837.20	7179.06	7538.01
		77.52	81.40	85.47	89.74	94.23

\*Effective July 1, 2024 per employment agreement

# ATTACHMENT E

ID-JDE MANAGEMENT(CONTINUED)	Range	Step A	Step B	Step C	Step D	Step E
3M117 Audit & Special Projects Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M105 Business Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
2M111 Communications Officer	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
1M101 Deputy Air Pollution Control Officer	160M	221413.20	232483.86	244108.05	256313.45	269129.12
		18451.10	19373.65	20342.34	21359.45	22427.43
		8515.89	8941.69	9388.77	9858.21	10351.12
		106.45	111.77	117.36	123.23	129.39
1M102 Deputy Executive Officer	169M	275775.29	289564.05	304042.26	319244.37	335206.59
		22981.27	24130.34	25336.85	26603.70	27933.88
		10606.74	11137.08	11693.93	12278.63	12892.56
		132.58	139.21	146.17	153.48	161.16
2M110 Director/Officer	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M101 Director of Administration	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M102 Director of Enforcement	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M103 Director of Engineering	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M108 Director of Strategic Incentives	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M104 Director of Information Services	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58

# ATTACHMENT E

ID-JDE MANAGEMENT(CONTINUED)	Range	Step A	Step B	Step C	Step D	Step E
2M105 Director of Planning and Research	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
2M107 Director of Technical Services	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
3M119 Engineering Project Processing Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M113 Executive Operations Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M107 Finance Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M106 Fleet and Facilities Manager	134M	117420.15	123291.15	129455.71	135928.50	142724.92
		9785.01	10274.26	10787.98	11327.37	11893.74
		4516.16	4741.97	4979.07	5228.02	5489.42
		56.45	59.27	62.24	65.35	68.62
2M111 Health Officer	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
3M118 Human Resources Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M108 Human Resources Officer	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58
3M109 Information Systems Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
2M109 Information Technology Officer	156M	199502.44	209477.56	219951.44	230949.01	242496.46
		16625.20	17456.46	18329.29	19245.75	20208.04
		7673.17	8056.83	8459.67	8882.65	9326.79
		95.91	100.71	105.75	111.03	116.58

# ATTACHMENT E

ID-JDE MANAGEMENT(CONTINUED)	Range	Step A	Step B	Step C	Step D	Step E
3M110 Manager (Laboratory)	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M120 Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M115 Manager of Executive Operations	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M111 Meteorology and Data Analysis Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
3M112 Research and Modeling Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
6M101 Senior Assistant Counsel	157M	205787.77	216077.15	226881.01	238225.06	250136.32
		17148.98	18006.43	18906.75	19852.09	20844.69
		7914.91	8310.66	8726.19	9162.50	9620.63
		98.94	103.88	109.08	114.53	120.26
6M102 Senior Policy Advisor	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55
8M102 Staff Attorney	145M	153562.00	161240.10	169302.10	177767.21	186655.57
		12796.83	13436.67	14108.51	14813.93	15554.63
		5906.23	6201.54	6511.62	6837.20	7179.06
		73.83	77.52	81.40	85.47	89.74
3M116 Strategic Facilities Planning Manager	148M	165221.94	173483.03	182157.18	191265.04	200828.30
		13768.49	14456.92	15179.77	15938.75	16735.69
		6354.69	6672.42	7006.05	7356.35	7724.17
		79.43	83.41	87.58	91.95	96.55

# ATTACHMENT E

ID-JDE CONFIDENTIAL	Range	Step A	Step B	Step C	Step D	Step E
8C006 Administrative Assistant I (Confidential)	114	69986.20	73485.51	77159.78	81017.77	85068.66
		5832.18	6123.79	6429.98	6751.48	7089.06
		2691.78	2826.37	2967.68	3116.07	3271.87
		33.65	35.33	37.10	38.95	40.90
7C009 Administrative Assistant II (Confidential)	118	77159.78	81017.77	85068.66	89322.09	93788.20
		6429.98	6751.48	7089.06	7443.51	7815.68
		2967.68	3116.07	3271.87	3435.47	3607.24
		37.10	38.95	40.90	42.94	45.09
7C007 Administrative Secretary (Confidential)	118	77159.78	81017.77	85068.66	89322.09	93788.20
		6429.98	6751.48	7089.06	7443.51	7815.68
		2967.68	3116.07	3271.87	3435.47	3607.24
		37.10	38.95	40.90	42.94	45.09
5C101 Clerk of the Boards	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45
4C102 Principal Cybersecurity Analyst	139	128788.96	135228.41	141989.83	149089.32	156543.79
		10732.41	11269.03	11832.49	12424.11	13045.32
		4953.42	5201.09	5461.15	5734.20	6020.91
		61.92	65.01	68.26	71.68	75.26
8C005 Executive Assistant I	128	98477.61	103401.49	108571.56	114000.14	119700.15
		8206.47	8616.79	9047.63	9500.01	9975.01
		3787.60	3976.98	4175.83	4384.62	4603.85
		47.35	49.71	52.20	54.81	57.55
7C008 Executive Assistant II	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45
8C004 Executive Secretary I	128	98477.61	103401.49	108571.56	114000.14	119700.15
		8206.47	8616.79	9047.63	9500.01	9975.01
		3787.60	3976.98	4175.83	4384.62	4603.85
		47.35	49.71	52.20	54.81	57.55
7C001 Executive Secretary II	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45
8C101 Human Resources Analyst I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7C103 Human Resources Analyst II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
8C001 Human Resources Technician I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71



# ATTACHMENT E

ID-JDE CONFIDENTIAL(CONTINUED)	Range	Step A	Step B	Step C	Step D	Step E
7C002 Human Resources Technician II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
7C003 Legal Intern	124	89322.09	93788.20	98477.61	103401.49	108571.56
		7443.51	7815.68	8206.47	8616.79	9047.63
		3435.47	3607.24	3787.60	3976.98	4175.83
		42.94	45.09	47.35	49.71	52.20
7C003 Legal Office Services Specialist	124	89322.09	93788.20	98477.61	103401.49	108571.56
		7443.51	7815.68	8206.47	8616.79	9047.63
		3435.47	3607.24	3787.60	3976.98	4175.83
		42.94	45.09	47.35	49.71	52.20
8C002 Legal Secretary I	116	73485.51	77159.78	81017.77	85068.66	89322.09
		6123.79	6429.98	6751.48	7089.06	7443.51
		2826.37	2967.68	3116.07	3271.87	3435.47
		35.33	37.10	38.95	40.90	42.94
7C004 Legal Secretary II	120	81017.77	85068.66	89322.09	93788.20	98477.61
		6751.48	7089.06	7443.51	7815.68	8206.47
		3116.07	3271.87	3435.47	3607.24	3787.60
		38.95	40.90	42.94	45.09	47.35
8C003 Office Assistant I (HR)	104	54836.02	57577.82	60456.71	63479.54	66653.52
		4569.67	4798.15	5038.06	5289.96	5554.46
		2109.08	2214.53	2325.26	2441.52	2563.60
		26.36	27.68	29.07	30.52	32.04
7C005 Office Assistant II (HR)	108	60456.71	63479.54	66653.52	69986.20	73485.51
		5038.06	5289.96	5554.46	5832.18	6123.79
		2325.26	2441.52	2563.60	2691.78	2826.37
		29.07	30.52	32.04	33.65	35.33
7C102 Paralegal	124	89322.09	93788.20	98477.61	103401.49	108571.56
		7443.51	7815.68	8206.47	8616.79	9047.63
		3435.47	3607.24	3787.60	3976.98	4175.83
		42.94	45.09	47.35	49.71	52.20
4C101 Principal Human Resources Analyst	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
6C002 Senior Executive Assistant	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
6C001 Senior Executive Secretary	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62

# ATTACHMENT E

## ID-JDE CONFIDENTIAL(CONTINUED)

	Range	Step A	Step B	Step C	Step D	Step E
6C103 Senior Payroll Analyst	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
6C102 Senior Human Resources Analyst	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45

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# ATTACHMENT E

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**SALARY SCHEDULE FOR TECHNICAL/GENERAL AND PROFESSIONAL EMPLOYEES**  
 Effective July 14, 2024 per Memorandum of Understanding effective July 1, 2023

ID-JDE PROFESSIONAL	Range	Step A	Step B	Step C	Step D	Step E
7P001 Accountant I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7P014 Accountant II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
7P002 Advanced Projects Advisor	144	145496.28	152771.09	160409.65	168430.13	176851.64
		12124.69	12730.92	13367.47	14035.84	14737.64
		5596.01	5875.81	6169.60	6478.08	6801.99
		69.95	73.45	77.12	80.98	85.02
8P001 Air Quality Chemist I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7P003 Air Quality Chemist II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
8P002 Air Quality Engineer I	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45
7P004 Air Quality Engineer II	136	119700.15	125685.16	131969.41	138567.88	145496.28
		9975.01	10473.76	10997.45	11547.32	12124.69
		4603.85	4834.04	5075.75	5329.53	5596.01
		57.55	60.43	63.45	66.62	69.95
8P003 Air Quality Meteorologist I	131	105955.00	111252.75	116815.38	122656.15	128788.96
		8829.58	9271.06	9734.62	10221.35	10732.41
		4075.19	4278.95	4492.90	4717.54	4953.42
		50.94	53.49	56.16	58.97	61.92
7P005 Air Quality Meteorologist II	135	116815.38	122656.15	128788.96	135228.41	141989.83
		9734.62	10221.35	10732.41	11269.03	11832.49
		4492.90	4717.54	4953.42	5201.09	5461.15
		56.16	58.97	61.92	65.01	68.26
7P006 Atmospheric Modeler	140	131969.41	138567.88	145496.28	152771.09	160409.65
		10997.45	11547.32	12124.69	12730.92	13367.47
		5075.75	5329.53	5596.01	5875.81	6169.60
		63.45	66.62	69.95	73.45	77.12

# ATTACHMENT E

ID-JDE PROFESSIONAL(continued)	Range	Step A	Step B	Step C	Step D	Step E
8P004 Environmental Planner I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7P007 Environmental Planner II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
7P008 Legislative Analyst	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
7P009 Librarian	128	98477.61	103401.49	108571.56	114000.14	119700.15
		8206.47	8616.79	9047.63	9500.01	9975.01
		3787.60	3976.98	4175.83	4384.62	4603.85
		47.35	49.71	52.20	54.81	57.55
4P001 Principal Accountant	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
4P002 Principal Air and Meteorological Monitoring Specialist	143	141989.83	149089.32	156543.79	164370.98	172589.52
		11832.49	12424.11	13045.32	13697.58	14382.46
		5461.15	5734.20	6020.91	6321.96	6638.06
		68.26	71.68	75.26	79.02	82.98
4P005 Principal Air Quality Chemist	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
4P003 Principal Air Quality Engineer	144	145496.28	152771.09	160409.65	168430.13	176851.64
		12124.69	12730.92	13367.47	14035.84	14737.64
		5596.01	5875.81	6169.60	6478.08	6801.99
		69.95	73.45	77.12	80.98	85.02
4P006 Principal Air Quality Meteorologist	143	141989.83	149089.32	156543.79	164370.98	172589.52
		11832.49	12424.11	13045.32	13697.58	14382.46
		5461.15	5734.20	6020.91	6321.96	6638.06
		68.26	71.68	75.26	79.02	82.98
4P004 Principal Environmental Planner	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98

# ATTACHMENT E

ID-JDE PROFESSIONAL(continued)	Range	Step A	Step B	Step C	Step D	Step E
7P010 Research Analyst	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
6P007 Senior Accountant	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
6P001 Senior Advanced Projects Advisor	148	160409.65	168430.13	176851.64	185694.22	194978.93
		13367.47	14035.84	14737.64	15474.52	16248.24
		6169.60	6478.08	6801.99	7142.09	7499.19
		77.12	80.98	85.02	89.28	93.74
6P002 Senior Air Quality Chemist	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
6P003 Senior Air Quality Engineer	140	131969.41	138567.88	145496.28	152771.09	160409.65
		10997.45	11547.32	12124.69	12730.92	13367.47
		5075.75	5329.53	5596.01	5875.81	6169.60
		63.45	66.62	69.95	73.45	77.12
6P004 Senior Air Quality Meteorologist	139	128788.96	135228.41	141989.83	149089.32	156543.79
		10732.41	11269.03	11832.49	12424.11	13045.32
		4953.42	5201.09	5461.15	5734.20	6020.91
		61.92	65.01	68.26	71.68	75.26
6P005 Senior Atmospheric Modeler	144	145496.28	152771.09	160409.65	168430.13	176851.64
		12124.69	12730.92	13367.47	14035.84	14737.64
		5596.01	5875.81	6169.60	6478.08	6801.99
		69.95	73.45	77.12	80.98	85.02
6P006 Senior Environmental Planner	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
7P011 Statistician	137	122656.15	128788.96	135228.41	141989.83	149089.32
		10221.35	10732.41	11269.03	11832.49	12424.11
		4717.54	4953.42	5201.09	5461.15	5734.20
		58.97	61.92	65.01	68.26	71.68
5P001 Supervising Air Quality Engineer	144	145496.28	152771.09	160409.65	168430.13	176851.64
		12124.69	12730.92	13367.47	14035.84	14737.64
		5596.01	5875.81	6169.60	6478.08	6801.99
		69.95	73.45	77.12	80.98	85.02
5P002 Supervising Air Quality Meteorologist	143	141989.83	149089.32	156543.79	164370.98	172589.52
		11832.49	12424.11	13045.32	13697.58	14382.46
		5461.15	5734.20	6020.91	6321.96	6638.06
		68.26	71.68	75.26	79.02	82.98
5P003 Supervising Environmental Planner	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98

# ATTACHMENT E

ID-JDE PROFESSIONAL(continued)	Range	Step A	Step B	Step C	Step D	Step E
7P012 Toxicologist	144	145496.28	152771.09	160409.65	168430.13	176851.64
		12124.69	12730.92	13367.47	14035.84	14737.64
		5596.01	5875.81	6169.60	6478.08	6801.99
		69.95	73.45	77.12	80.98	85.02
ID-JDE TECHNICAL/GENERAL	Range	Step A	Step B	Step C	Step D	Step E
8T001 Accounting Assistant I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T001 Accounting Assistant II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
7T002 Administrative Analyst	131	105955.00	111252.75	116815.38	122656.15	128788.96
		8829.58	9271.06	9734.62	10221.35	10732.41
		4075.19	4278.95	4492.90	4717.54	4953.42
		50.94	53.49	56.16	58.97	61.92
8T015 Administrative Assistant I	114	69986.20	73485.51	77159.78	81017.77	85068.66
		5832.18	6123.79	6429.98	6751.48	7089.06
		2691.78	2826.37	2967.68	3116.07	3271.87
		33.65	35.33	37.10	38.95	40.90
7T034 Administrative Assistant II	118	77159.78	81017.77	85068.66	89322.09	93788.20
		6429.98	6751.48	7089.06	7443.51	7815.68
		2967.68	3116.07	3271.87	3435.47	3607.24
		37.10	38.95	40.90	42.94	45.09
7T003 Administrative Secretary	118	77159.78	81017.77	85068.66	89322.09	93788.20
		6429.98	6751.48	7089.06	7443.51	7815.68
		2967.68	3116.07	3271.87	3435.47	3607.24
		37.10	38.95	40.90	42.94	45.09
8T002 Air Quality Case Settlement Specialist I	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
7T004 Air Quality Case Settlement Specialist II	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
8T003 Air Quality Inspector I	124	89322.09	93788.20	98477.61	103401.49	108571.56
		7443.51	7815.68	8206.47	8616.79	9047.63
		3435.47	3607.24	3787.60	3976.98	4175.83
		42.94	45.09	47.35	49.71	52.20

# ATTACHMENT E

ID-JDE TECHNICAL/GENERAL(cont'd)	Range	Step A	Step B	Step C	Step D	Step E
7T005 Air Quality Inspector II	128	98477.61	103401.49	108571.56	114000.14	119700.15
		8206.47	8616.79	9047.63	9500.01	9975.01
		3787.60	3976.98	4175.83	4384.62	4603.85
		47.35	49.71	52.20	54.81	57.55
8T004 Air Quality Instrument Specialist I	124	89322.09	93788.20	98477.61	103401.49	108571.56
		7443.51	7815.68	8206.47	8616.79	9047.63
		3435.47	3607.24	3787.60	3976.98	4175.83
		42.94	45.09	47.35	49.71	52.20
7T006 Air Quality Instrument Specialist II	128	98477.61	103401.49	108571.56	114000.14	119700.15
		8206.47	8616.79	9047.63	9500.01	9975.01
		3787.60	3976.98	4175.83	4384.62	4603.85
		47.35	49.71	52.20	54.81	57.55
8T005 Air Quality Laboratory Technician I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T007 Air Quality Laboratory Technician II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
8T006 Air Quality Permit Technician I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T008 Air Quality Permit Technician II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
8T007 Air Quality Specialist I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7T009 Air Quality Specialist II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
7T010 Air Quality Technical Assistant	118	77159.78	81017.77	85068.66	89322.09	93788.20
		6429.98	6751.48	7089.06	7443.51	7815.68
		2967.68	3116.07	3271.87	3435.47	3607.24
		37.10	38.95	40.90	42.94	45.09
8T008 Air Quality Technician I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71

# ATTACHMENT E

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
7T011 Air Quality Technician II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
8T016 Assistant Air Quality Specialist I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T035 Assistant Air Quality Specialist II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
8T014 Assistant Staff Specialist I	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T033 Assistant Staff Specialist II	126	93788.20	98477.61	103401.49	108571.56	114000.14
		7815.68	8206.47	8616.79	9047.63	9500.01
		3607.24	3787.60	3976.98	4175.83	4384.62
		45.09	47.35	49.71	52.20	54.81
7T012 Building Maintenance Mechanic	114	69986.20	73485.51	77159.78	81017.77	85068.66
		5832.18	6123.79	6429.98	6751.48	7089.06
		2691.78	2826.37	2967.68	3116.07	3271.87
		33.65	35.33	37.10	38.95	40.90
7T013 Data Entry Operator	111	65047.18	68299.54	71714.51	75300.24	79065.25
		5420.60	5691.63	5976.21	6275.02	6588.77
		2501.81	2626.91	2758.25	2896.16	3040.97
		31.27	32.84	34.48	36.20	38.01
5T010 Data Support Supervisor	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
7T014 Database Specialist	135	116815.38	122656.15	128788.96	135228.41	141989.83
		9734.62	10221.35	10732.41	11269.03	11832.49
		4492.90	4717.54	4953.42	5201.09	5461.15
		56.16	58.97	61.92	65.01	68.26
7T015 Deputy Clerk of the Boards	123	87169.44	91527.91	96104.30	100909.52	105955.00
		7264.12	7627.33	8008.69	8409.13	8829.58
		3352.67	3520.30	3696.32	3881.14	4075.19
		41.91	44.00	46.20	48.51	50.94
7T028 Facilities Maintenance Worker	108	60456.71	63479.54	66653.52	69986.20	73485.51
		5038.06	5289.96	5554.46	5832.18	6123.79
		2325.26	2441.52	2563.60	2691.78	2826.37
		29.07	30.52	32.04	33.65	35.33



# ATTACHMENT E

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
5T008 Facilities Services Supervisor	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7T031 Fiscal Services Supervisor	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
8T009 Mechanic I	121	83018.51	87169.44	91527.91	96104.30	100909.52
		6918.21	7264.12	7627.33	8008.69	8409.13
		3193.02	3352.67	3520.30	3696.32	3881.14
		39.91	41.91	44.00	46.20	48.51
7T016 Mechanic II	125	91527.91	96104.30	100909.52	105955.00	111252.75
		7627.33	8008.69	8409.13	8829.58	9271.06
		3520.30	3696.32	3881.14	4075.19	4278.95
		44.00	46.20	48.51	50.94	53.49
8T010 Office Assistant I	104	54836.02	57577.82	60456.71	63479.54	66653.52
		4569.67	4798.15	5038.06	5289.96	5554.46
		2109.08	2214.53	2325.26	2441.52	2563.60
		26.36	27.68	29.07	30.52	32.04
7T017 Office Assistant II	108	60456.71	63479.54	66653.52	69986.20	73485.51
		5038.06	5289.96	5554.46	5832.18	6123.79
		2325.26	2441.52	2563.60	2691.78	2826.37
		29.07	30.52	32.04	33.65	35.33
5T001 Office Services Supervisor	116	73485.51	77159.78	81017.77	85068.66	89322.09
		6123.79	6429.98	6751.48	7089.06	7443.51
		2826.37	2967.68	3116.07	3271.87	3435.47
		35.33	37.10	38.95	40.90	42.94
7T018 Permit Coordinator	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
6T009 Principal Air Quality Instrument Specialist	136	119700.15	125685.16	131969.41	138567.88	145496.28
		9975.01	10473.76	10997.45	11547.32	12124.69
		4603.85	4834.04	5075.75	5329.53	5596.01
		57.55	60.43	63.45	66.62	69.95
4T001 Principal Air Quality Specialist	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
4T002 Principal Staff Specialist	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98

# ATTACHMENT E

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
8T011 Programmer Analyst I	127	96104.30	100909.52	105955.00	111252.75	116815.38
		8008.69	8409.13	8829.58	9271.06	9734.62
		3696.32	3881.14	4075.19	4278.95	4492.90
		46.20	48.51	50.94	53.49	56.16
7T019 Programmer Analyst II	131	105955.00	111252.75	116815.38	122656.15	128788.96
		8829.58	9271.06	9734.62	10221.35	10732.41
		4075.19	4278.95	4492.90	4717.54	4953.42
		50.94	53.49	56.16	58.97	61.92
8T012 Public Information Officer I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7T020 Public Information Officer II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
7T027 Purchasing Agent	122	85068.66	89322.09	93788.20	98477.61	103401.49
		7089.06	7443.51	7815.68	8206.47	8616.79
		3271.87	3435.47	3607.24	3787.60	3976.98
		40.90	42.94	45.09	47.35	49.71
7T021 Radio/Telephone Operator	113	68299.54	71714.51	75300.24	79065.25	83018.51
		5691.63	5976.21	6275.02	6588.77	6918.21
		2626.91	2758.25	2896.16	3040.97	3193.02
		32.84	34.48	36.20	38.01	39.91
5T002 Radio/Telephone Operator Supervisor	119	79065.25	83018.51	87169.44	91527.91	96104.30
		6588.77	6918.21	7264.12	7627.33	8008.69
		3040.97	3193.02	3352.67	3520.30	3696.32
		38.01	39.91	41.91	44.00	46.20
7T022 Receptionist	104	54836.02	57577.82	60456.71	63479.54	66653.52
		4569.67	4798.15	5038.06	5289.96	5554.46
		2109.08	2214.53	2325.26	2441.52	2563.60
		26.36	27.68	29.07	30.52	32.04
7T023 Secretary	112	66653.52	69986.20	73485.51	77159.78	81017.77
		5554.46	5832.18	6123.79	6429.98	6751.48
		2563.60	2691.78	2826.37	2967.68	3116.07
		32.04	33.65	35.33	37.10	38.95
6T001 Senior Accounting Assistant	120	81017.77	85068.66	89322.09	93788.20	98477.61
		6751.48	7089.06	7443.51	7815.68	8206.47
		3116.07	3271.87	3435.47	3607.24	3787.60
		38.95	40.90	42.94	45.09	47.35
6T002 Senior Air Quality Inspector	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45

# ATTACHMENT E

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
6T003 Senior Air Quality Instrument Specialist	132	108571.56	114000.14	119700.15	125685.16	131969.41
		9047.63	9500.01	9975.01	10473.76	10997.45
		4175.83	4384.62	4603.85	4834.04	5075.75
		52.20	54.81	57.55	60.43	63.45
6T007 Senior Air Quality Permit Technician	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
6T004 Senior Air Quality Specialist	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
6T006 Senior Air Quality Technician	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
6T005 Senior Public Information Officer	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
6T008 Senior Staff Specialist	138	125685.16	131969.41	138567.88	145496.28	152771.09
		10473.76	10997.45	11547.32	12124.69	12730.92
		4834.04	5075.75	5329.53	5596.01	5875.81
		60.43	63.45	66.62	69.95	73.45
8T013 Staff Specialist I	130	103401.49	108571.56	114000.14	119700.15	125685.16
		8616.79	9047.63	9500.01	9975.01	10473.76
		3976.98	4175.83	4384.62	4603.85	4834.04
		49.71	52.20	54.81	57.55	60.43
7T032 Staff Specialist II	134	114000.14	119700.15	125685.16	131969.41	138567.88
		9500.01	9975.01	10473.76	10997.45	11547.32
		4384.62	4603.85	4834.04	5075.75	5329.53
		54.81	57.55	60.43	63.45	66.62
5T003 Supervising Air Quality Inspector	136	119700.15	125685.16	131969.41	138567.88	145496.28
		9975.01	10473.76	10997.45	11547.32	12124.69
		4603.85	4834.04	5075.75	5329.53	5596.01
		57.55	60.43	63.45	66.62	69.95
5T004 Supervising Air Quality Instrument Speciali	136	119700.15	125685.16	131969.41	138567.88	145496.28
		9975.01	10473.76	10997.45	11547.32	12124.69
		4603.85	4834.04	5075.75	5329.53	5596.01
		57.55	60.43	63.45	66.62	69.95

# ATTACHMENT E

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
5T005 Supervising Air Quality Specialist	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
5T006 Supervising Public Information Officer	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
5T009 Supervising Staff Specialist	142	138567.88	145496.28	152771.09	160409.65	168430.13
		11547.32	12124.69	12730.92	13367.47	14035.84
		5329.53	5596.01	5875.81	6169.60	6478.08
		66.62	69.95	73.45	77.12	80.98
5T007 Supervising Systems Analyst	139	128788.96	135228.41	141989.83	149089.32	156543.79
		10732.41	11269.03	11832.49	12424.11	13045.32
		4953.42	5201.09	5461.15	5734.20	6020.91
		61.92	65.01	68.26	71.68	75.26
7T024 Systems Analyst	135	116815.38	122656.15	128788.96	135228.41	141989.83
		9734.62	10221.35	10732.41	11269.03	11832.49
		4492.90	4717.54	4953.42	5201.09	5461.15
		56.16	58.97	61.92	65.01	68.26
7T025 Systems Quality Assurance Specialist	135	116815.38	122656.15	128788.96	135228.41	141989.83
		9734.62	10221.35	10732.41	11269.03	11832.49
		4492.90	4717.54	4953.42	5201.09	5461.15
		56.16	58.97	61.92	65.01	68.26
7T026 Web Master	135	116815.38	122656.15	128788.96	135228.41	141989.83
		9734.62	10221.35	10732.41	11269.03	11832.49
		4492.90	4717.54	4953.42	5201.09	5461.15
		56.16	58.97	61.92	65.01	68.26

# ATTACHMENT E

The following benefits for represented employees are adopted under the Memorandum of Understanding between the Air District and the Employee Association and approved by the Board of Directors. The amounts below are subject to change based on health care premium rates and/or federal and state regulatory limits.

**\*Hired before 7/1/17:** Fringe Benefit Allowance (FBA) is the **greater** of frozen 2017 allowance of **\$1,763.70** or post 1/1/2019 EE only, EE+1 or EE+ Family tier. **(See Below)**  
Employees may use FBA to purchase additional Life Insurance.

**\*Hired after 7/1/17:** Fringe Benefit Allowance (FBA) is based on medical enrollment and is as follows:

- EE Only - 100% Kaiser rate, Dental, Vision (\$1,095.35)**
- EE+1 - 95% Kaiser Rate, Dental, Vision (\$2,084.24)**
- EE+Family - 90% Kaiser rate, Dental, Vision (\$2,586.08)**

The following benefits may be covered under the FBA:

<b>MEDICAL INSURANCE</b>	Medical insurance is covered under California Public Employees Retirement System (CalPERS) for the employee and eligible dependents including domestic partner benefits pursuant to the Public Employees Medical and Hospital Care Program requirements. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>
<b>DENTAL INSURANCE</b>	Dental insurance is covered under Delta Dental for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.deltadentalins.com">www.deltadentalins.com</a>
<b>VISION INSURANCE</b>	Vision insurance is covered under Vision Service Plan for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.vsp.com">www.vsp.com</a> .

In addition, the District provides the following benefits:

<b>CAFETERIA PLAN</b>	
<b>LIFE INSURANCE</b>	<p><b>Basic Life (District paid)</b> - Up to age 55, the coverage is equal to five (5) times the employee's annual salary up to a maximum of \$500,000. Coverage decreases with age. This is a District paid program.</p> <p><b>Additional Life</b> - The coverage is equal to two (2) times the employee's annual salary up to a maximum of \$100,000. Employees may use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p> <p><b>Dependent Life</b> - The coverage is equal to \$5,000 for each eligible dependent covered. Employees may NOT use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p>
<b>LONG TERM DISABILITY (LTD)</b>	The District provides LTD coverage which equals 66-2/3% of salary for any on or off the job disability, up to a maximum of \$6,500 per month. This is a District paid program.
<b>STATE DISABILITY (SDI)</b>	The District adheres to SDI coverage including sick leave integration for non-industrial illness or injury. Employees contribute 1.1% of salary. Participation is mandatory. Payroll deductions are taken biweekly (26 pay periods).
<b>WORKER'S COMPENSATION</b>	The District provides Worker's Compensation coverage for industrial injury or illness. The District provides full salary continuation for the first ninety (90) days from the date of injury or illness for claims accepted by the workers' compensation carrier.
<b>INSURANCE CONTINUATION</b>	An employee who is ill or injured and is eligible for either Worker's Compensation or State Disability Insurance and on medical leave continues to receive group insurance coverage.
<b>MONEY PURCHASE PENSION PLAN</b>	The District contributes \$237.72 per month for each eligible employee. Adjustment in subsequent years to match increase in the cost of living. Effective July 1, 2024, the District contributes \$245.56 per month for each eligible employee. Vendor: MissionSquare Retirement (formerly known as ICMA-RC) <a href="http://www.missionsq.org">www.missionsq.org</a>

# ATTACHMENT E

<b>RETIREMENT</b>	Employees are covered under the provisions of the California Public Employees Retirement System (CalPERS). The retirement formula is 2% at 55 and the employee contribution is 7% of salary. Employees hired after 01/01/2013 will be subject to the Public Employees' Pension Reform Act of 2013 (PEPRA). Payroll deductions are taken biweekly (26 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>
<b>DEFERRED COMPENSATION</b>	The District provides a 457 deferred compensation plan through MissionSquare Retirement (formerly known as ICMA-RC). Participation is optional. The maximum employee contribution is \$23,000 for 2024 with an additional \$7,500 catch-up for employees who are 50 years old or older. Employees can make pre-tax and/or Roth after-tax contributions. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.missionsq.org">www.missionsq.org</a>
<b>PAID LEAVE (ANNUAL, SICK, FLOATING)</b>  <b>HOLIDAY</b>	<p><b>Annual Leave</b> - Accrue based on number of years of service starting at 3.69 hours to a maximum of 9.23 hours per pay period. Annual accruals will cease when the annual leave balance exceeds 460 hours and will resume when the balance falls below 460 hours. Annual leave cash-out policy for any unused annual leave in excess of 160 hours per year up to a maximum of 40 hours per calendar year.</p> <p><b>Sick Leave</b> - Accrue at 3.69 hours per pay period. There is no limitation on sick leave accumulation.</p> <p><b>Floating Holiday</b> - Accrue 40 hours of leave per fiscal year. Employees hired between January 1 and May 31 will receive 8 hours for that fiscal year. Employees hired between June 1 and June 30 will receive 0 hours for that fiscal year.</p>
<b>HOLIDAYS</b>	The District has 14 paid holidays.
<b>EMPLOYEE ASSISTANCE PROGRAM</b>	The District provides an employee assistance program for the employee and the members of their household. This is a District paid program. <a href="http://www.magellanassist.com">www.magellanassist.com</a>
<b>EDUCATIONAL REIMBURSEMENT</b>	<p>The District reimburses up to a maximum of \$2,000 per fiscal year for job related educational pursuits and up to a maximum of \$1,500 per fiscal year for skills enhancement pursuits.</p> <p>The District offers student loan repayment assistance in amounts up to \$1,000 per year, per employee. The program is administered on a first-come, first-served basis.</p>
<b>TRANSIT/CAR POOL SUBSIDY</b>	Employees are eligible for a transit or carpool subsidy of up to \$315 per month. Parking associated with a mass transit agency is eligible for the remaining transit subsidy and or to be paid with pre-tax salary dollars up to the maximum monthly IRS transit subsidy and/or parking subsidy equivalent. In lieu of other transit subsidy, District employees who live more than 1.0 miles from their work location and walk or bicycle to work are eligible for up to \$3 per day (\$1.50 per one-way trip). This is a District paid program.
<b>DEPENDENT CARE ASSISTANCE PLAN (DCAP)</b>	The District provides a dependent care assistance program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for dependent care. Plan year maximum is \$5,000 for household. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a>
<b>MEDICAL CARE REIMBURSEMENT ACCOUNT (MCRA)</b>	The District provides a medical care reimbursement program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for medical care. Plan year maximum is \$3,200. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a>

For complete details regarding these benefits, please refer to the Memorandum of Understanding and plan documents.

# ATTACHMENT E

The following benefits for confidential employees are adopted by the Board of Directors. The confidential group is not represented. The amounts below are subject to change based on health care premium rates and/or federal and state regulatory limits.

**\*Hired before 7/1/17:** Fringe Benefit Allowance (FBA) is the **greater** of frozen 2017 allowance of **\$1,763.70** or post 1/1/2019 EE only, EE+1 or EE+ Family tier. **(See Below)**  
Employees may use FBA to purchase additional Life Insurance.

**\*Hired after 7/1/17:** Fringe Benefit Allowance (FBA) is based on Medical enrollment and is as follows:  
**EE Only - 100%** Kaiser rate, Dental, Vision **(\$1,095.35)**  
**EE+1 - 95%** Kaiser Rate, Dental, Vision **(\$2,084.24)**  
**EE+Family - 90%** Kaiser rate, Dental, Vision **(\$2,586.08)**

The following benefits may be covered under the FBA:

<b>MEDICAL INSURANCE</b>	Medical insurance is covered under California Public Employees Retirement System (CalPERS) for the employee and eligible dependents including domestic partner benefits pursuant to the Public Employees Medical and Hospital Care Program requirements. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>
<b>DENTAL INSURANCE</b>	Dental insurance is covered under Delta Dental for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.deltadentalins.com">www.deltadentalins.com</a>
<b>VISION INSURANCE</b>	Vision insurance is covered under Vision Service Plan for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.vsp.com">www.vsp.com</a> .

In addition, the District provides the following benefits:

<b>CAFETERIA PLAN</b>	
<b>LIFE INSURANCE</b>	<p><b>Basic Life (District paid)</b> - Up to age 55, the coverage is equal to five (5) times the employee's annual salary up to a maximum of \$500,000. Coverage decreases with age. This is a District paid program.</p> <p><b>Additional Life</b> - The coverage is equal to two (2) times the employee's annual salary up to a maximum of \$100,000. Employees may use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p> <p><b>Dependent Life</b> - The coverage is equal to \$5,000 for each eligible dependent covered. Employees may NOT use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p>
<b>LONG TERM DISABILITY (LTD)</b>	The District provides LTD coverage which equals 66-2/3% of salary for any on or off the job disability, up to a maximum of \$6,500 per month. This is a District paid program.
<b>STATE DISABILITY (SDI)</b>	The District adheres to SDI coverage including sick leave integration for non-industrial illness or injury. Employees contribute 1.1% of salary. Participation is mandatory. Payroll deductions are taken biweekly (26 pay periods).
<b>WORKER'S COMPENSATION</b>	The District provides Worker's Compensation coverage for industrial injury or illness. The District provides full salary continuation for the first ninety (90) days from the date of injury or illness for claims accepted by the workers' compensation carrier.
<b>INSURANCE CONTINUATION</b>	An employee who is ill or injured and is eligible for either Worker's Compensation or State Disability Insurance and on medical leave continues to receive group insurance coverage.
<b>MONEY PURCHASE PENSION PLAN</b>	The District contributes \$237.72 per month for each eligible employee. Effective July 1, 2024, the District contributes \$245.56 per month for each eligible employee. Adjustment in subsequent years to match increase in the cost of living. Vendor: MissionSquare Retirement (formerly known as ICMA-RC) <a href="http://www.missionsq.org">www.missionsq.org</a>

# ATTACHMENT E

<b>RETIREMENT</b>	<p>Employees are covered under the provisions of the California Public Employees Retirement System (CalPERS). The retirement formula is 2% at 55 and the employee contribution is 7% of salary. Employees hired after 01/01/2013 will be subject to the Public Employees' Pension Reform Act of 2013 (PEPRA). Payroll deductions are taken biweekly (26 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a></p>
<b>DEFERRED COMPENSATION</b>	<p>The District provides a 457 deferred compensation plan through MissionSquare Retirement (formerly known as ICMA-RC). Participation is optional. The maximum employee contribution is \$23,000 for 2024 with an additional \$7,500 catch-up for employees who are 50 years old or older. Employees can make pre-tax and/or Roth after-tax contributions. <a href="http://www.missionsq.org">www.missionsq.org</a></p>
<b>PAID LEAVE (ANNUAL, SICK, FLOATING HOLIDAY)</b>	<p><b>Annual Leave</b> - Accrue based on number of years of service starting at 3.69 hours to a maximum of 9.23 hours per pay period. Annual accruals will cease when the annual leave balance exceeds 460 hours and will resume when the balance falls below 460 hours. Annual leave cash-out policy for any unused annual leave in excess of 160 hours per year up to a maximum of 40 hours per calendar year.</p> <p><b>Sick Leave</b> - Accrue at 3.69 hours per pay period. There is no limitation on sick leave accumulation.</p> <p><b>Floating Holiday</b> - Accrue 40 hours of leave per fiscal year. New hire hours are prorated based on remaining months in fiscal year.</p>
<b>HOLIDAYS</b>	<p>The District has 14 paid holidays.</p>
<b>EMPLOYEE ASSISTANCE PROGRAM</b>	<p>The District provides an employee assistance program for the employee and the members of their household. This is a District paid program. <a href="http://www.magellanassist.com">www.magellanassist.com</a></p>
<b>EDUCATIONAL REIMBURSEMENT</b>	<p>The District reimburses up to a maximum of \$2,000 per fiscal year for job related educational pursuits and up to a maximum of \$1,500 per fiscal year for skills enhancement pursuits.</p> <p>The District offers student loan repayment assistance in amounts up to \$1,000 per year, per employee. The program is administered on a first-come, first-served basis.</p>
<b>TRANSIT/CAR POOL SUBSIDY</b>	<p>Employees are eligible for a transit or carpool subsidy of up to \$315 per month. Parking associated with a mass transit agency is eligible for the remaining transit subsidy and or to be paid with pre-tax salary dollars up to the maximum monthly IRS transit subsidy and/or parking subsidy equivalent. In lieu of other transit subsidy, District employees who live more than 1.0 miles from their work location and walk or bicycle to work are eligible for up to \$3 per day (\$1.50 per one-way trip). This is a District paid program.</p>
<b>DEPENDENT CARE ASSISTANCE PLAN (DCAP)</b>	<p>The District provides a dependent care assistance program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for dependent care. Plan year maximum is \$5,000 for household. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a></p>
<b>MEDICAL CARE REIMBURSEMENT ACCOUNT (MCRA)</b>	<p>The District provides a medical care reimbursement program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for medical care. Plan year maximum is \$3,200. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a></p>

For complete details regarding these benefits, please refer to the Administrative Code and plan documents.



# ATTACHMENT E

The following benefits for management employees are adopted by the Board of Directors. The management group is not represented. The amounts below are subject to change based on health care premium rates and/or federal and state regulatory limits.

**\*Hired before 7/1/17:** Fringe Benefit Allowance (FBA) is the **greater** of frozen 2017 allowance of **\$1,813.70** or post 1/1/2019 EE only, EE+1 or EE+ Family tier. **(See Below)**  
Employees may use FBA to purchase additional Life Insurance.

**\*Hired after 7/1/17:** Fringe Benefit Allowance (FBA) is based on Medical enrollment and is as follows:

**EE Only - 100%** Kaiser rate, Dental, Vision **(\$1,095.35)**

**EE +1 - 95%** Kaiser Rate, Dental, Vision **(\$2,084.24)**

**EE+Family - 90%** Kaiser rate, Dental, Vision **(\$2,586.08)**

The following benefits may be covered under the FBA:

<b>MEDICAL INSURANCE</b>	Medical insurance is administered through California Public Employees Retirement System (CalPERS) for the employee and eligible dependents including domestic partner benefits pursuant to the Public Employees Medical and Hospital Care Program requirements. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>
<b>DENTAL INSURANCE</b>	Dental insurance is administered through Delta Dental for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.deltadentalins.com">www.deltadentalins.com</a>
<b>VISION INSURANCE</b>	Vision insurance is administered through Vision Service Plan for the employee and eligible dependents including domestic partners. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.vsp.com">www.vsp.com</a> .

In addition, the District provides the following benefits:

<b>CAFETERIA PLAN</b>	
<b>LIFE INSURANCE</b>	<p><b>Basic Life (District paid)</b> - Up to age 55, the coverage is equal to five (5) times the employee's annual salary up to a maximum of \$500,000. Coverage decreases with age. This is a District paid program.</p> <p><b>Additional Life</b> - The coverage is equal to two (2) times the employee's annual salary up to a maximum of \$100,000. Employees may use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p> <p><b>Dependent Life</b> - The coverage is equal to \$5,000 for each eligible dependent covered. Employees may NOT use FBA for premium payment. Payroll deductions are taken twice a month (24 pay periods).</p>
<b>LONG TERM DISABILITY (LTD)</b>	The District provides LTD coverage which equals 66-2/3% of salary for any on or off the job disability, up to a maximum of \$6,500 per month. This is a District paid program.
<b>STATE DISABILITY (SDI)</b>	The District adheres to SDI coverage including sick leave integration for non-industrial illness or injury. Employees contribute 1.1% of salary. Participation is mandatory. Payroll deductions are taken biweekly (26 pay periods).
<b>WORKER'S COMPENSATION</b>	The District provides Worker's Compensation coverage for industrial injury or illness. The District provides full salary continuation for the first ninety (90) days from the date of injury or illness for claims accepted by the workers' compensation carrier.
<b>INSURANCE CONTINUATION</b>	An employee who is ill or injured and is eligible for either Worker's Compensation or State Disability Insurance and on medical leave receives continued group insurance coverage.
<b>MONEY PURCHASE PENSION PLAN</b>	The District contributes \$237.72 per month for each eligible employee. Effective July 1, 2024, the District contributes \$245.56 per month for each eligible employee. Adjustment in subsequent years to match increase in the cost of living. Vendor: MissionSquare Retirement (formerly known as ICMA-RC) <a href="http://www.missionsq.org">www.missionsq.org</a>

# ATTACHMENT E

<b>RETIREMENT</b>	Employees are covered under the provisions of the California Public Employees Retirement System (CalPERS). The retirement formula is 2% at 55 and the employee contribution is 7% of salary. Employees hired after 01/01/2013 will be subject to the Public Employees' Pension Reform Act of 2013 (PEPRA). Payroll deductions are taken biweekly (26 pay periods). <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>
<b>DEFERRED COMPENSATION</b>	The District provides a 457 deferred compensation plan through MissionSquare Retirement (formerly known as ICMA-RC). Participation is optional. The maximum employee contribution is \$23,000 for 2024 with an additional \$7,500 catch-up for employees who are 50 years old or older. Employees can make pre-tax and/or Roth after-tax contributions. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.missionsq.org">www.missionsq.org</a>
<b>PAID LEAVE (ANNUAL, SICK, FLOATING HOLIDAY, MANAGEMENT LEAVE)</b>	<p><b>Annual Leave</b> - Accrue based on number of years of service starting at 3.69 hours to a maximum of 9.23 hours per pay period. Annual accruals will cease when the annual leave balance exceeds 460 hours and will resume when the balance falls below 460 hours. Annual leave cash-out policy for any unused annual leave in excess of 160 hours per year up to a maximum of 40 hours per calendar year.</p> <p><b>Sick Leave</b> - Accrue at 3.69 hours per pay period. There is no limitation on sick leave accumulation.</p> <p><b>Floating Holiday</b> - Accrue 72 hours of leave per fiscal year. Employees hired after July 1 of the current fiscal year will receive a prorated portion based on the remaining months for that fiscal year.</p> <p><b>Management Leave</b> - (in lieu of overtime) Effective 7/1/13, 80 hours per fiscal year; any unused portion may be cashed out.</p> <p><b>Deputy Air Pollution Control Officer and Deputy Executive Officer only</b> - Effective 7/1/12, in addition to above, 40 hours of management leave per fiscal year; any unused portion may be cashed out.</p>
<b>HOLIDAYS</b>	The District has 14 paid holidays.
<b>EMPLOYEE ASSISTANCE PROGRAM</b>	The District provides an employee assistance program for the employee and the members of their household. This is a District paid program. <a href="http://www.magellanassist.com">www.magellanassist.com</a>
<b>EDUCATIONAL REIMBURSEMENT</b>	<p>The District reimburses up to a maximum of \$2,000 per fiscal year for job related educational pursuits and up to a maximum of \$1,500 per fiscal year for skills enhancement pursuits.</p> <p>The District offers student loan repayment assistance in amounts up to \$1,000 per year, per employee. The program is administered on a first-come, first-served basis.</p>
<b>TRANSIT/CAR POOL SUBSIDY</b>	Employees are eligible for a transit or carpool subsidy of up to \$315 per month. Parking associated with a mass transit agency is eligible for the remaining transit subsidy and/or to be paid with pre-tax salary dollars up to the maximum monthly IRS transit subsidy and/or parking subsidy equivalent. In lieu of other transit subsidy, District employees who live more than 1.0 miles from their work location and walk or bicycle to work are eligible for up to \$3 per day (\$1.50 per one-way trip). This is a District paid program.
<b>VEHICLE ALLOWANCE</b>	Senior Management Employees only--\$500 per month vehicle allowance in lieu of a District assigned vehicle and transit/carpool subsidy. Requires insurance coverage.
<b>DEPENDENT CARE ASSISTANCE PLAN (DCAP)</b>	The District provides a dependent care assistance program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for dependent care. Plan year maximum is \$5,000 per household. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a>
<b>MEDICAL CARE REIMBURSEMENT ACCOUNT (MCRA)</b>	The District provides a medical care reimbursement program which allows the employee to set aside pre-tax salary dollars to pay for eligible expenses for medical care. Plan year maximum is \$3,200. Participation is optional. Payroll deductions are taken twice a month (24 pay periods). <a href="http://www.padmin.com">www.padmin.com</a>

For complete details regarding these benefits, please refer to the Administrative Code and plan documents.

# FY 2024-25 PROPOSED BUDGET



April 2, 2024



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

I am pleased to share with you the FY 2024-25 Proposed Budget, totaling \$291 million, which has been developed to meet the diverse needs of our organization and the communities we proudly serve. This budget is a blueprint that will drive changes that make tangible differences in the health and quality of life for millions of Bay Area residents. A balanced budget, with \$9.7 million strategically drawn from General Fund reserves will invest in critical staffing resources, capital assets, and one-time services essential for supporting our mission to protect public health, reduce historical and current environmental inequities, and lessen climate impacts.

The proposed budget serves as a cornerstone in propelling the Air District's Strategic Plan forward. Over the next five years, we're working to reshape our workforce, streamline our operations, elevate our community engagement, and enhance our programs. As we navigate these changes, building public trust will be at the forefront of our endeavors. Through transparent and accountable actions, we aim to demonstrate the leadership needed to foster a stronger bond with the communities we serve. Our strategic plan goals have been developed collaboratively with input from all stakeholders, including Air District staff, external partners, community organizations, and the Board of Directors. The proposed budget reflects our commitment to aligning resources with these strategic priorities.

In the FY 2025 Proposed Budget, comprising \$154 million from the General Fund and \$137 million from Special Funds, we have allocated an increase of \$17.8 million compared to the previous fiscal year. This additional funding will cover increased staffing and operational costs while also advancing key initiatives aligned with the Air District's strategic goals. Key recommendations within this budget increase include:

- Funding for nineteen (19) additional Full-time Equivalent (FTE) positions to bolster critical programs and enhance service delivery, supported by additional penalty revenue and General Fund reserves as a short-term investment strategy.
- Continuation of funding for seven (7) Limited Term Contract Employees (LTCE) to support the Assembly Bill 617 (AB 617) program, utilizing AB 617 implementation Grant Funds.
- Allocation of \$6.8 million for one-time investments to address essential services and acquire necessary capital assets.
- Implementation of fee increases consistent with the Cost Recovery Policy, ensuring sustainable funding for our operations.
- A 4.5% cost of living increase for Air District employees to mitigate the impact of economic inflation.
- Provision for an average 7% vacancy savings to accommodate recruitment timelines and attrition due to retirements.
- Continued commitment to pre-funding pension and other post-employment benefits liabilities in accordance with the Air District's funding policy.
- Establishment of a formal reserve policy to address economic uncertainties and maintain adequate cash flow.
- Investment in various grant incentive programs and projects across the nine Bay Area counties.

Furthermore, this year's budget introduces an exciting overhaul: a fresh organizational structure that consolidates all divisions and programs into six streamlined service areas. This strategic restructuring is a bold move to amplify transparency and efficiency to deliver our mission in collaboration with Bay Area communities.

The new service areas — Engineering & Compliance, Equity & Community Programs, Finance & Administration, General Counsel, Public Affairs, and Science & Policy — will serve as pillars of our organizational framework with each playing a vital role in advancing our goals and serving the needs of our communities. I encourage you to learn more about each service area and gain further insights into our budgetary decisions by reviewing the accompanying budget brief.

Thank you for your continued support and partnership as we work together to ensure clean air and a sustainable future for all.



**DR. PHILIP FINE**, AIR DISTRICT EXECUTIVE OFFICER

# BUDGET IN BRIEF

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## Board Priorities

*The Air District aims to create a healthy breathing environment for every Bay Area resident while protecting and improving public health, air quality, and the global climate.*

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### Goal 1: Achieve impact

Leverage the Air District's authorities and partnerships to create measurable reductions in emissions that provide benefits to all our communities.

- Reduce air pollution and related health impacts.
- Hold violators accountable.
- Enhance partnerships in support of clean air efforts.
- Mitigate climate change and its impacts.

### Goal 2: Advance Environmental Justice

- Identify disparities in overburdened communities.
- Support, partner with, and build capacity of communities.
- Enhance and implement rules, policies, and enforcement actions that recognize and address longstanding disparities in overburdened communities.

### Goal 3: Advance a Cohesive and Equitable Workplace

- Promote "One Air District."
- Embody diversity, equity, inclusion, accessibility, and belonging.
- Establish a work culture that values our employees.
- Align resources and budget with goals and priorities.

### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization

- Make data and information more understandable, actionable, and available.
- Improve permitting outcomes.
- Use smart processes.
- Ensure accountability.

# REVENUES AND EXPENDITURES BY TYPE

## FY 2024-25 Revenues and Expenditures (\$ Millions)

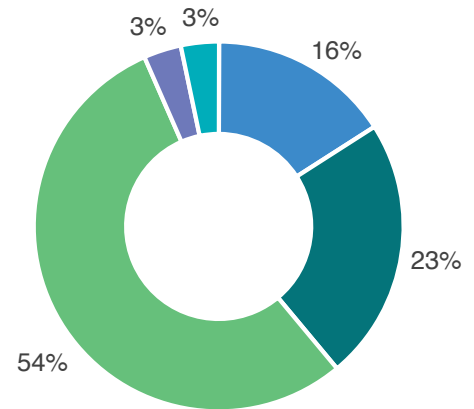
### Revenues

(\$ Millions)

Property Taxes	\$46.3	16%
Permits/Fees	\$67.0	23%
Grants	\$158.6	54%
Other Revenue	\$9.6	3%
Transfer From Reserves	\$9.7	3%

### Total Revenues

**\$291.1**

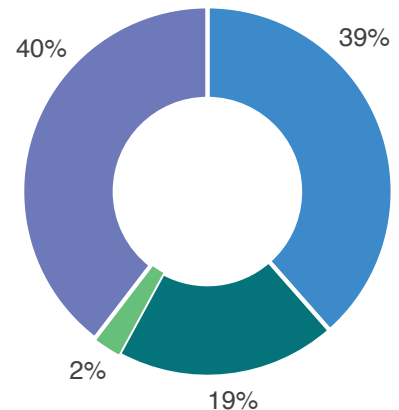


### Expenditures

Salaries & Benefits	\$112.1	39%
Services & Supplies	\$56.6	19%
Capital	\$7.2	2%
Distributions & Transfers	\$115.3	40%

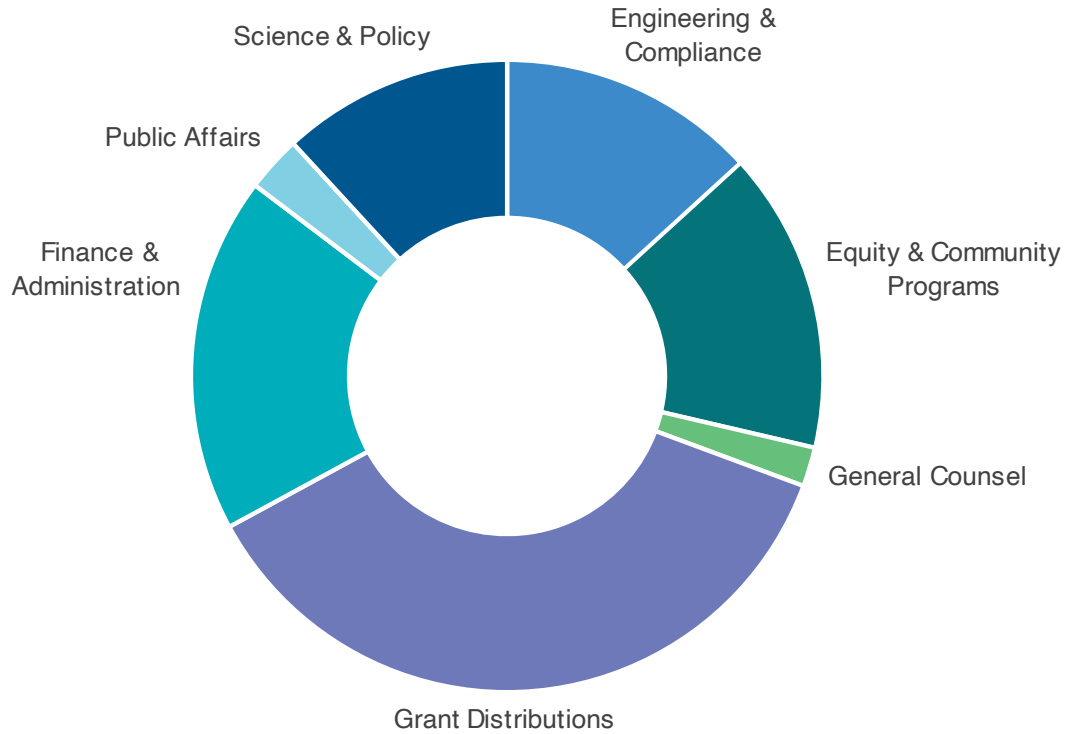
### Total Expenditures

**\$291.1**



## EXPENDITURES BY SERVICE AREA

FY 2024-25 Total Expenditures Budget: \$291.1 Million



### Expenditures

Engineering & Compliance	\$38.5	13%
Equity & Community Programs	\$44.6	15%
General Counsel	\$5.8	2%
Grant Distributions/Others	\$106.0	36%
Finance & Administration	\$53.1	18%
Public Affairs	\$8.8	3%
Science & Policy	\$34.4	12%
<b>Total</b>	<b>\$291.1</b>	



# ENGINEERING & COMPLIANCE

## INTRODUCTION

### SERVICE AREA OVERVIEW

Engineering & Compliance oversees regulatory compliance and pollution control measures to safeguard air quality within the Bay Area. This service area is responsible for developing and implementing regulations, permitting processes, and enforcement actions to mitigate emissions from industrial sources, transportation, and other sources of pollution. By promoting best practices and technological advancements, Engineering & Compliance works to achieve regulatory compliance, reduce health risks, and protect the environment.

### DIVISIONS

#### Compliance and Enforcement

The Compliance and Enforcement Division ensures the Air District will achieve the emission reductions through the air quality regulations adopted by the Board of Directors, and permit conditions issued by the Executive Officer/APCO. Compliance with Air District, state, and federal regulations is achieved through a robust Compliance Assurance and Enforcement Program. The program includes comprehensive inspections and investigations and a complementary Compliance Assistance Program that supports compliance objectives of the division by maintaining operations and assisting industry with air quality regulations and requirements.

#### Engineering

The primary function of the Engineering Division is to review and process new permit applications and renewals. There are about 10,000 facilities with about 26,000 devices and operations that have Air District permits. The Engineering Division also processes, reviews, issues, and renews Title V (Major Facility Review) permits for about 79 facilities. In addition to processing permits, the Engineering Division manages programs to assess and reduce risks from toxic air contaminants through implementation of: (1) Regulation 11, Rule 18, Reduction of Risk from Air Toxic Emissions at Existing Facilities, (2) the State Air Toxics Hot Spots Program, and (3) Regulation 2, Rule 5, New Source Review of Toxic Air Contaminants. Finally, the Engineering Division provides technical support to other divisions, agencies, and programs, including rule development, emissions inventory, compliance and enforcement, planning, monitoring and measurement, the Technology Implementation Office, and the Air District's Regional Climate Action Plan.

# ENGINEERING & COMPLIANCE (CONT.)

## SERVICE AREA BUDGET SUMMARY

### WORK PLAN HIGHLIGHTS

- Implement Rule 11-18 to mitigate risks from toxic air contaminants at existing facilities.
- Ensure robust enforcement actions against polluters.
- Develop a Targeted Inspection Policy to address community concerns and noncompliance in overburdened areas.
- Update Incident Response Policy to improve investigation protocols and coordination with first responders and local agencies.
- Integrate Environmental Justice (EJ) considerations into permitting processes.
- Develop and execute a Permit Process Improvement Plan to enhance timeliness and customer service.

### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

#### Goal 1: Achieve Impact

- Reduce health impacts of air pollution.

#### Goal 2: Advance Environmental Justice

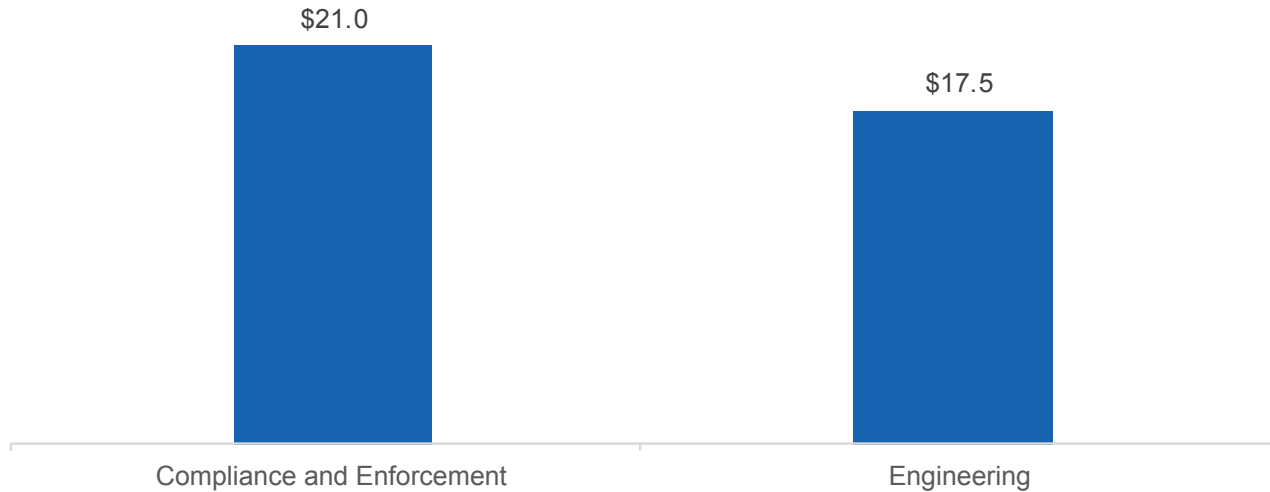
- Identify disparities in overburdened communities.
- Enhance and implement rules, policies, and enforcement actions that recognize and address longstanding disparities in overburdened communities.

#### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization

- Make data and information more actionable and available.
- Improve permitting outcomes.
- Use smart processes.
- Ensure accountability.

## ENGINEERING & COMPLIANCE (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)



Expenditures	FY 2022-23 Actuals	FY 2023-24 Approved	FY 2023-04 Amended	FY 2024-25 Proposed	FY 2024-25 Change	FY 2024-25 FTE
Compliance and Enforcement	\$15.3	\$17.7	\$17.8	\$21.0	\$3.2	99
Engineering	\$12.4	\$15.3	\$16.6	\$17.5	\$2.2	79
<b>Service Area Total</b>	<b>\$27.7</b>	<b>\$33.0</b>	<b>\$34.4</b>	<b>\$38.5</b>	<b>\$5.5</b>	<b>178</b>

# EQUITY & COMMUNITY PROGRAMS

## INTRODUCTION

### SERVICE AREA OVERVIEW

Equity & Community Programs is dedicated to addressing environmental disparities and promoting community engagement within the Bay Area. Through targeted initiatives and partnerships, this service area aims to reduce pollution burdens in disproportionately impacted communities, improve public health outcomes, and foster environmental justice. Key initiatives include funding programs for emission reduction projects, incentivizing the adoption of clean technologies, and collaborating with community stakeholders to ensure equitable access to clean air and resources.

### DIVISIONS

#### Environmental Justice and Community Engagement

The Environmental Justice and Community Engagement Office supports the agency's mission by collaborating with impacted communities and other partners in the Bay Area to advance public health, equity, and environmental justice. The office works with community members and other partners to increase community awareness and transparency of air quality issues, build capacity, increase opportunities for impacted communities to participate in Air District decision-making, and support implementation of community-identified solutions. Key program areas to support these efforts are the AB 617 Community Health Protection Program, the Community Advisory Council, the development of the agency Environmental Justice Policy, the James Cary Smith Community Grant Program, and implementation of state and federal civil rights laws.

#### Diversity, Equity and Inclusion

The Air District's Diversity, Equity and Inclusion Office is responsible for developing initiatives, apply-

ing an equity lens to programs, policies, practices, and procedures. Responsibilities include capacity building related to staffing, recruitment, promotions, inclusive practices in the workplace, contracting for capital projects and services, and equity training. The office recognizes the contributions of all employees and community members and works to sustain an environment where everyone is valued, respected, and included.

#### Strategic Incentives

The Strategic Incentives Division administers Special Revenue funds that are used to accelerate voluntary emissions reductions by incentivizing the replacement of older, dirtier equipment that primarily targets mobile sources that total approximately \$100 million for project funds and \$8 million for Air District administrative costs. Strategic Incentives staff conducts outreach and solicits grant applications, evaluates grant applications according to established criteria, recommends allocation of the funding, prepares contracts with grantees, monitors progress in implementing funded projects, and reports on the use of funds.

#### Technology Implementation

The Technology Implementation Office's (TIO) mission is to advance emerging, cost-effective solutions to achieve greenhouse gas emissions reductions for the transportation and industrial source sectors. TIO connects climate technologies and customers by providing financial incentives through grants for light-duty vehicles, electric vehicle infrastructure, and loans for various emerging climate solutions, as well as technical and match-making support. By supporting the scale-up of climate technologies, TIO can help achieve state and regional greenhouse gas emissions targets and reduce emissions in impacted communities, while also making technologies cost effective.

# EQUITY & COMMUNITY PROGRAMS (CONT.)

## SERVICE AREA BUDGET SUMMARY

### WORK PLAN HIGHLIGHTS

- Allocate \$35 million through the Statewide Volkswagen (VW) Zero-Emission Freight and Marine program to upgrade equipment and install shore power, prioritizing impacted communities.
- Propose \$30 million for zero-emission infrastructure projects, with 80% of funding earmarked for priority communities.
- Launch a program to incentivize commercial landscapers to replace polluting equipment with zero-emissions technology.
- Collaborate with CARB to update state incentive program guidelines to better serve Air District and community needs.
- Establish a new incentive fund program to remediate emissions from marine vessels, focusing on projects in impacted communities.
- Allocate \$2 million for a new wood smoke reduction program, with at least 60% of funds directed to impacted communities.

### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

#### Goal 1: Achieve Impact

- Enhance partnerships in support of clean air efforts: We will collaborate with federal, state, and local agencies, provide incentives to promote cleaner and zero-emission technologies to improve air quality locally and regionally, while providing assistance to local governments in support of their environmental justice efforts.

#### Goal 2: Advance Environmental Justice

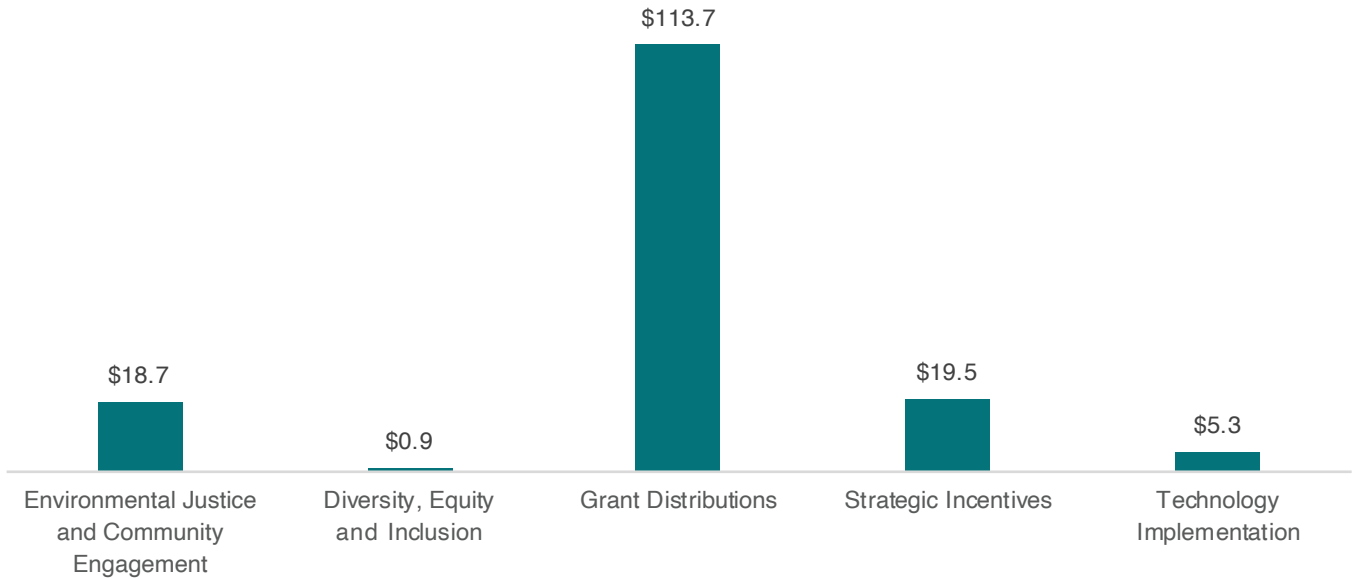
- Identify disparities in overburdened communities.
- Support, partner with, and empower communities.
- Enhance and implement rules, policies, and enforcement actions that recognize and address historic disparities in overburdened communities.

#### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization

- Ensure accountability.
- Build relationships with key partners and enhance external communications to achieve our clean air goals.

## EQUITY & COMMUNITY PROGRAMS (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)



Expenditures	FY 2022-23 Actuals	FY 2023-24 Approved	FY 2023-04 Amended	FY 2024-25 Proposed	FY 2024-25 Change	FY 2024-25 FTE
Environmental Justice and Community Engagement	\$5.6	\$15.0	\$18.8	\$18.7	\$3.8	17
Diversity, Equity and Inclusion	\$0.5	\$0.9	\$1.0	\$0.9	\$0.0	3
Grant Distributions	\$55.9	\$110.3	\$94.3	\$113.7	\$3.4	
Strategic Incentives	\$7.8	\$15.5	\$16.4	\$19.5	\$4.0	33
Technology Implementation	\$3.2	\$4.0	\$7.0	\$5.3	\$1.3	11
<b>Service Area Total</b>	<b>\$73.0</b>	<b>\$145.6</b>	<b>\$137.5</b>	<b>\$158.1</b>	<b>\$12.5</b>	<b>64</b>

# FINANCE & ADMINISTRATION

## INTRODUCTION

### SERVICE AREA OVERVIEW

Finance & Administration manages the financial, administrative, and operational functions of the Air District. This service area is tasked with budgeting, financial planning, procurement, human resources management, and facilities maintenance to support the organization's mission. By ensuring sound fiscal management and operational efficiency, Finance & Administration enables the Air District to fulfill its responsibilities and deliver essential services to the community.

### DIVISIONS

#### Board of Directors

The Air District's Board of Directors is a governing body comprised of 24 locally elected representatives selected from the nine counties across the Bay Area region. These representatives bring a diverse range of perspectives and experiences to the table, reflecting the unique needs and concerns of their respective communities. As stewards of the region's air quality and environmental health, the Board plays a pivotal role in setting policies, guiding strategic initiatives, and overseeing the implementation of programs aimed at improving air quality, protecting public health, and addressing climate change challenges.

#### Executive Office

The Executive Office of the Air District serves as the central administrative hub, overseeing the strategic direction, coordination, and management of the organization. It provides leadership, guidance, and support to all service areas and departments within the Air District. The Executive Office is responsible for setting organizational goals, developing policies,

and ensuring effective implementation of initiatives to improve air quality, protect public health, and address environmental challenges in the Bay Area.

#### Administrative Resources

The Administrative Resources Division provides administrative and operational support functions for the Air District. The Business Office is responsible for contracts, purchasing, non-workers compensation risk management, mailroom services, and office support services. The Fleet Office is responsible for the acquisition and maintenance of Air District pool vehicles and fleet, management of vehicle accidents and procurement of new vehicles. The Facilities Office is responsible for the planning, maintenance, construction oversight and operations of all Air District facilities, and manages security and safety measures.

#### Finance

The Finance Office is responsible for maintaining the fiscal stewardship and financial accountability of the Air District. These responsibilities include accounting activities, financial audits, and reporting, vendor payments, receipt of permit fees, asset management, and maintenance of the Air District's financial system. The office is also responsible for the development of the Air District's annual budget and annual cost recovery analysis, fiscal maintenance, and financial reporting of all federal and state grants.

## FINANCE & ADMINISTRATION (CONT.)

### INTRODUCTION (CONT.)

#### Human Resources

The Human Resources Office is responsible for personnel matters, including payroll and benefits, labor and employee relations, recruitment and testing, employee engagement, processing personnel actions, employee performance appraisal and recognition programs, organizational development and training, health and safety compliance, workers compensation and special events coordination.

#### Enterprise Technology Solutions

The Enterprise Technology Solutions Division identifies and implements custom and off-the-shelf technologies that innovate and optimize core business processes. Included in this work are the My Air Online systems, which enable Engineering and Enforcement Division processes such as the issuance and renewal of air quality operating permits for businesses in the Bay Area, the inspection operations for facilities, and the dispatch and response of the Air Districts inspectors. Other examples of current technology managed under this division include the Air District's financial system, website, and records management systems. Examples of upcoming technology development include the innovation of Air District's grants-related business processes, and the innovation of technology systems aimed at providing key information to impacted communities.

#### Information Services Operations

The primary function of the Information Services Division is to develop and maintain information infrastructure that enables Air District operations and to provide for cybersecurity. Under this division, staff provide design, implementation, cybersecurity, and maintenance of all computer server and network infrastructures, including email, telecommunications, network, file storage, business continuity/disaster recovery, remote connectivity, and security monitoring. The support team in this division also provides user support to Air District staff and technical user support to outside members of the regulated community that utilize online Air District technologies.



## FINANCE & ADMINISTRATION (CONT.)

### SERVICE AREA BUDGET SUMMARY

#### WORK PLAN HIGHLIGHTS

- Develop and implement a modern IT infrastructure for increased resilience and availability.
- Implement a Grants Management System for efficient issuance of grants.
- Launch a new performance management system.
- Conduct a comprehensive real estate strategy for leases and capital improvements.
- Provide technology assets to communities for effective communication of Air District data.
- Enhance My Air Online systems for permitting and enforcement efficiency.

#### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

##### Goal 1: Achieve Impact

- Reduce health impacts of air pollution.

##### Goal 2: Advance Environmental Justice

- Support, partner with, and build capacity of communities.

##### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization.

- Make data and information more actionable and available.
- Improve permitting outcomes.
- Enable smart processes.
- Ensure accountability.

## FINANCE & ADMINISTRATION (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)



Expenditures	FY 2022-23 Actuals	FY 2023-24 Approved	FY 2023-04 Amended	FY 2024-25 Proposed	FY 2024-25 Change	FY 2024-25 FTE
Administrative Division	\$8.7	\$12.6	\$13.5	\$13.0	\$0.4	15
Board of Directors	\$0.5	\$1.2	\$1.2	\$0.8	(\$0.4)	0
Executive Office	\$8.2	\$9.0	\$10.1	\$9.5	\$0.5	25
Finance Office	\$4.5	\$5.1	\$5.3	\$5.2	\$0.1	18
Human Resources Office	\$11.5	\$7.5	\$7.7	\$8.3	\$0.8	10
Enterprise Technology Solutions	\$8.1	\$8.8	\$12.1	\$10.3	\$1.5	9
Information Services Operations	\$2.8	\$6.8	\$7.8	\$6.0	(\$0.8)	16
<b>Service Area Total</b>	<b>\$44.3</b>	<b>\$50.9</b>	<b>\$57.7</b>	<b>\$53.1</b>	<b>\$2.1</b>	<b>93</b>

# GENERAL COUNSEL

## INTRODUCTION

### DIVISION

#### General Counsel

The General Counsel provides legal counsel, representation, and support to the Air District on matters related to environmental law, regulatory compliance, enforcement actions, and policy

development. This service area plays a crucial role in interpreting and implementing laws, regulations, and policies governing air quality and environmental protection. Through its expertise in legal matters, the General Counsel helps the Air District navigate complex legal challenges, uphold regulatory standards, and advance environmental justice objectives.

## SERVICE AREA BUDGET SUMMARY

### WORK PLAN HIGHLIGHTS

- Assess robust penalties to ensure violators face full consequences under the law.
- Enhance enforcement responses in overburdened communities.
- Provide legal support for the Community Advisory Council and Community Emission Reduction Plans.
- Assist in formalizing civil rights compliance in permitting.
- Establish an Environmental Justice Fellowship Program for new lawyers.

### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

#### Goal 1: Achieve Impact

- Reduce air pollution and related health impacts.
- Hold violators accountable.

#### Goal 2: Advance Environmental Justice

- Identify disparities in overburdened communities.
- Enhance and implement rules, policies, and enforcement actions that recognize and address longstanding disparities in overburdened communities.

#### Goal 3: Advance a Cohesive and Equitable Workplace

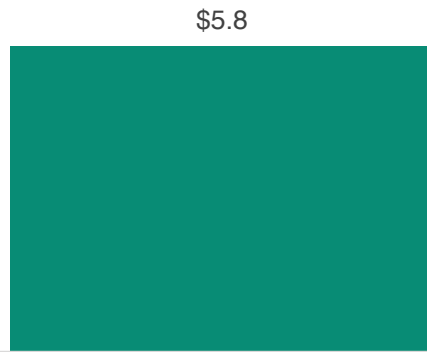
- Embody diversity, equity, inclusion, accessibility, and belonging.

#### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization

- Improve permitting outcomes.

## GENERAL COUNSEL (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)



General Counsel

<b>Expenditures</b>	<b>FY 2022-23 Actuals</b>	<b>FY 2023-24 Approved</b>	<b>FY 2023-04 Amended</b>	<b>FY 2024-25 Proposed</b>	<b>FY 2024-25 Change</b>	<b>FY 2024-25 FTE</b>
General Counsel	\$4.4	\$5.2	\$5.9	\$5.8	\$0.7	17
<b>Service Area Total</b>	<b>\$4.4</b>	<b>\$5.2</b>	<b>\$5.9</b>	<b>\$5.8</b>	<b>\$0.7</b>	<b>17</b>

# PUBLIC AFFAIRS

## INTRODUCTION

### SERVICE AREA OVERVIEW

Public Affairs is responsible for communication, outreach, and public engagement efforts to raise awareness, promote transparency, and foster community involvement in air quality issues. This service area develops and implements communication strategies, public education campaigns, and media relations activities to inform the public, policymakers, and stakeholders about air quality initiatives, health risks, and regulatory developments. By fostering open dialogue and collaboration, Public Affairs enhances public understanding and support for the Air District's mission.

### DIVISIONS

#### Communications

The Communications Office coordinates all media outreach, public health and air quality messaging, crisis and internal communications, and media relations as well as print, digital and social media outreach for the Air District. The office manages advertising, social media platforms, strategies, programs and outreach for Spare the Air and the Employer Program. The office maintains the Spare the Air website and related sites and the Spare the Air mobile apps, and represents the Air District at community events for Spare the Air throughout the region.

#### External Affairs

The External Affairs Office coordinates the administration of the Commuter Benefits Program in partnership with the Metropolitan Transportation Commission and directs the Flex Your Commute messaging campaign. The office directs the Air District external sponsorship program to ensure

transparency, goals and benefits are met in accordance with Air District requirements. The office is developing a districtwide partnership program to expand messaging reach and information sharing with local, county and state agencies, and NGO's. The office represents the Air District at conferences and events, and develops regional conferences and seminars to expand messaging for targeted initiatives and build regional partnerships.

#### Legislative and Government Affairs

The Legislative and Government Affairs Office coordinates and tracks developing positions on state and federal legislation and budget proposals, meets with legislators and legislative staff about policy proposals and updates them on Air District activities. The office represents the Air District at legislative hearings, and interacts with stakeholder groups, state and local agencies, and members of the public. The office disseminates information on current legislative policy and budget proposals that affect Air District programs and policies and develops strategies to further the Air District's legislative priorities.

#### Government Outreach and Special Projects

Government Outreach and Special Projects develops policy proposals, guidance and planning to support internal-facing activities related to executive and administrative functions and partnerships with local government focused on incident response and emergency preparedness.

## PUBLIC AFFAIRS (CONT.)

### SERVICE AREA BUDGET SUMMARY

#### WORK PLAN HIGHLIGHTS

- Communicate air quality incidents to media and public.
- Forge partnerships with county jurisdictions to amplify messaging and increase participation.
- Implement the Public Notification Tool for incident response.
- Expand Spare the Air messaging to younger demographics through TikTok.
- Conduct Air District rebranding efforts.
- Develop an internal communications program.

#### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

##### Goal 1: Achieve Impact

- Reduce health impacts of air pollution.

##### Goal 2: Advance Environmental Justice

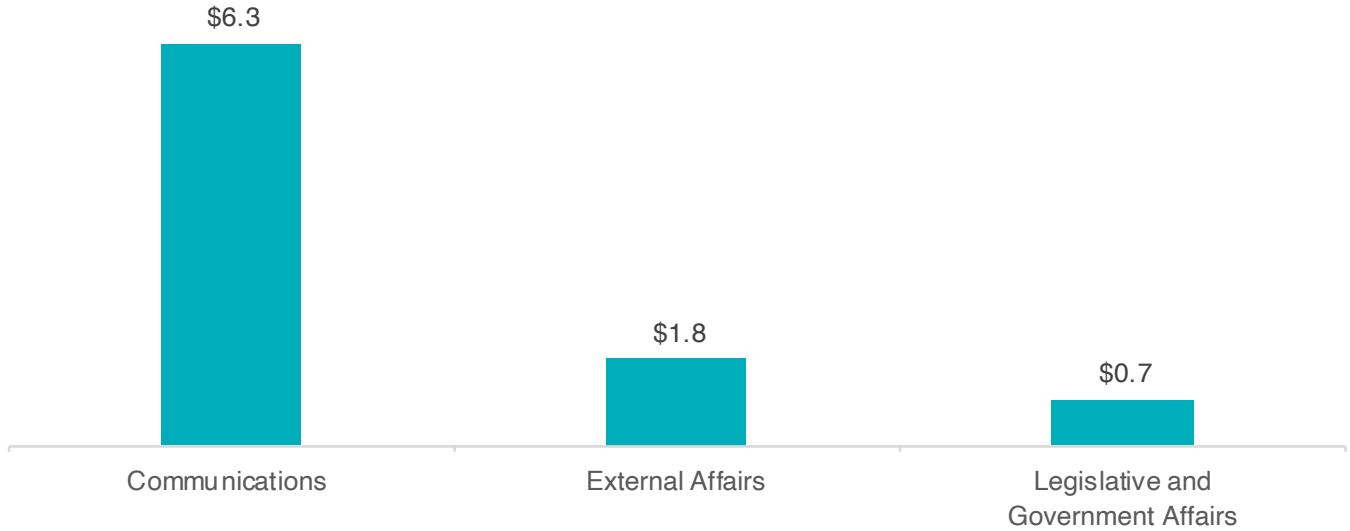
- Support, partner with, and build capacity of communities.

##### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization.

- Make data and information more actionable and available.
- Improve permitting outcomes.
- Enable smart processes.
- Ensure accountability.

## PUBLIC AFFAIRS (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)



Expenditures	FY 2022-23 Actuals	FY 2023-24 Approved	FY 2023-04 Amended	FY 2024-25 Proposed	FY 2024-25 Change	FY 2024-25 FTE
Communications	\$5.6	\$6.7	\$9.5	\$6.3	(\$0.4)	11
External Affairs	\$0.7	\$1.1	\$1.4	\$1.8	\$0.7	3
Legislative and Government Affairs	\$0.6	\$0.7	\$0.7	\$0.7	\$0.1	2
<b>Service Area Total</b>	<b>\$6.9</b>	<b>\$8.5</b>	<b>\$11.6</b>	<b>\$8.8</b>	<b>\$0.4</b>	<b>16</b>

# SCIENCE & POLICY

## INTRODUCTION

### SERVICE AREA OVERVIEW

Science & Policy conducts research, analysis, and policy development to inform decision-making and advance air quality goals in the Bay Area. This service area monitors air quality trends, assesses health impacts, and evaluates the effectiveness of regulatory measures to identify emerging issues and inform policy priorities. By integrating scientific expertise with policy analysis, Science & Policy provides evidence-based recommendations to address air quality challenges, mitigate pollution sources, and protect public health and the environment.

### DIVISIONS

#### Assessment, Inventory and Modeling

The Assessment, Inventory, and Modeling (AIM) Division prepares comprehensive inventories of air pollution emissions for the Bay Area and conducts air quality modeling at both regional and community scales. The AIM Division prepares technical assessments that evaluate equity in air pollution exposures and health impacts in support of Air District programs. The division coordinates and implements programs to improve and report estimates of emissions of criteria pollutants, toxic air contaminants, and climate-forcing pollutants. AIM Division staff assess emissions, concentrations, and exposures to toxic air contaminants, particulate matter, ozone, and their precursors, to support targeted strategies that reduce impacts of air pollution both regionally and within communities.

#### Meteorology and Measurements

The Meteorology and Measurements (M&M) Division provides emissions, air quality, and meteorological data; chemical analysis; and forecasting to support the enforcement, permitting, rule development, communications, and community engage-

ment programs of the Air District. In addition to operating monitoring instruments and conducting testing and analysis, M&M Division staff develop rigorous monitoring and testing plans, develop and maintain instruments and systems, conduct quality assurance and quality control, and analyze and communicate data.

#### Planning and Climate Protection

The Planning and Climate Protection Division prepares plans to meet state and federal air quality standards, leads and implements climate protection activities, and develops and implements local community emissions reduction plans per AB 617. Staff advance local and regional environmental justice initiatives by providing support for General Plan Environmental Justice Element development and implementation (per SB 1000); centering equity in climate action planning; and developing and delivering plan and policy resources such as model ordinances, technical resources, and best practices to accelerate action. Staff will continue supporting local lead agencies, regional agencies, and others in applying the Air District CEQA thresholds and using updated guidelines to ensure plans and projects are protective of local health and reduce climate impacts.

#### Rules and Strategic Policy

The Rules and Strategic Policy Division is responsible for the development of regulations to implement Air District plans to attain federal and state air quality standards and to protect public health. In addition to the development of rules derived from planning documents, staff assist with the preparation of air quality plans. Other measures are developed under the direction of the Board of Directors to further protect public health and safety and reduce emissions of greenhouse gases. In addition, staff review existing regulations and develop amendments to improve clarity, efficiency, and effectiveness.



## SCIENCE & POLICY (CONT.)

### INTRODUCTION (CONT.)

#### Public Health

The Public Health Officer serves as the Air District's lead for understanding the latest science regarding public health impacts of air pollution.

They support the permitting, compliance, communication, rule development, and community engagement programs at the Air District.

## SERVICE AREA BUDGET SUMMARY

### WORK PLAN HIGHLIGHTS

- Complete rulemaking projects to reduce emissions from fugitive dust sources and metal recycling facilities.
- Complete Community Emissions Reduction Plans and develop control strategies for impacted areas.
- Develop cumulative impacts health risk methodology, incorporating fine particulate matter risks.
- Conduct community-partnered monitoring projects, leveraging U.S. EPA funding.
- Review the Air District monitoring network to ensure accurate pollutant measurement in overburdened communities.
- Develop a new network of particulate matter measurement locations involving community members.

### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

#### Goal 1: Achieve Impact

- Reduce health impacts of air pollution.

#### Goal 2: Advance Environmental Justice

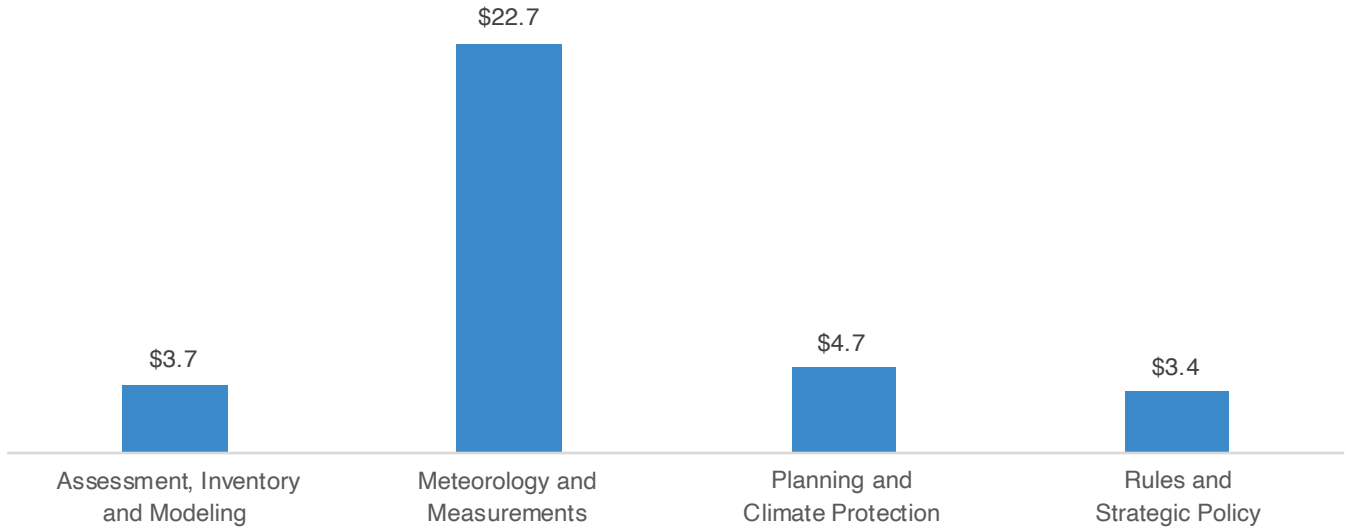
- Identify disparities in overburdened communities.
- Support, partner with, and empower communities.
- Enhance and implement rules, policies, and enforcement actions that recognize and address longstanding disparities in overburdened communities.

#### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization

- Make data and information more actionable and available.
- Improve data information systems and approaches.
- Build relationships with key partners and enhance external communications to achieve clean air goals.

## SCIENCE & POLICY (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)



Expenditures	FY 2022-23 Actuals	FY 2023-24 Approved	FY 2023-04 Amended	FY 2024-25 Proposed	FY 2024-25 Change	FY 2024-25 FTE
Assessment, Inventory and Modeling	\$4.9	\$3.8	\$4.0	\$3.7	(\$0.1)	18
Meteorology and Measurements	\$15.7	\$19.5	\$20.4	\$22.7	\$3.2	72
Planning and Climate Protection	\$4.7	\$4.5	\$5.5	\$4.7	\$0.2	21
Rules and Strategic Policy	\$2.5	\$2.5	\$3.0	\$3.4	\$0.9	12
<b>Service Area Total</b>	<b>\$27.8</b>	<b>\$30.3</b>	<b>\$32.9</b>	<b>\$34.4</b>	<b>\$4.2</b>	<b>123</b>

## Bay Area Air Quality Management District

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Connect with us:



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

# FY 2024-25 PROPOSED BUDGET



April 2, 2024



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

The Bay Area Air Quality Management District  
is committed to  
PROTECT AND IMPROVE PUBLIC HEALTH, AIR QUALITY, AND  
THE GLOBAL CLIMATE

CORE VALUES

- Excellence*** Air District programs and policies are founded on science, developed with technical expertise, and executed with quality.
- Leadership*** The Air District will be at the forefront of air quality improvement and will pioneer new strategies to achieve healthy air and protect the climate.
- Collaboration*** Involving, listening, and engaging all stakeholders, including partner agencies, to create broad acceptance for healthy air solutions.
- Dedication*** Committed staff that live and believe the Air District's mission.
- Equity*** All Bay Area residents have the right to breathe clean air.

# Bay Area Air Quality Management District

For Fiscal Year Ending June 30, 2025

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I am pleased to share with you the FY 2024-25 Proposed Budget, totaling \$291 million, which has been developed to meet the diverse needs of our organization and the communities we proudly serve. This budget is a blueprint that will drive changes that make tangible differences in the health and quality of life for millions of Bay Area residents. A balanced budget, with \$9.7 million strategically drawn from General Fund reserves will invest in critical staffing resources, capital assets, and one-time services essential for supporting our mission to protect public health, reduce historical and current environmental inequities, and lessen climate impacts.

The proposed budget serves as a cornerstone in propelling the Air District's Strategic Plan forward. Over the next five years, we're working to reshape our workforce, streamline our operations, elevate our community engagement, and enhance our programs. As we navigate these changes, building public trust will be at the forefront of our endeavors. Through transparent and accountable actions, we aim to demonstrate the leadership needed to foster a stronger bond with the communities we serve. Our strategic plan goals have been developed collaboratively with input from all stakeholders, including Air District staff, external partners, community organizations, and the Board of Directors. The proposed budget reflects our commitment to aligning resources with these strategic priorities.

In the FY 2025 Proposed Budget, comprising \$154 million from the General Fund and \$137 million from Special Funds, we have allocated an increase of \$17.8 million compared to the previous fiscal year. This additional funding will cover increased staffing and operational costs while also advancing key initiatives aligned with the Air District's strategic goals. Key recommendations within this budget increase include:

- Funding for nineteen (19) additional Full-time Equivalent (FTE) positions to bolster critical programs and enhance service delivery, supported by additional penalty revenue and General Fund reserves as a short-term investment strategy.
- Continuation of funding for seven (7) Limited Term Contract Employees (LTCE) to support the Assembly Bill 617 (AB 617) program, utilizing AB 617 implementation Grant Funds.
- Allocation of \$6.8 million for one-time investments to address essential services and acquire necessary capital assets.
- Implementation of fee increases consistent with the Cost Recovery Policy, ensuring sustainable funding for our operations.
- A 4.5% cost of living increase for Air District employees to mitigate the impact of economic inflation.
- Provision for an average 7% vacancy savings to accommodate recruitment timelines and attrition due to retirements.
- Continued commitment to pre-funding pension and other post-employment benefits liabilities in accordance with the Air District's funding policy.
- Establishment of a formal reserve policy to address economic uncertainties and maintain adequate cash flow.
- Investment in various grant incentive programs and projects across the nine Bay Area counties.

Furthermore, this year's budget introduces an exciting overhaul: a fresh organizational structure that consolidates all divisions and programs into six streamlined service areas. This strategic restructuring is a bold move to amplify transparency and efficiency to deliver our mission in collaboration with Bay Area communities.

The new service areas — Engineering & Compliance, Equity & Community Programs, Finance & Administration, General Counsel, Public Affairs, and Science & Policy — will serve as pillars of our organizational framework with each playing a vital role in advancing our goals and serving the needs of our communities. I encourage you to learn more about each service area and gain further insights into our budgetary decisions by reviewing the accompanying budget brief.

Thank you for your continued support and partnership as we work together to ensure clean air and a sustainable future for all.



**DR. PHILIP FINE**, AIR DISTRICT EXECUTIVE OFFICER

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## **Board Priorities**

*The Air District aims to create a healthy breathing environment for every Bay Area resident while protecting and improving public health, air quality, and the global climate.*

---

### **Goal 1: Achieve impact**

Leverage the Air District's authorities and partnerships to create measurable reductions in emissions that provide benefits to all our communities.

- Reduce air pollution and related health impacts.
- Hold violators accountable.
- Enhance partnerships in support of clean air efforts.
- Mitigate climate change and its impacts.

### **Goal 2: Advance Environmental Justice**

- Identify disparities in overburdened communities.
- Support, partner with, and build capacity of communities.
- Enhance and implement rules, policies, and enforcement actions that recognize and address longstanding disparities in overburdened communities.

### **Goal 3: Advance a Cohesive and Equitable Workplace**

- Promote "One Air District."
- Embody diversity, equity, inclusion, accessibility, and belonging.
- Establish a work culture that values our employees.
- Align resources and budget with goals and priorities.

### **Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization**






- Make data and information more understandable, actionable, and available.
  - Improve permitting outcomes.
  - Use smart processes.
  - Ensure accountability.
-

## REVENUES AND EXPENDITURES BY TYPE

### FY 2024-25 Revenues and Expenditures (\$ Millions)

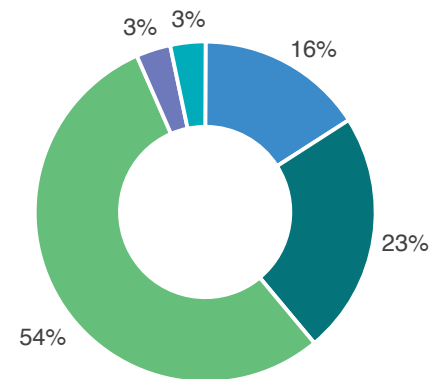
#### Revenues

(\$ Millions)





	Property Taxes	\$46.3	16%
	Permits/Fees	\$67.0	23%
	Grants	\$158.6	54%
	Other Revenue	\$9.6	3%
	Transfer From Reserves	\$9.7	3%

#### Total Revenues

**\$291.1**

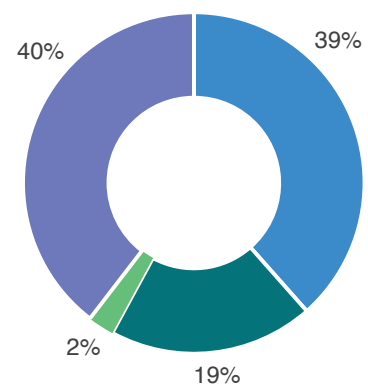


#### Expenditures

	Salaries & Benefits	\$112.1	39%
	Services & Supplies	\$56.6	19%
	Capital	\$7.2	2%
	Distributions & Transfers	\$115.3	40%

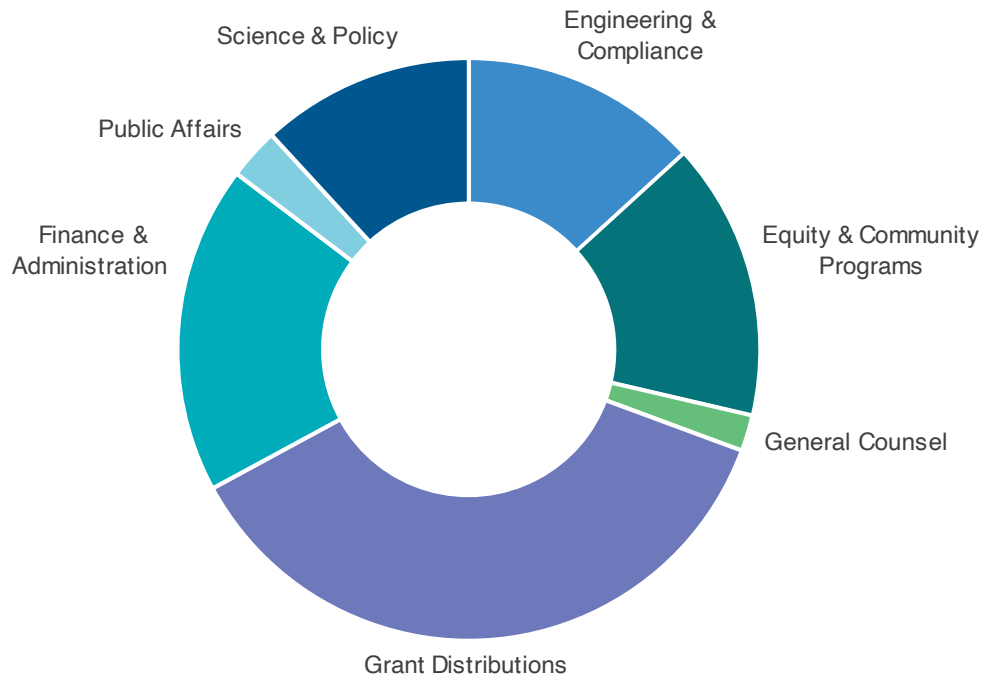
#### Total Expenditures

**\$291.1**



## EXPENDITURES BY SERVICE AREA

**FY 2024-25 Total Expenditures Budget: \$291.1 Million**



### Expenditures

Engineering & Compliance	\$38.5	13%
Equity & Community Programs	\$44.6	15%
General Counsel	\$5.8	2%
Grant Distributions/Others	\$106.0	36%
Finance & Administration	\$53.1	18%
Public Affairs	\$8.8	3%
Science & Policy	\$34.4	12%
<b>Total</b>	<b>\$291.1</b>	

---

# ENGINEERING & COMPLIANCE

## INTRODUCTION

### SERVICE AREA OVERVIEW

Engineering & Compliance oversees regulatory compliance and pollution control measures to safeguard air quality within the Bay Area. This service area is responsible for developing and implementing regulations, permitting processes, and enforcement actions to mitigate emissions from industrial sources, transportation, and other sources of pollution. By promoting best practices and technological advancements, Engineering & Compliance works to achieve regulatory compliance, reduce health risks, and protect the environment.

### DIVISIONS

#### Compliance and Enforcement

The Compliance and Enforcement Division ensures the Air District will achieve the emission reductions through the air quality regulations adopted by the Board of Directors, and permit conditions issued by the Executive Officer/APCO. Compliance with Air District, state, and federal regulations is achieved through a robust Compliance Assurance and Enforcement Program. The program includes comprehensive inspections and investigations and a complementary Compliance Assistance Program that supports compliance objectives of the division by maintaining operations and assisting industry with air quality regulations and requirements.

#### Engineering

The primary function of the Engineering Division is to review and process new permit applications and renewals. There are about 10,000 facilities with about 26,000 devices and operations that have Air District permits. The Engineering Division also processes, reviews, issues, and renews Title V (Major Facility Review) permits for about 79 facilities. In addition to processing permits, the Engineering Division manages programs to assess and reduce risks from toxic air contaminants through implementation of: (1) Regulation 11, Rule 18, Reduction of Risk from Air Toxic Emissions at Existing Facilities, (2) the State Air Toxics Hot Spots Program, and (3) Regulation 2, Rule 5, New Source Review of Toxic Air Contaminants. Finally, the Engineering Division provides technical support to other divisions, agencies, and programs, including rule development, emissions inventory, compliance and enforcement, planning, monitoring and measurement, the Technology Implementation Office, and the Air District's Regional Climate Action Plan.



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## ENGINEERING & COMPLIANCE (CONT.)

### SERVICE AREA BUDGET SUMMARY

#### WORK PLAN HIGHLIGHTS

- Implement Rule 11-18 to mitigate risks from toxic air contaminants at existing facilities.
- Ensure robust enforcement actions against polluters.
- Develop a Targeted Inspection Policy to address community concerns and noncompliance in overburdened areas.
- Update Incident Response Policy to improve investigation protocols and coordination with first responders and local agencies.
- Integrate Environmental Justice (EJ) considerations into permitting processes.
- Develop and execute a Permit Process Improvement Plan to enhance timeliness and customer service.

#### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

##### Goal 1: Achieve Impact

- Reduce health impacts of air pollution.

##### Goal 2: Advance Environmental Justice

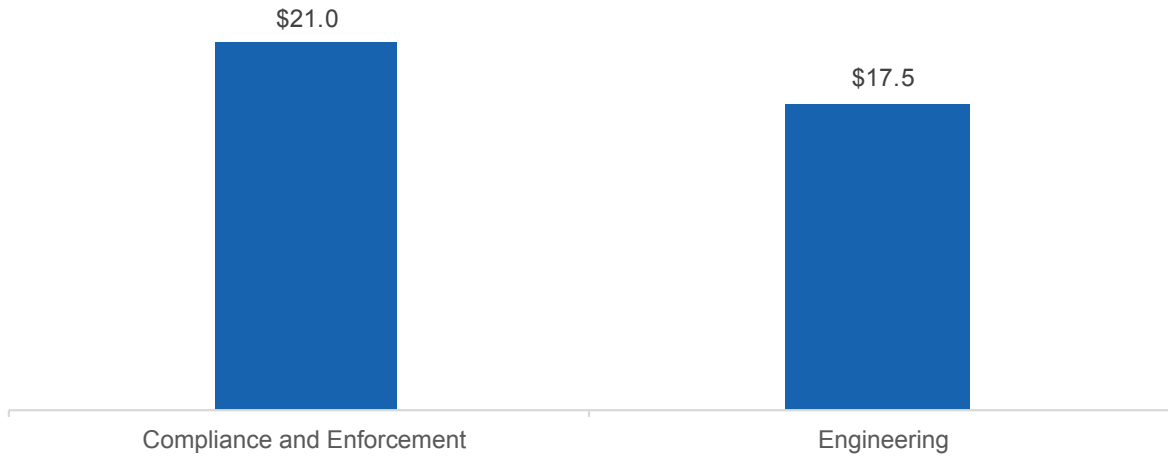
- Identify disparities in overburdened communities.
- Enhance and implement rules, policies, and enforcement actions that recognize and address longstanding disparities in overburdened communities.

##### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization

- Make data and information more actionable and available.
- Improve permitting outcomes.
- Use smart processes.
- Ensure accountability.

## ENGINEERING & COMPLIANCE (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)



Expenditures	FY 2022-23 Actuals	FY 2023-24 Approved	FY 2023-04 Amended	FY 2024-25 Proposed	FY 2024-25 Change	FY 2024-25 FTE
Compliance and Enforcement	\$15.3	\$17.7	\$17.8	\$21.0	\$3.2	99
Engineering	\$12.4	\$15.3	\$16.6	\$17.5	\$2.2	79
<b>Service Area Total</b>	<b>\$27.7</b>	<b>\$33.0</b>	<b>\$34.4</b>	<b>\$38.5</b>	<b>\$5.5</b>	<b>178</b>

# EQUITY & COMMUNITY PROGRAMS

## INTRODUCTION

### SERVICE AREA OVERVIEW

Equity & Community Programs is dedicated to addressing environmental disparities and promoting community engagement within the Bay Area. Through targeted initiatives and partnerships, this service area aims to reduce pollution burdens in disproportionately impacted communities, improve public health outcomes, and foster environmental justice. Key initiatives include funding programs for emission reduction projects, incentivizing the adoption of clean technologies, and collaborating with community stakeholders to ensure equitable access to clean air and resources.

### DIVISIONS

#### Environmental Justice and Community Engagement

The Environmental Justice and Community Engagement Office supports the agency's mission by collaborating with impacted communities and other partners in the Bay Area to advance public health, equity, and environmental justice. The office works with community members and other partners to increase community awareness and transparency of air quality issues, build capacity, increase opportunities for impacted communities to participate in Air District decision-making, and support implementation of community-identified solutions. Key program areas to support these efforts are the AB 617 Community Health Protection Program, the Community Advisory Council, the development of the agency Environmental Justice Policy, the James Cary Smith Community Grant Program, and implementation of state and federal civil rights laws.

#### Diversity, Equity and Inclusion

The Air District's Diversity, Equity and Inclusion Office is responsible for developing initiatives, apply-

ing an equity lens to programs, policies, practices, and procedures. Responsibilities include capacity building related to staffing, recruitment, promotions, inclusive practices in the workplace, contracting for capital projects and services, and equity training. The office recognizes the contributions of all employees and community members and works to sustain an environment where everyone is valued, respected, and included.

#### Strategic Incentives

The Strategic Incentives Division administers Special Revenue funds that are used to accelerate voluntary emissions reductions by incentivizing the replacement of older, dirtier equipment that primarily targets mobile sources that total approximately \$100 million for project funds and \$8 million for Air District administrative costs. Strategic Incentives staff conducts outreach and solicits grant applications, evaluates grant applications according to established criteria, recommends allocation of the funding, prepares contracts with grantees, monitors progress in implementing funded projects, and reports on the use of funds.

#### Technology Implementation

The Technology Implementation Office's (TIO) mission is to advance emerging, cost-effective solutions to achieve greenhouse gas emissions reductions for the transportation and industrial source sectors. TIO connects climate technologies and customers by providing financial incentives through grants for light-duty vehicles, electric vehicle infrastructure, and loans for various emerging climate solutions, as well as technical and match-making support. By supporting the scale-up of climate technologies, TIO can help achieve state and regional greenhouse gas emissions targets and reduce emissions in impacted communities, while also making technologies cost effective.

## EQUITY & COMMUNITY PROGRAMS (CONT.)

### SERVICE AREA BUDGET SUMMARY

#### WORK PLAN HIGHLIGHTS

- Allocate \$35 million through the Statewide Volkswagen (VW) Zero-Emission Freight and Marine program to upgrade equipment and install shore power, prioritizing impacted communities.
- Propose \$30 million for zero-emission infrastructure projects, with 80% of funding earmarked for priority communities.
- Launch a program to incentivize commercial landscapers to replace polluting equipment with zero-emissions technology.
- Collaborate with CARB to update state incentive program guidelines to better serve Air District and community needs.
- Establish a new incentive fund program to remediate emissions from marine vessels, focusing on projects in impacted communities.
- Allocate \$2 million for a new wood smoke reduction program, with at least 60% of funds directed to impacted communities.

#### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

##### Goal 1: Achieve Impact

- Enhance partnerships in support of clean air efforts: We will collaborate with federal, state, and local agencies, provide incentives to promote cleaner and zero-emission technologies to improve air quality locally and regionally, while providing assistance to local governments in support of their environmental justice efforts.

##### Goal 2: Advance Environmental Justice

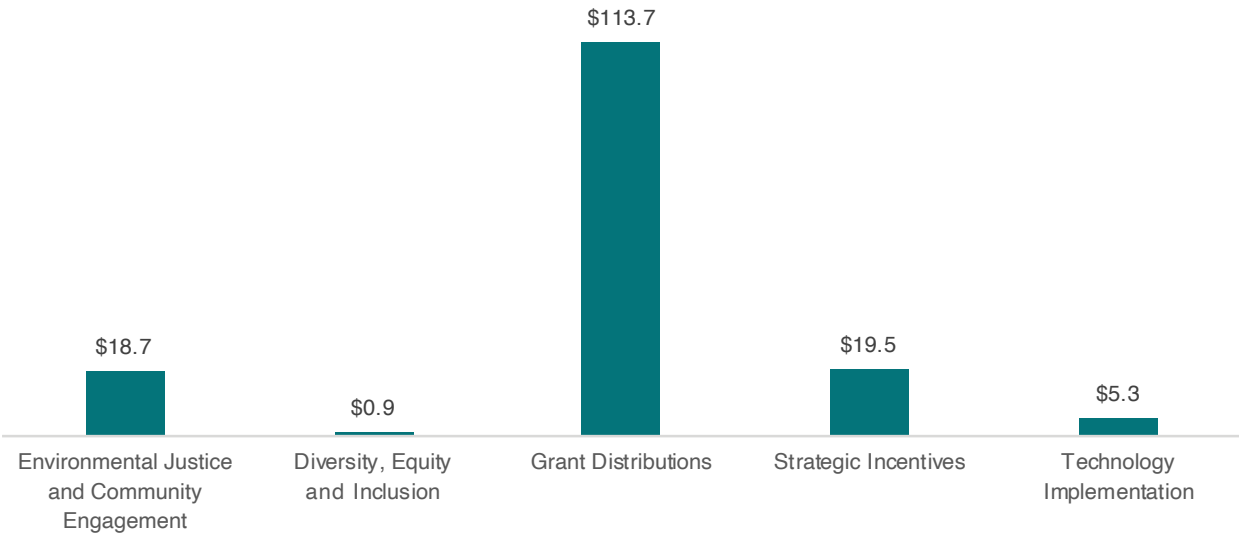
- Identify disparities in overburdened communities.
- Support, partner with, and empower communities.
- Enhance and implement rules, policies, and enforcement actions that recognize and address historic disparities in overburdened communities.

##### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization

- Ensure accountability.
- Build relationships with key partners and enhance external communications to achieve our clean air goals.

## EQUITY & COMMUNITY PROGRAMS (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)



Expenditures	FY 2022-23 Actuals	FY 2023-24 Approved	FY 2023-04 Amended	FY 2024-25 Proposed	FY 2024-25 Change	FY 2024-25 FTE
Environmental Justice and Community Engagement	\$5.6	\$15.0	\$18.8	\$18.7	\$3.8	17
Diversity, Equity and Inclusion	\$0.5	\$0.9	\$1.0	\$0.9	\$0.0	3
Grant Distributions	\$55.9	\$110.3	\$94.3	\$113.7	\$3.4	
Strategic Incentives	\$7.8	\$15.5	\$16.4	\$19.5	\$4.0	33
Technology Implementation	\$3.2	\$4.0	\$7.0	\$5.3	\$1.3	11
<b>Service Area Total</b>	<b>\$73.0</b>	<b>\$145.6</b>	<b>\$137.5</b>	<b>\$158.1</b>	<b>\$12.5</b>	<b>64</b>

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# FINANCE & ADMINISTRATION

## INTRODUCTION

### SERVICE AREA OVERVIEW

Finance & Administration manages the financial, administrative, and operational functions of the Air District. This service area is tasked with budgeting, financial planning, procurement, human resources management, and facilities maintenance to support the organization's mission. By ensuring sound fiscal management and operational efficiency, Finance & Administration enables the Air District to fulfill its responsibilities and deliver essential services to the community.

### DIVISIONS

#### Board of Directors

The Air District's Board of Directors is a governing body comprised of 24 locally elected representatives selected from the nine counties across the Bay Area region. These representatives bring a diverse range of perspectives and experiences to the table, reflecting the unique needs and concerns of their respective communities. As stewards of the region's air quality and environmental health, the Board plays a pivotal role in setting policies, guiding strategic initiatives, and overseeing the implementation of programs aimed at improving air quality, protecting public health, and addressing climate change challenges.

#### Executive Office

The Executive Office of the Air District serves as the central administrative hub, overseeing the strategic direction, coordination, and management of the organization. It provides leadership, guidance, and support to all service areas and departments within the Air District. The Executive Office is responsible for setting organizational goals, developing policies,

and ensuring effective implementation of initiatives to improve air quality, protect public health, and address environmental challenges in the Bay Area.

#### Administrative Resources

The Administrative Resources Division provides administrative and operational support functions for the Air District. The Business Office is responsible for contracts, purchasing, non-workers compensation risk management, mailroom services, and office support services. The Fleet Office is responsible for the acquisition and maintenance of Air District pool vehicles and fleet, management of vehicle accidents and procurement of new vehicles. The Facilities Office is responsible for the planning, maintenance, construction oversight and operations of all Air District facilities, and manages security and safety measures.

#### Finance

The Finance Office is responsible for maintaining the fiscal stewardship and financial accountability of the Air District. These responsibilities include accounting activities, financial audits, and reporting, vendor payments, receipt of permit fees, asset management, and maintenance of the Air District's financial system. The office is also responsible for the development of the Air District's annual budget and annual cost recovery analysis, fiscal maintenance, and financial reporting of all federal and state grants.

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## FINANCE & ADMINISTRATION (CONT.)

### INTRODUCTION (CONT.)

#### Human Resources

The Human Resources Office is responsible for personnel matters, including payroll and benefits, labor and employee relations, recruitment and testing, employee engagement, processing personnel actions, employee performance appraisal and recognition programs, organizational development and training, health and safety compliance, workers compensation and special events coordination.

#### Enterprise Technology Solutions

The Enterprise Technology Solutions Division identifies and implements custom and off-the-shelf technologies that innovate and optimize core business processes. Included in this work are the My Air Online systems, which enable Engineering and Enforcement Division processes such as the issuance and renewal of air quality operating permits for businesses in the Bay Area, the inspection operations for facilities, and the dispatch and response of the Air Districts inspectors. Other examples of current technology managed under this division include the Air District's financial system, website, and records management systems. Examples of upcoming technology development include the innovation of Air District's grants-related business processes, and the innovation of technology systems aimed at providing key information to impacted communities.

#### Information Services Operations

The primary function of the Information Services Division is to develop and maintain information infrastructure that enables Air District operations and to provide for cybersecurity. Under this division, staff provide design, implementation, cybersecurity, and maintenance of all computer server and network infrastructures, including email, telecommunications, network, file storage, business continuity/disaster recovery, remote connectivity, and security monitoring. The support team in this division also provides user support to Air District staff and technical user support to outside members of the regulated community that utilize online Air District technologies.

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## FINANCE & ADMINISTRATION (CONT.)

### SERVICE AREA BUDGET SUMMARY

#### WORK PLAN HIGHLIGHTS

- Develop and implement a modern IT infrastructure for increased resilience and availability.
- Implement a Grants Management System for efficient issuance of grants.
- Launch a new performance management system.
- Conduct a comprehensive real estate strategy for leases and capital improvements.
- Provide technology assets to communities for effective communication of Air District data.
- Enhance My Air Online systems for permitting and enforcement efficiency.

#### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

##### Goal 1: Achieve Impact

- Reduce health impacts of air pollution.

##### Goal 2: Advance Environmental Justice

- Support, partner with, and build capacity of communities.

##### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization.

- Make data and information more actionable and available.
- Improve permitting outcomes.
- Enable smart processes.
- Ensure accountability.



## FINANCE & ADMINISTRATION (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)



Expenditures	FY 2022-23 Actuals	FY 2023-24 Approved	FY 2023-04 Amended	FY 2024-25 Proposed	FY 2024-25 Change	FY 2024-25 FTE
Administrative Division	\$8.7	\$12.6	\$13.5	\$13.0	\$0.4	15
Board of Directors	\$0.5	\$1.2	\$1.2	\$0.8	(\$0.4)	0
Executive Office	\$8.2	\$9.0	\$10.1	\$9.5	\$0.5	25
Finance Office	\$4.5	\$5.1	\$5.3	\$5.2	\$0.1	18
Human Resources Office	\$11.5	\$7.5	\$7.7	\$8.3	\$0.8	10
Enterprise Technology Solutions	\$8.1	\$8.8	\$12.1	\$10.3	\$1.5	9
Information Services Operations	\$2.8	\$6.8	\$7.8	\$6.0	(\$0.8)	16
<b>Service Area Total</b>	<b>\$44.3</b>	<b>\$50.9</b>	<b>\$57.7</b>	<b>\$53.1</b>	<b>\$2.1</b>	<b>93</b>

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# GENERAL COUNSEL

## INTRODUCTION

### DIVISION

#### General Counsel

The General Counsel provides legal counsel, representation, and support to the Air District on matters related to environmental law, regulatory compliance, enforcement actions, and policy

development. This service area plays a crucial role in interpreting and implementing laws, regulations, and policies governing air quality and environmental protection. Through its expertise in legal matters, the General Counsel helps the Air District navigate complex legal challenges, uphold regulatory standards, and advance environmental justice objectives.

## SERVICE AREA BUDGET SUMMARY

### WORK PLAN HIGHLIGHTS

- Assess robust penalties to ensure violators face full consequences under the law.
- Enhance enforcement responses in overburdened communities.
- Provide legal support for the Community Advisory Council and Community Emission Reduction Plans.
- Assist in formalizing civil rights compliance in permitting.
- Establish an Environmental Justice Fellowship Program for new lawyers.

### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

#### Goal 1: Achieve Impact

- Reduce air pollution and related health impacts.
- Hold violators accountable.

#### Goal 2: Advance Environmental Justice

- Identify disparities in overburdened communities.
- Enhance and implement rules, policies, and enforcement actions that recognize and address longstanding disparities in overburdened communities.

#### Goal 3: Advance a Cohesive and Equitable Workplace

- Embody diversity, equity, inclusion, accessibility, and belonging.

#### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization

- Improve permitting outcomes.

## GENERAL COUNSEL (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)

\$5.8



General Counsel

Expenditures	FY 2022- 23 Actuals	FY 2023- 24 Approved	FY 2023- 04 Amended	FY 2024- 25 Proposed	FY 2024- 25 Change	FY 2024- 25 FTE
General Counsel	\$4.4	\$5.2	\$5.9	\$5.8	\$0.7	17
<b>Service Area Total</b>	<b>\$4.4</b>	<b>\$5.2</b>	<b>\$5.9</b>	<b>\$5.8</b>	<b>\$0.7</b>	<b>17</b>

# PUBLIC AFFAIRS

## INTRODUCTION

### SERVICE AREA OVERVIEW

Public Affairs is responsible for communication, outreach, and public engagement efforts to raise awareness, promote transparency, and foster community involvement in air quality issues. This service area develops and implements communication strategies, public education campaigns, and media relations activities to inform the public, policymakers, and stakeholders about air quality initiatives, health risks, and regulatory developments. By fostering open dialogue and collaboration, Public Affairs enhances public understanding and support for the Air District's mission.

### DIVISIONS

#### Communications

The Communications Office coordinates all media outreach, public health and air quality messaging, crisis and internal communications, and media relations as well as print, digital and social media outreach for the Air District. The office manages advertising, social media platforms, strategies, programs and outreach for Spare the Air and the Employer Program. The office maintains the Spare the Air website and related sites and the Spare the Air mobile apps, and represents the Air District at community events for Spare the Air throughout the region.

#### External Affairs

The External Affairs Office coordinates the administration of the Commuter Benefits Program in partnership with the Metropolitan Transportation Commission and directs the Flex Your Commute messaging campaign. The office directs the Air District external sponsorship program to ensure

transparency, goals and benefits are met in accordance with Air District requirements. The office is developing a districtwide partnership program to expand messaging reach and information sharing with local, county and state agencies, and NGO's. The office represents the Air District at conferences and events, and develops regional conferences and seminars to expand messaging for targeted initiatives and build regional partnerships.

#### Legislative and Government Affairs

The Legislative and Government Affairs Office coordinates and tracks developing positions on state and federal legislation and budget proposals, meets with legislators and legislative staff about policy proposals and updates them on Air District activities. The office represents the Air District at legislative hearings, and interacts with stakeholder groups, state and local agencies, and members of the public. The office disseminates information on current legislative policy and budget proposals that affect Air District programs and policies and develops strategies to further the Air District's legislative priorities.

#### Government Outreach and Special Projects

Government Outreach and Special Projects develops policy proposals, guidance and planning to support internal-facing activities related to executive and administrative functions and partnerships with local government focused on incident response and emergency preparedness.

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## PUBLIC AFFAIRS (CONT.)

### SERVICE AREA BUDGET SUMMARY

#### WORK PLAN HIGHLIGHTS

- Communicate air quality incidents to media and public.
- Forge partnerships with county jurisdictions to amplify messaging and increase participation.
- Implement the Public Notification Tool for incident response.
- Expand Spare the Air messaging to younger demographics through TikTok.
- Conduct Air District rebranding efforts.
- Develop an internal communications program.

#### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

##### Goal 1: Achieve Impact

- Reduce health impacts of air pollution.

##### Goal 2: Advance Environmental Justice

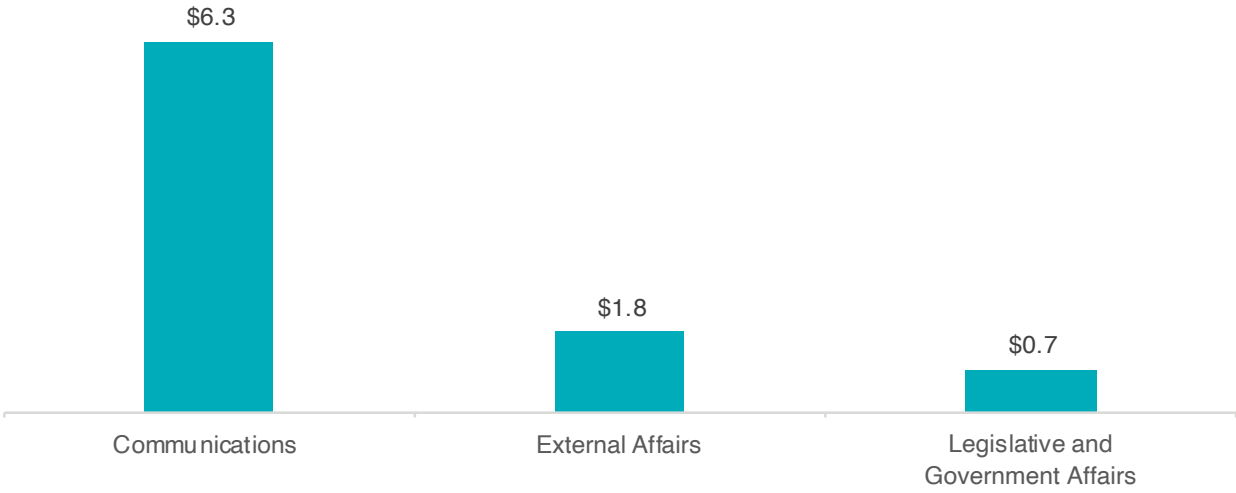
- Support, partner with, and build capacity of communities.

##### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization.

- Make data and information more actionable and available.
- Improve permitting outcomes.
- Enable smart processes.
- Ensure accountability.

## PUBLIC AFFAIRS (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)



Expenditures	FY 2022-23 Actuals	FY 2023-24 Approved	FY 2023-04 Amended	FY 2024-25 Proposed	FY 2024-25 Change	FY 2024-25 FTE
Communications	\$5.6	\$6.7	\$9.5	\$6.3	(\$0.4)	11
External Affairs	\$0.7	\$1.1	\$1.4	\$1.8	\$0.7	3
Legislative and Government Affairs	\$0.6	\$0.7	\$0.7	\$0.7	\$0.1	2
<b>Service Area Total</b>	<b>\$6.9</b>	<b>\$8.5</b>	<b>\$11.6</b>	<b>\$8.8</b>	<b>\$0.4</b>	<b>16</b>

# SCIENCE & POLICY

## INTRODUCTION

### SERVICE AREA OVERVIEW

Science & Policy conducts research, analysis, and policy development to inform decision-making and advance air quality goals in the Bay Area. This service area monitors air quality trends, assesses health impacts, and evaluates the effectiveness of regulatory measures to identify emerging issues and inform policy priorities. By integrating scientific expertise with policy analysis, Science & Policy provides evidence-based recommendations to address air quality challenges, mitigate pollution sources, and protect public health and the environment.

### DIVISIONS

#### Assessment, Inventory and Modeling

The Assessment, Inventory, and Modeling (AIM) Division prepares comprehensive inventories of air pollution emissions for the Bay Area and conducts air quality modeling at both regional and community scales. The AIM Division prepares technical assessments that evaluate equity in air pollution exposures and health impacts in support of Air District programs. The division coordinates and implements programs to improve and report estimates of emissions of criteria pollutants, toxic air contaminants, and climate-forcing pollutants. AIM Division staff assess emissions, concentrations, and exposures to toxic air contaminants, particulate matter, ozone, and their precursors, to support targeted strategies that reduce impacts of air pollution both regionally and within communities.

#### Meteorology and Measurements

The Meteorology and Measurements (M&M) Division provides emissions, air quality, and meteorological data; chemical analysis; and forecasting to support the enforcement, permitting, rule development, communications, and community engage-

ment programs of the Air District. In addition to operating monitoring instruments and conducting testing and analysis, M&M Division staff develop rigorous monitoring and testing plans, develop and maintain instruments and systems, conduct quality assurance and quality control, and analyze and communicate data.

#### Planning and Climate Protection

The Planning and Climate Protection Division prepares plans to meet state and federal air quality standards, leads and implements climate protection activities, and develops and implements local community emissions reduction plans per AB 617. Staff advance local and regional environmental justice initiatives by providing support for General Plan Environmental Justice Element development and implementation (per SB 1000); centering equity in climate action planning; and developing and delivering plan and policy resources such as model ordinances, technical resources, and best practices to accelerate action. Staff will continue supporting local lead agencies, regional agencies, and others in applying the Air District CEQA thresholds and using updated guidelines to ensure plans and projects are protective of local health and reduce climate impacts.

#### Rules and Strategic Policy

The Rules and Strategic Policy Division is responsible for the development of regulations to implement Air District plans to attain federal and state air quality standards and to protect public health. In addition to the development of rules derived from planning documents, staff assist with the preparation of air quality plans. Other measures are developed under the direction of the Board of Directors to further protect public health and safety and reduce emissions of greenhouse gases. In addition, staff review existing regulations and develop amendments to improve clarity, efficiency, and effectiveness.

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## SCIENCE & POLICY (CONT.)

### INTRODUCTION (CONT.)

#### Public Health

The Public Health Officer serves as the Air District's lead for understanding the latest science regarding public health impacts of air pollution.

They support the permitting, compliance, communication, rule development, and community engagement programs at the Air District.

## SERVICE AREA BUDGET SUMMARY

### WORK PLAN HIGHLIGHTS

- Complete rulemaking projects to reduce emissions from fugitive dust sources and metal recycling facilities.
- Complete Community Emissions Reduction Plans and develop control strategies for impacted areas.
- Develop cumulative impacts health risk methodology, incorporating fine particulate matter risks.
- Conduct community-partnered monitoring projects, leveraging U.S. EPA funding.
- Review the Air District monitoring network to ensure accurate pollutant measurement in overburdened communities.
- Develop a new network of particulate matter measurement locations involving community members.

### STRATEGIC PLAN GOALS

This service area's work plan will advance the following goals and objectives of the draft strategic plan:

#### Goal 1: Achieve Impact

- Reduce health impacts of air pollution.

#### Goal 2: Advance Environmental Justice

- Identify disparities in overburdened communities.
- Support, partner with, and empower communities.
- Enhance and implement rules, policies, and enforcement actions that recognize and address longstanding disparities in overburdened communities.

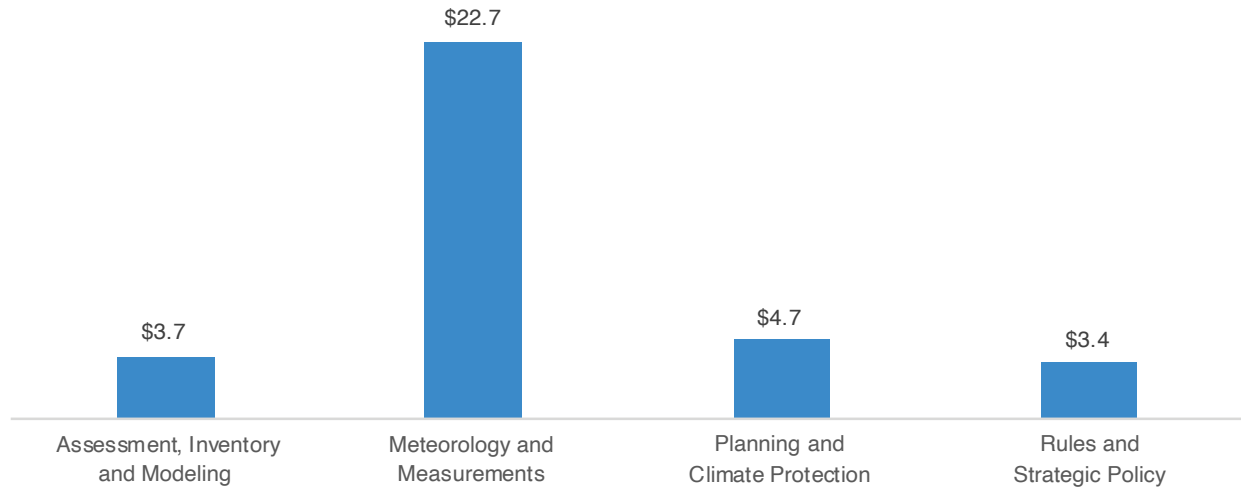
#### Goal 4: Maintain an Effective, Efficient, and Customer-oriented Organization

- Make data and information more actionable and available.
- Improve data information systems and approaches.
- Build relationships with key partners and enhance external communications to achieve clean air goals.



## SCIENCE & POLICY (CONT.)

### FY 2024-25 Service Area Expenditures (\$ Millions)



Expenditures	FY 2022-23 Actuals	FY 2023-24 Approved	FY 2023-04 Amended	FY 2024-25 Proposed	FY 2024-25 Change	FY 2024-25 FTE
Assessment, Inventory and Modeling	\$4.9	\$3.8	\$4.0	\$3.7	(\$0.1)	18
Meteorology and Measurements	\$15.7	\$19.5	\$20.4	\$22.7	\$3.2	72
Planning and Climate Protection	\$4.7	\$4.5	\$5.5	\$4.7	\$0.2	21
Rules and Strategic Policy	\$2.5	\$2.5	\$3.0	\$3.4	\$0.9	12
<b>Service Area Total</b>	<b>\$27.8</b>	<b>\$30.3</b>	<b>\$32.9</b>	<b>\$34.4</b>	<b>\$4.2</b>	<b>123</b>

**Bay Area Air Quality Management District**

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**BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT**

# District-Wide Revenue and Expenditure Budgets

TABLE I: Consolidated Expenditures and Revenues by Major Categories

	AUDITED ACTUALS FYE 2023			APPROVED BUDGET FYE 2024			AMENDED BUDGET FYE 2024			PROPOSED BUDGET FYE 2025		
	GENERAL FUND	SPECIAL FUNDS	TOTAL FUNDS	GENERAL FUND	SPECIAL FUNDS	TOTAL FUNDS	GENERAL FUND	SPECIAL FUNDS	TOTAL FUNDS	GENERAL FUND	SPECIAL FUNDS	TOTAL FUNDS
<b>REVENUES</b>												
County Revenues	45,219,314		45,219,314	44,876,500		44,876,500	44,876,500		44,876,500	46,306,873		46,306,873
Permits / Fees	65,340,214		65,340,214	63,192,045		63,192,045	63,192,045		63,192,045	66,980,188		66,980,188
Grant Revenues	10,847,931	64,879,894	75,727,825	13,459,045	129,037,057	142,496,102	13,459,045	115,238,230	128,697,275	18,905,256	136,658,174	155,563,430
Other Revenues	6,896,395		6,896,395	7,100,000		7,100,000	7,100,000		7,100,000	9,555,620		9,555,620
<b>Rev Before Reimb &amp; Tsfr</b>	128,303,854	64,879,894	193,183,748	128,627,590	129,037,057	257,664,647	128,627,590	115,238,230	243,865,820	141,747,937	136,658,174	278,406,111
Reimbursements Programs	2,297,211		2,297,211	2,539,276		2,539,276	2,539,276		2,539,276	1,597,702		1,597,702
Transfer In	1,107,360		1,107,360	1,302,772		1,302,772	1,302,772		1,302,772	1,414,855		1,414,855
Transfer from / (to) Reserves	(11,426,267)		(11,426,267)	5,274,900		5,274,900	25,566,748		25,566,748	9,693,058		9,693,058
<b>Total REVENUES</b>	120,282,159	64,879,894	185,162,053	137,744,538	129,037,057	266,781,595	158,036,386	115,238,230	273,274,616	154,453,550	136,658,174	291,111,724
<b>EXPENDITURES</b>												
Personnel & Benefits	88,636,581	6,943,082	95,579,663	88,460,177	8,146,194	96,606,371	88,560,177	8,146,193	96,706,370	103,606,450	8,496,807	112,103,257
Services & Supplies	23,964,369	3,826,016	27,790,385	41,006,096	10,814,978	51,821,074	57,617,190	13,671,566	71,288,756	41,513,091	15,038,990	56,552,081
Capital Expenditures	3,635,922		3,635,922	6,789,376		6,789,376	9,899,385		9,899,385	7,194,925		7,194,925
Other Financing Uses	1,106,240		1,106,240									
<b>Exp Before Dist &amp; Tsfr</b>	117,343,112	10,769,098	128,112,210	136,255,649	18,961,172	155,216,821	156,076,752	21,817,759	177,894,511	152,314,466	23,535,797	175,850,263
Program Distributions	2,939,047	53,003,436	55,942,483	1,300,000	108,962,000	110,262,000	1,770,745	92,486,266	94,257,011	1,950,000	111,707,522	113,657,522
Transfer Out		1,107,360	1,107,360	188,889	1,113,885	1,302,774	188,889	934,205	1,123,094	189,084	1,414,855	1,603,939
<b>Total EXPENDITURES</b>	120,282,159	64,879,894	185,162,053	137,744,538	129,037,057	266,781,595	158,036,386	115,238,230	273,274,616	154,453,550	136,658,174	291,111,724

**TABLE II: Consolidated Revenues**

	Audited Program	Approved	Amended	Proposed	FTE/\$ Change	Percent
	Actual	Program Budget	Program Budget	Program Budget	25/24 Amended	Change
	2023	2024	2024	2025	\$	%
<b>COUNTY REVENUES</b>						
Alameda	8,276,485	8,099,800	8,099,800	8,585,788	485,988	6.00%
Contra Costa	4,942,690	4,985,700	4,985,700	5,234,985	249,285	(5.00)%
Marin	1,964,471	1,992,900	1,992,900	2,118,147	125,247	6.28%
Napa	1,387,860	1,397,700	1,397,700	1,542,224	144,524	10.34%
San Francisco	6,789,385	7,046,400	7,046,400	6,936,000	(110,400)	(1.57)%
San Mateo	6,292,058	6,053,300	6,053,300	6,234,899	181,599	3.00%
Santa Clara	12,626,230	12,263,600	12,263,600	12,508,872	245,272	2.00%
Solano	1,007,009	1,088,300	1,088,300	1,119,206	30,906	2.84%
Sonoma	1,933,126	1,948,800	1,948,800	2,026,752	77,952	4.00%
	45,219,314	44,876,500	44,876,500	46,306,873	1,430,373	3.19%
<b>PERMITS / FEES</b>						
Permit Renewal & Application Fees	46,233,433	44,068,250	44,068,250	46,804,597	2,736,347	6.21%
Community Health Impact	1,236,570	1,093,388	1,093,388	1,152,801	59,413	5.43%
Criteria Pollutant and Toxics Emissions	1,702,031	1,527,575	1,527,575	1,691,369	163,794	10.72%
Title V Fees	7,735,283	6,997,590	6,997,590	8,100,473	1,102,883	15.76%
Asbestos Fees	3,753,065	4,000,000	4,000,000	3,650,000	(350,000)	(8.75)%
Toxics Inventory Fees	1,337,238	1,421,513	1,421,513	1,292,751	(128,762)	(9.06)%
Registration Fees	239,385	300,570	300,570	297,408	(3,162)	(1.05)%
Hearing Board Fees	88,189	25,000	25,000	90,000	65,000	260.00%
Greenhouse Gas Fees	3,015,020	3,758,159	3,758,159	3,900,789	142,630	3.80%
	65,340,214	63,192,045	63,192,045	66,980,188	3,788,143	5.99%
<b>GRANT REVENUES</b>						
Federal Grant	2,774,767	4,459,045	4,459,045	6,919,505	2,460,460	55.18%
Other Grants	8,073,164	9,000,000	9,000,000	11,985,751	2,985,751	33.18%
	10,847,931	13,459,045	13,459,045	18,905,256	5,446,211	40.47%
<b>OTHER REVENUES</b>						
Penalty Assessments	2,008,464	3,000,000	3,000,000	4,000,000	1,000,000	33.33%
State Subvention	1,728,050	1,750,000	1,750,000	1,750,000		
PERP (Portable Equip Prog)	835,081	700,000	700,000	1,000,000	300,000	42.86%
Interest Income	2,083,659	1,350,000	1,350,000	2,505,620	1,155,620	85.60%
Miscellaneous Income	241,141	300,000	300,000	300,000		
	6,896,395	7,100,000	7,100,000	9,555,620	2,455,620	34.59%
<b>Total Operating Revenues</b>	128,303,854	128,627,590	128,627,590	141,747,937	13,120,347	10.20%
<b>Reimbursement Programs</b>						
CMAQ Funding	1,002,279	1,000,000	1,000,000		(1,000,000)	(100.00)%
DHS Biowatch Funding	1,294,932	1,539,276	1,539,276	1,597,702	58,426	3.80%
	2,297,211	2,539,276	2,539,276	1,597,702	(941,574)	(37.08)%
Transfer from / (to) Reserves	(11,426,267)	5,274,900	25,566,748	9,693,059	(15,873,689)	(62.09)%
Transfer In	1,107,360	1,302,772	1,302,772	1,414,855	112,083	8.60%
<b>Total General Fund Revenues</b>	120,282,159	137,744,538	158,036,386	154,453,553	(3,582,833)	(2.27)%
<b>Special Revenue Funds</b>						
<b>Grant Programs</b>						
Carl Moyer Fund	22,298,070	38,612,576	31,002,395	44,800,907	13,798,512	44.51%
Mobile Source Incentive Fund (MSIF)	5,609,485	11,052,723	11,722,870	17,412,662	5,689,792	48.54%
Transportation Fund for Clean Air (TFCA)	20,760,297	29,241,640	22,045,736	24,344,670	2,298,934	10.43%
Clean Cars for All (CCFA)	10,816,844	33,135,752	33,469,453	29,851,903	(3,617,550)	(10.81)%
California Goods Movement Bond (CGMB)	1,129,521	2,186,517	2,199,727	2,189,084	(10,643)	(0.48)%
Vehicle Mitigation (VM)	3,483,843	13,863,377	13,853,578	16,035,329	2,181,751	15.75%
Other Grants Revenues	781,838	944,472	944,471	2,023,619	1,079,148	114.26%
<b>Total Special Revenue Funds</b>	64,879,894	129,037,057	115,238,230	136,658,174	21,419,944	18.59%
<b>TOTAL DISTRICT WIDE</b>	185,162,053	266,781,595	273,274,616	291,111,724	17,837,109	6.53%

**TABLE III: Consolidated Expenditures**

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/\$ Change 25/24 Amended \$	Percent Change %
<b>NUMBER OF POSITIONS (FTE)</b>	392.12	465.00	472.00	491.00	19.00	4.0%
<b>NUMBER OF POSITIONS (LTCE)</b>			8.00	14.00	6.00	75.0%
<b>PERSONNEL</b>						
Permanent Salaries	58,679,693	67,705,383	67,705,381	78,564,497	10,859,116	16.0%
Overtime Salaries	585,274	391,865	391,865	634,252	242,387	61.9%
Temporary Salaries	113,082	607,243	707,243	1,466,292	759,049	107.3%
Payroll Taxes	1,158,224	969,831	969,831	1,133,024	163,193	16.8%
Pension Benefits	23,105,489	13,795,119	13,795,119	15,593,487	1,798,368	13.0%
FICA Replacement Benefits	768,526	948,930	948,930	1,714,977	766,047	80.7%
Group Insurance Benefits	10,651,779	12,633,390	12,633,390	14,913,792	2,280,402	18.1%
Transportation Subsidy	120,302	666,751	666,751	484,018	(182,733)	(27.4)%
Workers' Compensation	239,705	229,999	230,000	230,000		
Discretionary Contribution		5,000,000	5,000,000	5,000,000		
Board Stipends	157,589	241,800	241,800	167,240	(74,560)	(30.8)%
Vacancy Savings		(6,583,940)	(6,583,940)	(7,798,321)	(1,214,381)	18.4%
	95,579,663	96,606,371	96,706,370	112,103,258	15,396,888	15.9%
<b>SERVICES &amp; SUPPLIES</b>						
Travel	203,543	625,927	643,928	806,588	162,660	25.3%
Training & Education	323,490	1,093,110	1,219,104	1,140,878	(78,226)	(6.4)%
Repair & Maintenance	665,644	2,041,538	2,220,492	2,095,578	(124,914)	(5.6)%
Communications	706,505	901,427	980,337	915,124	(65,213)	(6.7)%
Building Maintenance	433,522	824,920	1,206,391	987,550	(218,841)	(18.1)%
Utilities	257,636	271,765	271,765	326,648	54,883	20.2%
Postage	48,242	123,490	123,490	128,990	5,500	4.5%
Printing & Reproduction	50,086	424,700	633,739	625,489	(8,250)	(1.3)%
Equipment Rental	64,642	107,000	140,274	125,000	(15,274)	(10.9)%
Rents & Leases	2,123,309	3,317,749	3,583,118	3,480,640	(102,478)	(2.9)%
Professional Services	21,334,471	38,397,349	55,995,944	42,045,239	(13,950,705)	(24.9)%
General Insurance	505,272	839,740	842,142	938,500	96,358	11.4%
Shop & Field Supplies	404,033	606,281	780,196	542,177	(238,019)	(30.5)%
Laboratory Supplies	123,091	209,920	239,782	232,000	(7,782)	(3.2)%
Gasoline & Variable Fuel	239,916	376,579	390,018	470,000	79,982	20.5%
Computer Hardware & Software	226,432	1,476,953	1,819,237	1,450,695	(368,542)	(20.3)%
Stationery & Office Supplies	13,463	64,950	79,023	69,650	(9,373)	(11.9)%
Books & Journals	66,973	87,223	88,308	146,250	57,942	65.6%
Minor Office Equipment	115	30,453	31,468	25,085	(6,383)	(20.3)%
	27,790,385	51,821,074	71,288,756	56,552,081	(14,736,675)	(20.7)%
<b>CAPITAL</b>						
Leasehold Improvements			2,350		(2,350)	(100.0)%
Building & Grounds	111,885	500,000	631,802	40,000	(591,802)	(93.7)%
Office Equipment		100,000	100,000	110,000	10,000	10.0%
Computer & Network	3,095,928	4,518,613	6,993,949	4,600,000	(2,393,949)	(34.2)%
Motorized Equipment		100,000	100,000	60,000	(40,000)	(40.0)%
Lab & Monitoring Equipment	405,510	1,420,763	1,743,883	2,384,925	641,042	36.8%
Communications Equipment	22,599	150,000	327,401		(327,401)	(100.0)%
	3,635,922	6,789,376	9,899,385	7,194,925	(2,704,460)	(27.3)%
<b>Total Expenditures</b>	127,005,970	155,216,821	177,894,511	175,850,264	(2,044,247)	(1.1)%
Transfer In/Out	1,107,359	1,302,774	1,123,094	1,603,939	480,845	42.8%
Other Financing Uses	1,106,240					
Program Distribution	55,942,483	110,262,000	94,257,011	113,657,522	19,400,511	20.6%
<b>TOTAL DISTRICT WIDE</b>	185,162,053	266,781,595	273,274,616	291,111,724	17,837,109	6.5%

TABLE IV: General Fund

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/\$ Change 25/24 Amended \$	Percent Change %
<b>NUMBER OF POSITIONS (FTE)</b>	356.39	424.84	431.84	452.03	20.19	4.7%
<b>NUMBER OF POSITIONS (LTCE)</b>			8.00	11.00	3.00	37.5%
<b>REVENUES</b>						
Revenues	130,601,065	131,166,866	131,166,866	143,345,639	12,178,773	9.3%
Transfer from / (to) Reserves	(11,426,267)	5,274,900	25,566,748	9,693,059	(15,873,689)	(62.1)%
Transfer In	1,107,360	1,302,772	1,302,772	1,414,855	112,083	8.6%
<b>Total Revenues - General Fund</b>	120,282,158	137,744,538	158,036,386	154,453,550	(3,582,833)	(2.3)%
<b>PERSONNEL EXPENDITURES</b>						
Permanent Salaries	53,993,907	62,288,842	62,288,841	72,867,315	10,578,474	17.0%
Overtime Salaries	499,753	351,865	351,865	544,252	192,387	54.7%
Temporary Salaries	112,880	407,243	507,243	1,366,292	859,049	169.4%
Payroll Taxes	1,088,874	892,809	892,809	1,051,628	158,819	17.8%
Pension Benefits	21,677,282	12,701,686	12,701,686	14,463,389	1,761,703	13.9%
FICA Replacement Benefits	725,238	866,959	866,959	1,580,799	713,840	82.3%
Group Insurance Benefits	10,046,459	11,899,000	11,899,000	14,067,623	2,168,623	18.2%
Transportation Subsidy	110,723	609,155	609,155	446,150	(163,005)	(26.8)%
Workers' Compensation	223,876	210,131	210,131	212,006	1,875	0.9%
Discretionary Contribution		4,574,627	4,574,628	4,638,077	63,449	1.4%
Board Stipends	157,589	241,800	241,800	167,240	(74,560)	(30.8)%
Vacancy Savings		(6,583,940)	(6,583,940)	(7,798,321)	(1,214,381)	18.4%
<b>Total Personnel Expenditures</b>	88,636,581	88,460,177	88,560,177	103,606,450	15,046,273	17.0%
<b>SERVICES &amp; SUPPLIES EXP</b>						
Travel	193,917	536,627	554,628	712,038	157,410	28.4%
Training & Education	318,344	1,041,110	1,167,104	1,090,378	(76,726)	(6.6)%
Repair & Maintenance	665,644	2,041,538	2,220,492	2,095,578	(124,914)	(5.6)%
Communications	695,638	886,427	965,337	895,124	(70,213)	(7.3)%
Building Maintenance	433,522	824,920	1,206,391	987,550	(218,841)	(18.1)%
Utilities	257,636	271,765	271,765	326,648	54,883	20.2%
Postage	48,242	114,490	114,490	116,490	2,000	1.7%
Printing & Reproduction	41,051	408,200	616,544	605,989	(10,555)	(1.7)%
Equipment Rental	64,642	107,000	140,274	125,000	(15,274)	(10.9)%
Rents & Leases	2,123,309	3,317,749	3,583,118	3,480,640	(102,478)	(2.9)%
Professional Services	17,543,570	27,822,621	42,567,858	27,264,939	(15,302,919)	(35.9)%
General Insurance	505,272	839,740	842,142	938,500	96,358	11.4%
Shop & Field Supplies	403,872	602,781	776,696	534,977	(241,719)	(31.1)%
Laboratory Supplies	123,091	209,920	239,782	232,000	(7,782)	(3.2)%
Gasoline & Variable Fuel	239,916	376,579	390,018	470,000	79,982	20.5%
Computer Hardware & Software	226,432	1,437,953	1,778,717	1,413,695	(365,022)	(20.5)%
Stationery & Office Supplies	13,245	62,650	76,723	64,850	(11,873)	(15.5)%
Books & Journals	66,973	86,073	87,158	144,610	57,452	65.9%
Minor Office Equipment	53	17,953	17,953	14,085	(3,868)	(21.5)%
<b>Total Services &amp; Supplies Exp</b>	23,964,369	41,006,096	57,617,190	41,513,091	(16,104,099)	(28.0)%
<b>CAPITAL EXPENDITURES</b>						
Leasehold Improvements			2,350		(2,350)	(100.0)%
Building & Grounds	111,885	500,000	631,802	40,000	(591,802)	(93.7)%
Office Equipment		100,000	100,000	110,000	10,000	10.0%
Computer & Network	3,095,928	4,518,613	6,993,949	4,600,000	(2,393,949)	(34.2)%
Motorized Equipment		100,000	100,000	60,000	(40,000)	(40.0)%
Lab & Monitoring Equipment	405,510	1,420,763	1,743,883	2,384,925	641,042	36.8%
Communications Equipment	22,599	150,000	327,401		(327,401)	(100.0)%
<b>Total Capital Expenditures</b>	3,635,922	6,789,376	9,899,385	7,194,925	(2,704,460)	(27.3)%
<b>OTHER FINANCING USES</b>						
	1,106,240					
<b>TRANSFER IN/OUT</b>						
		188,889	188,889	189,084	195	0.1%
<b>TOTAL EXPENDITURES</b>	117,343,112	136,444,538	156,265,641	152,503,550	(3,762,091)	(2.4)%
<b>Program Distribution</b>	2,939,047	1,300,000	1,770,745	1,950,000	179,255	10.1%
<b>TOTAL EXP - GENERAL FUND</b>	120,282,159	137,744,538	158,036,386	154,453,550	(3,582,836)	(2.3)%

TABLE V: Carl Moyer Fund

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/\$ Change 25/24 Amended	Percent Change
	2023	2024	2024	2025	\$	%
<b>NUMBER OF POSITIONS (FTE)</b>	15.04	16.21	16.21	12.58	(3.63)	(22.4)%
<b>REVENUES</b>						
Admin Revenue	3,108,729	3,612,576	3,771,069	2,800,907	(970,162)	(25.7)%
Program Revenue	19,189,341	35,000,000	27,231,326	42,000,000	14,768,674	54.2%
<b>Total Revenue - Carl Moyer</b>	22,298,070	38,612,576	31,002,395	44,800,907	13,798,512	44.5%
<b>PERSONNEL EXPENDITURES</b>						
Permanent Salaries	1,952,440	2,176,518	2,176,518	1,778,906	(397,612)	(18.3)%
Overtime Salaries	431					
Payroll Taxes	28,856	30,845	30,845	25,205	(5,640)	(18.3)%
Pension Benefits	612,949	437,689	437,689	351,990	(85,699)	(19.6)%
FICA Replacement Benefits	17,975	33,065	33,065	43,311	10,246	31.0%
Group Insurance Benefits	250,851	299,753	299,753	271,198	(28,555)	(9.5)%
Transportation Subsidy	3,993	23,233	23,233	12,224	(11,009)	(47.4)%
Workers' Compensation	6,596	8,014	8,014	5,808	(2,206)	(27.5)%
Discretionary Contribution		171,459	171,459	112,915	(58,544)	(34.1)%
<b>Total Personnel Expenditures</b>	2,874,091	3,180,576	3,180,576	2,601,557	(579,019)	(18.2)%
<b>SERVICES &amp; SUPPLIES EXPENDITURES</b>						
Travel	3,060	20,000	20,000	11,550	(8,450)	(42.3)%
Training & Education	46	17,000	17,000	13,500	(3,500)	(20.6)%
Communications	1,566	5,000	5,000	5,000		
Postage				1,000	1,000	
Printing & Reproduction		3,000	3,000	3,000		
Professional Services	129,821	365,500	523,993	150,500	(373,493)	(71.3)%
Shop & Field Supplies	145	2,000	2,000	2,800	800	40.0%
Computer Hardware & Software		13,000	13,000	7,000	(6,000)	(46.2)%
Stationery & Office Supplies		1,000	1,000	2,000	1,000	100.0%
Books & Journals		500	500	500		
Minor Office Equipment		5,000	5,000	2,500	(2,500)	(50.0)%
<b>Total Services &amp; Supplies Expenditures</b>	134,638	432,000	590,493	199,350	(391,143)	(66.2)%
<b>CAPITAL EXPENDITURES</b>						
<b>TRANSFER IN/OUT</b>	100,000					
<b>TOTAL EXPENDITURES</b>	3,108,729	3,612,576	3,771,069	2,800,907	(970,162)	(25.7)%
<b>Program Distribution</b>	19,189,341	35,000,000	27,231,326	42,000,000	14,768,674	54.2%
<b>Total Expenditures - Carl Moyer</b>	22,298,070	38,612,576	31,002,395	44,800,907	13,798,512	44.5%



**TABLE VI: Mobile Source Incentive Fund (MSIF)**

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/\$ Change 25/24 Amended	Percent Change
	2023	2024	2024	2025	\$	%
<b>NUMBER OF POSITIONS (FTE)</b>	3.74	2.37	2.37	5.40	3.03	127.8%
<b>REVENUES</b>						
Admin Revenue	2,603,896	8,052,723	8,722,870	12,412,662	3,689,792	42.3%
Program Revenue	3,005,589	3,000,000	3,000,000	5,000,000	2,000,000	66.7%
<b>Total Revenues - MSIF</b>	5,609,485	11,052,723	11,722,870	17,412,662	5,689,792	48.5%
<b>PERSONNEL EXPENDITURES</b>						
Permanent Salaries	448,366	309,443	309,443	803,056	493,613	159.5%
Overtime Salaries	22					
Payroll Taxes	6,498	4,385	4,385	11,495	7,110	162.1%
Pension Benefits	70,359	61,876	61,876	158,444	96,568	156.1%
FICA Replacement Benefits	4,101	4,843	4,843	18,598	13,755	284.0%
Group Insurance Benefits	58,274	42,661	42,661	113,881	71,220	166.9%
Transportation Subsidy	941	3,403	3,403	5,249	1,846	54.2%
Workers' Compensation	1,514	1,174	1,174	2,494	1,320	112.4%
Discretionary Contribution		24,971	24,971	51,036	26,065	104.4%
<b>Total Personnel Expenditures</b>	590,075	452,756	452,756	1,164,253	711,497	157.1%
<b>SERVICES &amp; SUPPLIES EXPENDITURES</b>						
Travel	46	10,500	10,500	9,500	(1,000)	(9.5)%
Training & Education		18,500	18,500	12,500	(6,000)	(32.4)%
Communications	2,933	2,000	2,000	2,000		
Postage				1,500	1,500	
Printing & Reproduction		3,000	3,000	4,000	1,000	33.3%
Professional Services	1,861,331	7,460,000	8,129,184	11,160,000	3,030,816	37.3%
Shop & Field Supplies	16			1,000	1,000	
Computer Hardware & Software		17,000	17,000	7,000	(10,000)	(58.8)%
Stationery & Office Supplies		800	800	800		
Books & Journals		200	200	200		
Minor Office Equipment	62	5,000	5,962	2,500	(3,462)	(58.1)%
<b>Total Services &amp; Supplies Expenditures</b>	1,864,388	7,517,000	8,187,146	11,201,000	3,013,854	36.8%
<b>CAPITAL EXPENDITURES</b>						
<b>TRANSFER IN/OUT</b>	149,433	82,967	82,968	47,409	(35,559)	(42.9)%
<b>TOTAL EXPENDITURES</b>	2,603,896	8,052,723	8,722,870	12,412,662	3,689,792	42.3%
<b>Program Distribution</b>	3,005,589	3,000,000	3,000,000	5,000,000	2,000,000	66.7%
<b>Total Expenditures - MSIF</b>	5,609,485	11,052,723	11,722,870	17,412,662	5,689,792	48.5%

TABLE VII: Transportation Fund for Clean Air (TFCA)

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/\$ Change 25/24 Amended	Percent Change
	2023	2024	2024	2025	\$	%
<b>NUMBER OF POSITIONS (FTE)</b>	6.35	8.62	8.62	8.97	0.35	4.1%
<b>REVENUES</b>						
Admin Revenue	2,983,839	4,241,640	5,752,796	4,344,670	(1,408,126)	(24.5)%
Program Revenue	17,776,458	25,000,000	16,292,940	20,000,000	3,707,060	22.8%
<b>Total Revenues - TFCA</b>	20,760,297	29,241,640	22,045,736	24,344,670	2,298,934	10.4%
<b>PERSONNEL EXPENDITURES</b>						
Permanent Salaries	844,452	1,155,122	1,155,122	1,313,639	158,517	13.7%
Overtime Salaries	84,556	30,000	30,000	30,000		
Temporary Salaries	202					
Payroll Taxes	12,615	16,419	16,419	18,774	2,355	14.3%
Pension Benefits	259,539	234,536	234,536	264,561	30,025	12.8%
FICA Replacement Benefits	7,904	17,595	17,595	30,875	13,280	75.5%
Group Insurance Benefits	110,135	159,653	159,653	192,538	32,885	20.6%
Transportation Subsidy	1,755	12,362	12,362	8,714	(3,648)	(29.5)%
Workers' Compensation	2,853	4,265	4,265	4,140	(125)	(2.9)%
Discretionary Contribution		91,189	91,189	83,456	(7,733)	(8.5)%
<b>Total Personnel Expenditures</b>	1,324,011	1,721,141	1,721,141	1,946,697	225,556	13.1%
<b>SERVICES &amp; SUPPLIES EXPENDITURES</b>						
Travel	2,907	21,000	21,000	17,500	(3,500)	(16.7)%
Training & Education		7,000	7,000	11,500	4,500	64.3%
Communications	3,364	5,500	5,500	6,000	500	9.1%
Postage		9,000	9,000	9,500	500	5.6%
Printing & Reproduction	9,035	9,500	10,195	9,500	(695)	(6.8)%
Professional Services	1,014,421	1,736,999	3,245,887	1,792,000	(1,453,887)	(44.8)%
Shop & Field Supplies		500	500	3,000	2,500	500.0%
Computer Hardware & Software		6,000	7,520	7,000	(520)	(6.9)%
Stationery & Office Supplies	218	500	500	1,000	500	100.0%
Books & Journals		450	450	440	(10)	(2.2)%
Minor Office Equipment		2,500	2,553	5,000	2,447	95.8%
<b>Total Services &amp; Supplies Expenditures</b>	1,029,945	1,798,949	3,310,105	1,862,440	(1,447,665)	(43.7)%
<b>CAPITAL EXPENDITURES</b>						
<b>TRANSFER IN/OUT</b>	629,883	721,550	721,550	535,533	(186,017)	(25.8)%
<b>TOTAL EXPENDITURES</b>	2,983,839	4,241,640	5,752,796	4,344,670	(1,408,126)	(24.5)%
<b>Program Distribution</b>	17,776,458	25,000,000	16,292,940	20,000,000	3,707,060	22.8%
<b>Total Expenditures - TFCA</b>	20,760,297	29,241,640	22,045,736	24,344,670	2,298,934	10.4%

TABLE VIII: Clean Cars for All (CCFA)

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/\$ Change 25/24 Amended	Percent Change
	2023	2024	2024	2025	\$	%
<b>NUMBER OF POSITIONS (FTE)</b>	7.67	7.99	7.99	7.94	(0.05)	(0.6)%
<b>REVENUES</b>						
Admin Revenue	2,535,778	2,935,752	3,269,453	4,144,381	874,928	26.8%
Program Revenue	8,281,066	30,200,000	30,200,000	25,707,522	(4,492,478)	(14.9)%
<b>Total Revenues - CCFA</b>	10,816,844	33,135,752	33,469,453	29,851,903	(3,617,550)	(10.8)%
<b>PERSONNEL EXPENDITURES</b>						
Permanent Salaries	1,026,942	1,068,282	1,068,282	1,198,844	130,562	12.2%
Overtime Salaries	512	10,000	10,000	60,000	50,000	500.0%
Temporary Salaries		200,000	200,000	100,000	(100,000)	(50.0)%
Payroll Taxes	15,126	15,341	15,341	17,353	2,012	13.1%
Pension Benefits	301,873	214,562	214,562	233,050	18,488	8.6%
FICA Replacement Benefits	9,428	16,313	16,313	27,342	11,029	67.6%
Group Insurance Benefits	132,101	143,185	143,185	163,412	20,227	14.1%
Transportation Subsidy	2,033	11,463	11,463	7,716	(3,747)	(32.7)%
Workers' Compensation	3,469	3,954	3,954	3,667	(287)	(7.3)%
Discretionary Contribution		84,510	84,510	76,217	(8,293)	(9.8)%
<b>Total Personnel Expenditures</b>	1,491,484	1,767,610	1,767,610	1,887,601	119,991	6.8%
<b>SERVICES &amp; SUPPLIES EXPENDITURES</b>						
Travel	3,613	16,500	16,500	36,000	19,500	118.2%
Training & Education	5,100	6,000	6,000	9,500	3,500	58.3%
Communications	3,004	2,500	2,500	7,000	4,500	180.0%
Professional Services	608,738	875,000	1,310,675	1,627,000	316,325	24.1%
Computer Hardware & Software		3,000	3,000	11,000	8,000	266.7%
<b>Total Services &amp; Supplies Expenditures</b>	620,455	903,000	1,338,675	1,690,500	351,825	26.3%
<b>CAPITAL EXPENDITURES</b>						
<b>TRANSFER IN/OUT</b>	423,839	265,142	163,168	566,280	403,112	247.1%
<b>TOTAL EXPENDITURES</b>	2,535,778	2,935,752	3,269,453	4,144,381	874,928	26.8%
<b>Program Distribution</b>	8,281,066	30,200,000	30,200,000	25,707,522	(4,492,478)	(14.9)%
<b>Total Expenditures - CCFA</b>	10,816,844	33,135,752	33,469,453	29,851,903	(3,617,550)	(10.8)%

TABLE IX: California Goods Movement Bond (CGMB)

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/\$ Change 25/24 Amended \$	Percent Change %
<b>NUMBER OF POSITIONS (FTE)</b>	1.13	1.63	1.63	0.88	(0.75)	(46.01)%
<b>REVENUES</b>						
Admin Revenue	29,521	186,517	199,727	189,084	10,643	5.33%
Program Revenue	1,100,000	2,000,000	2,000,000	2,000,000		
<b>Total Revenues - CGMB</b>	1,129,521	2,186,517	2,199,727	2,189,084	10,643	0.48%
<b>PERSONNEL EXPENDITURES</b>						
Permanent Salaries	165,013	228,014	228,014	127,296	(100,718)	(44.17)%
Payroll Taxes	2,550	3,228	3,228	1,806	(1,422)	(44.05)%
Pension Benefits	55,441	47,124	47,124	25,884	(21,240)	(45.07)%
FICA Replacement Benefits	1,580	3,332	3,332	3,031	(301)	(9.03)%
Group Insurance Benefits	21,916	27,650	27,650	21,721	(5,929)	(21.44)%
Transportation Subsidy	348	2,341	2,341	855	(1,486)	(63.48)%
Workers' Compensation	557	808	808	406	(402)	(49.75)%
Discretionary Contribution		17,409	17,409	8,085	(9,324)	(53.56)%
<b>Total Personnel Expenditures</b>	247,405	329,906	329,906	189,084	(140,822)	(42.69)%
<b>SERVICES &amp; SUPPLIES EXPENDITURES</b>						
Travel		2,000	2,000		(2,000)	(100.00)%
Training & Education		1,500	1,500		(1,500)	(100.00)%
Printing & Reproduction		1,000	1,000		(1,000)	(100.00)%
Professional Services	560	40,000	53,210		(53,210)	(100.00)%
Shop & Field Supplies		1,000	1,000		(1,000)	(100.00)%
<b>Total Services &amp; Supplies Expenditures</b>	560	45,500	58,710		(58,710)	(100.00)%
<b>CAPITAL EXPENDITURES</b>						
<b>TRANSFER IN/OUT</b>	(218,446)	(188,889)	(188,889)		188,889	(100.00)%
<b>TOTAL EXPENDITURES</b>	29,519	186,517	199,727	189,084	(10,643)	(5.33)%
<b>Program Distribution</b>	1,100,000	2,000,000	2,000,000	2,000,000		
<b>Total Expenditures - CGMB</b>	1,129,519	2,186,517	2,199,727	2,189,084	(10,643)	(0.48)%

**TABLE X: Vehicle Mitigation (VM)**

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/\$ Change 25/24 Amended \$	Percent Change %
<b>NUMBER OF POSITIONS (FTE)</b>	1.75	2.47	2.47	3.13	0.66	26.7%
<b>REVENUES</b>						
Admin Revenue	514,741	863,377	853,578	1,035,329	181,751	21.3%
Program Revenue	2,969,102	13,000,000	13,000,000	15,000,000	2,000,000	15.4%
<b>Total Revenues - VM</b>	3,483,843	13,863,377	13,853,578	16,035,329	2,181,751	15.7%
<b>PERSONNEL EXPENDITURES</b>						
Permanent Salaries	242,143	357,170	357,170	463,419	106,249	29.7%
Payroll Taxes	3,613	5,064	5,064	6,585	1,521	30.0%
Pension Benefits	122,483	73,058	73,058	93,760	20,702	28.3%
FICA Replacement Benefits	2,245	5,048	5,048	10,780	5,732	113.5%
Group Insurance Benefits	31,263	46,372	46,372	81,816	35,444	76.4%
Transportation Subsidy	497	3,547	3,547	3,042	(505)	(14.2)%
Workers' Compensation	818	1,223	1,223	1,446	223	18.2%
Discretionary Contribution		26,551	26,551	29,448	2,897	10.9%
<b>Total Personnel Expenditures</b>	403,062	518,033	518,033	690,296	172,263	33.3%
<b>SERVICES &amp; SUPPLIES EXPENDITURES</b>						
Travel		13,000	13,000	13,700	700	5.4%
Training & Education		2,000	2,000	3,500	1,500	75.0%
Postage				500	500	
Printing & Reproduction				3,000	3,000	
Professional Services	76,072	97,229	165,137	50,800	(114,337)	(69.2)%
Shop & Field Supplies				400	400	
Computer Hardware & Software				5,000	5,000	
Stationery & Office Supplies				1,000	1,000	
Books & Journals				500	500	
Minor Office Equipment				1,000	1,000	
<b>Total Services &amp; Supplies Expenditures</b>	76,072	112,229	180,137	79,400	(100,737)	(55.9)%
<b>CAPITAL EXPENDITURES</b>						
<b>TRANSFER IN/OUT</b>	35,606	233,115	155,408	265,633	110,225	70.9%
<b>TOTAL EXPENDITURES</b>	514,740	863,377	853,578	1,035,329	181,751	21.3%
<b>Program Distribution</b>	2,969,102	13,000,000	13,000,000	15,000,000	2,000,000	15.4%
<b>Total Expenditures - VM</b>	3,483,842	13,863,377	13,853,578	16,035,329	2,181,751	15.7%

TABLE XI: Other Grants Revenues

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/\$ Change 25/24 Amended \$	Percent Change %
<b>NUMBER OF POSITIONS (FTE)</b>	0.05	0.87	0.87	0.07	(0.80)	(92.0)%
<b>REVENUES</b>						
Admin Revenue		182,472	182,471	23,619	(158,852)	(87.1)%
Program Revenue	781,838	762,000	762,000	2,000,000	1,238,000	162.5%
<b>Total Revenues - Other Grants</b>	781,838	944,472	944,471	2,023,619	1,079,148	114.3%
<b>PERSONNEL EXPENDITURES</b>						
Permanent Salaries	6,430	121,992	121,991	12,022	(109,969)	(90.1)%
Payroll Taxes	92	1,740	1,740	178	(1,562)	(89.8)%
Pension Benefits	5,563	24,588	24,588	2,409	(22,179)	(90.2)%
FICA Replacement Benefits	55	1,775	1,775	241	(1,534)	(86.4)%
Group Insurance Benefits	780	15,116	15,116	1,603	(13,513)	(89.4)%
Transportation Subsidy	12	1,247	1,247	68	(1,179)	(94.5)%
Workers' Compensation	22	430	430	32	(398)	(92.6)%
Discretionary Contribution		9,284	9,284	766	(8,518)	(91.7)%
<b>Total Personnel Expenditures</b>	12,954	176,172	176,171	17,319	(158,852)	(90.2)%
<b>SERVICES &amp; SUPPLIES EXPENDITURES</b>						
Travel		6,300	6,300	6,300		
Professional Services	99,958					
<b>Total Services &amp; Supplies Expenditures</b>	99,958	6,300	6,300	6,300		
<b>CAPITAL EXPENDITURES</b>						
<b>TRANSFER IN/OUT</b>	(12,955)					
<b>TOTAL EXPENDITURES</b>	99,957	182,472	182,471	23,619	(158,852)	(87.1)%
<b>Program Distribution</b>	681,880	762,000	762,000	2,000,000	1,238,000	162.5%
<b>Total Expenditures - Other Grants</b>	781,837	944,472	944,471	2,023,619	1,079,148	114.3%

**TABLE XII: General Fund Expenditure by Service Area & Division**

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/\$ Change 25/24 Amended \$	Percent Change %
<b>ENGINEERING &amp; COMPLIANCE</b>						
<b>Compliance &amp; Enforcement</b>						
Enforcement	6,056,292	7,987,846	7,998,917	7,470,188	(528,729)	(6.6)%
Compliance Assistance & Operations	3,403,025	3,472,773	3,518,868	4,821,399	1,302,531	37.0%
Compliance Assurance	5,738,364	6,235,227	6,266,108	8,650,534	2,384,426	38.1%
<b>Total Compliance &amp; Enforcement</b>	<b>15,197,681</b>	<b>17,695,846</b>	<b>17,783,893</b>	<b>20,942,121</b>	<b>3,158,228</b>	<b>17.8%</b>
<b>Engineering</b>						
Permit Evaluation	7,768,947	8,543,400	8,911,569	10,889,033	1,977,464	22.2%
Air Toxics	1,684,842	2,080,600	2,672,488	2,400,883	(271,605)	(10.2)%
Permit Operations	858,068	1,570,623	1,696,273	691,656	(1,004,617)	(59.2)%
Title V	510,983	1,094,099	1,114,099	1,515,122	401,023	36.0%
Engineering Special Projects	1,540,436	2,003,778	2,167,629	2,041,287	(126,342)	(5.8)%
<b>Total Engineering</b>	<b>12,363,276</b>	<b>15,292,500</b>	<b>16,562,058</b>	<b>17,537,981</b>	<b>975,923</b>	<b>(17.0)%</b>
<b>TOTAL ENGINEERING &amp; COMPLIANCE</b>	<b>27,560,957</b>	<b>32,988,346</b>	<b>34,345,951</b>	<b>38,480,102</b>	<b>4,134,151</b>	<b>51.5%</b>
<b>EQUITY &amp; COMMUNITY PROGRAMS</b>						
<b>Community Engagement</b>						
Community Engagement Office AB617	5,510,848	5,705,218	9,511,685	5,568,701	(3,942,984)	(41.5)%
		9,251,090	9,251,090	13,138,553	3,887,463	42.0%
<b>Total Community Engagement</b>	<b>5,510,848</b>	<b>14,956,308</b>	<b>18,762,775</b>	<b>18,707,254</b>	<b>(55,521)</b>	<b>0.5%</b>
<b>Diversity Equity &amp; Inclusion</b>						
Office of Diversity Equity & Inclusion	480,702	904,413	1,022,924	938,542	(84,382)	(8.2)%
<b>Total Diversity Equity &amp; Inclusion</b>	<b>480,702</b>	<b>904,413</b>	<b>1,022,924</b>	<b>938,542</b>	<b>(84,382)</b>	<b>(8.2)%</b>
<b>Strategic Incentives</b>						
Non-Mobile Source Grant Programs	149,311	379,017	1,699,622	2,262,174	562,552	33.1%
Grant Program Development	151,669	155,217	195,001	1,068,326	873,325	447.9%
<b>Total Strategic Incentives</b>	<b>300,980</b>	<b>534,234</b>	<b>1,894,623</b>	<b>3,330,500</b>	<b>1,435,877</b>	<b>75.8%</b>
<b>Technology Implementation Office</b>						
Greenhouse Gas Technologies	703,935	1,063,166	3,742,986	1,170,333	(2,572,653)	(68.7)%
<b>Total Technology Implementation Office</b>	<b>703,935</b>	<b>1,063,166</b>	<b>3,742,986</b>	<b>1,170,333</b>	<b>(2,572,653)</b>	<b>(68.7)%</b>
<b>TOTAL EQUITY &amp; COMMUNITY PROGRAMS</b>	<b>6,996,465</b>	<b>17,458,121</b>	<b>25,423,308</b>	<b>24,146,629</b>	<b>(1,276,679)</b>	<b>(5.0)%</b>
<b>FINANCE &amp; ADMINISTRATION</b>						
<b>Administrative Division</b>						
Facilities	1,392,562	1,873,890	2,478,634	2,729,377	250,743	10.1%
Mail and Reproduction	742,567	999,178	1,049,065	962,978	(86,087)	(8.2)%
Headquarters East (Richmond)	186,451	813,000	933,792	421,000	(512,792)	(54.9)%
Purchasing	1,001,453	1,937,224	1,938,365	1,740,797	(197,568)	(10.2)%
Headquarters West (Beale Street)	2,985,301	5,075,792	5,075,792	5,203,000	127,208	2.5%
Fleet Services	1,311,817	1,930,207	2,072,229	1,954,831	(117,398)	(5.7)%
<b>Total Administrative Division</b>	<b>7,620,151</b>	<b>12,629,291</b>	<b>13,547,877</b>	<b>13,011,983</b>	<b>(535,894)</b>	<b>(66.4)%</b>
<b>Enterprise Technology Solutions</b>						
Software Development and Maintenance	4,679,019	4,921,179	7,119,765	5,580,134	(1,539,631)	(21.6)%
Website Development & Maintenance	1,580,444	1,637,827	2,593,007	1,162,368	(1,430,639)	(55.2)%
Records Management Systems	612,917	776,316	880,887	1,218,150	337,263	38.3%
Software Dev Operations, Data Reporting	1,198,323	1,482,843	1,482,843	2,329,511	846,668	57.1%
<b>Total Enterprise Technology Solutions</b>	<b>8,070,703</b>	<b>8,818,165</b>	<b>12,076,502</b>	<b>10,290,163</b>	<b>(1,786,339)</b>	<b>18.6%</b>
<b>Executive</b>						
Executive Office	8,179,264	8,966,878	10,129,747	9,497,597	(632,150)	(6.2)%
Board of Directors	489,188	516,793	516,793	385,307	(131,486)	(25.4)%
Hearing Board	43,194	95,350	95,350	131,573	36,223	38.0%
Advisory Council & CAC	15,561	557,111	557,111	238,128	(318,983)	(57.3)%
<b>Total Executive</b>	<b>8,727,207</b>	<b>10,136,132</b>	<b>11,299,001</b>	<b>10,252,605</b>	<b>(1,046,396)</b>	<b>(9.3)%</b>

**TABLE XII: General Fund Expenditure by Service Area & Division**

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/\$ Change 25/24 Amended \$	Percent Change %
<b>Finance Office</b>						
Payroll	868,828	675,575	727,256	933,238	205,982	28.3%
Finance/Accounting	3,587,128	4,418,389	4,604,405	4,273,954	(330,451)	(7.2)%
<b>Total Finance Office</b>	4,455,956	5,093,964	5,331,661	5,207,192	(124,469)	(2.3)%
<b>Human Resources Office</b>						
Benefits Administration	9,094,488	3,879,897	3,935,640	4,317,670	382,030	9.7%
Organizational Development	562,729	1,296,057	1,345,875	1,323,750	(22,125)	(1.6)%
Employment Relations	1,122,361	1,331,537	1,391,317	1,503,623	112,306	8.1%
Recruitment & Testing	750,950	978,028	1,027,700	1,173,180	145,480	14.2%
<b>Total Human Resources Office</b>	11,530,528	7,485,519	7,700,532	8,318,223	617,691	8.0%
<b>Information Services Operations</b>						
IT Engineering, Operations and Security	2,517,123	5,429,991	6,446,929	4,322,415	(2,124,514)	(33.0)%
User Support Desk	236,471	1,351,433	1,370,491	1,656,041	285,550	20.8%
<b>Total Information Services Operations</b>	2,753,594	6,781,424	7,817,420	5,978,456	(1,838,964)	(23.5)%
<b>TOTAL FINANCE &amp; ADMINISTRATION</b>	43,158,139	50,944,495	57,772,993	53,058,622	(4,714,371)	(59.4)%
<b>GENERAL COUNSEL</b>						
<b>General Counsel</b>						
Legal Counsel	2,415,285	2,914,726	3,037,944	3,172,066	134,122	4.4%
Hearing Board Proceedings	28,945	194,487	194,487	52,893	(141,594)	(72.8)%
Penalties Enforcement & Settlement	1,118,489	1,731,640	1,731,640	2,152,226	420,586	24.3%
Litigation	874,650	334,132	995,087	470,974	(524,113)	(52.7)%
<b>Total General Counsel</b>	4,437,369	5,174,985	5,959,158	5,848,159	(110,999)	(96.8)%
<b>TOTAL GENERAL COUNSEL</b>	4,437,369	5,174,985	5,959,158	5,848,159	(110,999)	94.9%
<b>PUBLIC AFFAIRS</b>						
<b>Communications</b>						
Media Relations	1,818,752	1,797,245	2,469,443	2,216,537	(252,906)	(10.2)%
Spare the Air (winter)	1,104,843	1,416,607	1,841,552	1,379,185	(462,367)	(25.1)%
Spare The Air (CMAQ)	1,002,279	1,000,000	1,341,381		(1,341,381)	(100.0)%
<b>Total Communications</b>	3,925,874	4,213,852	5,652,376	3,595,722	(2,056,654)	(36.4)%
<b>External Affairs</b>						
Sponsorship				450,000	450,000	
External Affairs	656,283	1,145,095	1,414,306	1,318,449	(95,857)	(6.8)%
<b>Total External Affairs</b>	656,283	1,145,095	1,414,306	1,768,449	354,143	25.0%
<b>Legislative Office</b>						
Legislative Program	607,007	657,164	698,364	715,445	17,081	2.4%
<b>Total Legislative Office</b>	607,007	657,164	698,364	715,445	17,081	2.4%
<b>TOTAL PUBLIC AFFAIRS</b>	5,189,164	6,016,111	7,765,046	6,079,616	(1,685,430)	(21.7)%
<b>SCIENCE &amp; POLICY</b>						
<b>Assessment, Inventory &amp; Modeling</b>						
Source Inventories	1,641,120	1,633,465	1,678,700	1,582,197	(96,503)	(5.7)%
Air Quality Modeling Support	1,288,610	900,007	1,079,542	902,209	(177,333)	(16.4)%
Air Quality Modeling & Research	654,812	520,441	520,441	614,143	93,702	18.0%
Community Air Risk Evaluation	1,268,060	753,152	753,152	643,091	(110,061)	(14.6)%
<b>Total Assessment, Inventory &amp; Modeling</b>	4,852,602	3,807,065	4,031,835	3,741,640	(290,195)	(18.7)%
<b>Meteorology &amp; Measurements</b>						
Air Monitoring – Operations	4,432,809	6,403,127	6,678,210	7,758,283	1,080,073	16.2%
Laboratory	1,812,962	2,212,486	2,247,103	2,706,371	459,268	20.4%
Source Test	2,977,141	4,056,103	4,091,286	4,271,665	180,379	4.4%
Meteorology	959,344	923,854	923,854	1,027,998	104,144	11.3%
Air Monitoring Instrument Perf Eval	773,987	717,072	731,519	848,461	116,942	16.0%



TABLE XII: General Fund Expenditure by Service Area & Division

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/\$ Change 25/24 Amended	Percent Change
	2023	2024	2024	2025	\$	%
BioWatch Monitoring	1,295,048	1,538,805	1,840,433	1,577,339	(263,094)	(14.3)%
Air Monitoring - Projects & Technology	2,108,634	1,873,341	2,251,229	1,939,339	(311,890)	(13.9)%
Ambient Air Quality Analysis	1,332,255	1,750,215	1,873,185	2,524,636	651,451	34.8%
<b>Total Meteorology &amp; Measurements</b>	15,692,180	19,475,003	20,636,819	22,654,092	2,017,273	74.9%
<b>Planning &amp; Climate Protection</b>						
Air Quality Planning	1,911,120	1,306,277	1,546,419		(1,546,419)	(100.0)%
Implement Plans, Policies and Measures	1,188,601	1,109,950	1,363,986	2,133,946	769,960	56.4%
Climate Protection	1,626,852	2,051,475	2,584,949	2,525,110	(59,839)	(2.3)%
<b>Total Planning &amp; Climate Protection</b>	4,726,573	4,467,702	5,495,354	4,659,056	(836,298)	(45.9)%
<b>Rules</b>						
Rule Development	2,516,062	2,507,760	3,000,973	3,394,871	393,898	13.1%
<b>Total Rules</b>	2,516,062	2,507,760	3,000,973	3,394,871	393,898	13.1%
<b>TOTAL SCIENCE &amp; POLICY</b>	27,787,417	30,257,530	33,164,981	34,449,659	1,284,678	23.4%
<b>Others</b>						
Vacancy Savings		(6,583,940)	(6,583,940)	(7,798,321)	(1,214,381)	18.4%
Other Financing Sources	1,106,240					
Program Distribution	2,939,047	1,300,000	1,770,745	1,950,000	179,255	10.1%
Transfer In/Out	1,107,361	188,889	188,889	189,084	195	0.1%
<b>Total Expenditures - General Fund Divisions</b>	120,282,159	137,744,538	158,036,386	154,453,550	(3,582,836)	(2.3)%

**TABLE XIII: Special Revenue Fund Expenditure by Service Area & Division**

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/\$ Change 25/24 Amended \$	Percent Change %
<b>ENGINEERING &amp; COMPLIANCE</b>						
<b>Compliance &amp; Enforcement</b>						
Enhanced Mobile Source Insp (TFCA)	11,306	15,500	16,195	15,500	(695)	(4.3)%
Commuter Benefits Program (TFCA)		11,000	11,000	11,000		
<b>Total Compliance &amp; Enforcement</b>	<b>11,306</b>	<b>26,500</b>	<b>27,195</b>	<b>26,500</b>	<b>(695)</b>	<b>(4.3)%</b>
<b>TOTAL ENGINEERING &amp; COMPLIANCE</b>	<b>11,306</b>	<b>26,500</b>	<b>27,195</b>	<b>26,500</b>	<b>(695)</b>	<b>1.7%</b>
<b>EQUITY &amp; COMMUNITY PROGRAMS</b>						
<b>Community Engagement</b>						
Community Engagement - Special Project (Other Grant)	781,838					
<b>Total Community Engagement</b>	<b>781,838</b>					
<b>Strategic Incentives</b>						
Carl Moyer Program Administration (CMP)	22,298,070	38,612,576	31,002,395	44,800,907	13,798,512	44.5%
Transportation Fund for Clean Air (TFCA)	19,104,018	26,705,445	18,095,490	21,637,500	3,542,010	19.6%
Mobile Source Incentive Fund (MSIF)	3,705,435	3,588,170	3,693,895	6,151,919	2,458,024	66.5%
Vehicle Buy Back (MSIF)	1,904,050	7,464,553	8,028,975	11,260,743	3,231,768	40.3%
Misc Incentive Program (Other Grant)		944,472	944,471	2,023,619	1,079,148	114.3%
CA GMB - Grants Administration (CGMB)	1,129,519	2,186,517	2,199,727	2,189,084	(10,643)	(0.5)%
Volkswagen Env Mitigatn Trust (VW Trust)	3,483,842	13,863,377	13,853,578	16,035,329	2,181,751	15.7%
<b>Total Strategic Incentives</b>	<b>51,624,934</b>	<b>93,365,110</b>	<b>77,818,531</b>	<b>104,099,101</b>	<b>26,280,570</b>	<b>33.8%</b>
<b>Technology Implementation Office</b>						
Light Duty Elec Vehicle Pgm (Other Grant)	10,816,844	33,135,752	33,469,453	29,851,903	(3,617,550)	(10.8)%
<b>Total Technology Implementation Office</b>	<b>10,816,844</b>	<b>33,135,752</b>	<b>33,469,453</b>	<b>29,851,903</b>	<b>(3,617,550)</b>	<b>(10.8)%</b>
<b>TOTAL EQUITY &amp; COMMUNITY PROGRAMS</b>	<b>63,223,616</b>	<b>126,500,862</b>	<b>111,287,984</b>	<b>133,951,004</b>	<b>22,663,020</b>	<b>20.4%</b>
<b>PUBLIC AFFAIRS</b>						
<b>Communications</b>						
Spare the Air Program (TFCA)	1,644,973	2,509,695	3,923,051	2,680,670	(1,242,381)	(31.7)%
<b>Total Communications</b>	<b>1,644,973</b>	<b>2,509,695</b>	<b>3,923,051</b>	<b>2,680,670</b>	<b>(1,242,381)</b>	<b>(31.7)%</b>
<b>TOTAL PUBLIC AFFAIRS</b>	<b>1,644,973</b>	<b>2,509,695</b>	<b>3,923,051</b>	<b>2,680,670</b>	<b>(1,242,381)</b>	<b>(31.7)%</b>
<b>OTHERS</b>						
<b>Total Expenditures - Special Revenue Fund Divisions</b>	<b>64,879,894</b>	<b>129,037,057</b>	<b>115,238,230</b>	<b>136,658,174</b>	<b>21,419,944</b>	<b>18.6%</b>

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# Capital Expenditure

**TABLE XIV**  
**CAPITAL EXPENDITURE by SERVICE AREA**

Service Area	Description	Pgm	Capital Type	Request	Area Total
Equity & Community Programs					
1	Grants Management System	313	Computer & Network Equipment	\$500,000	
					<u>\$500,000</u>
Finance & Administration					
2	Shared Services with MTC / ABAG	709	Computer & Network Equipment	\$500,000	
3	Records Management Program Software	712	Computer & Network Equipment	\$10,000	
4	Records Management Program Equipment	712	Office Equipment	\$100,000	
5	My Air Online Systems Security Improvements	125	Computer & Network Equipment	\$500,000	
6	Online Permit Billing Systems	125	Production System	\$3,100,000	
					<u>\$4,210,000</u>
Science & Policy					
7	Black Carbon Analyzer	802	Lab & Monitoring Equipment	\$59,200	
8	PM2.5 Sampler	802	Lab & Monitoring Equipment	\$20,000	
9	Nox Analyzer	802	Lab & Monitoring Equipment	\$25,000	
10	UFP Analyzer	802	Lab & Monitoring Equipment	\$64,000	
11	Fenceline Ambient Air Monitoring	802	New Equipment - Schedule X	\$717,800	
12	Gas Calibration System Upgrades (Gas Calibrators)	802	Lab & Monitoring Equipment	\$388,425	
13	Gas Calibration System Upgrades (Zero Air Generators)	802	Lab & Monitoring Equipment	\$162,500	
14	Data Acquisition Hardware Upgrades	802	Computer & Network Equipment	\$183,000	
15	Data Acquisition Hardware Upgrades	802	Computer & Network Equipment	\$4,000	
16	Data Acquisition Hardware Upgrades	802	Computer & Network Equipment	\$76,000	
17	Ozone Analyzer/Photometer	807	Lab & Monitoring Equipment	\$45,000	
18	High Performance Liquid Chromatograph w/Autosampler	803	Lab & Monitoring Equipment	\$125,000	
19	Gas Chromatograph/Mas Spectrometer w/Autosampler	803	Lab & Monitoring Equipment	\$225,000	
20	Energy Dispersive X-ray Fluorescence Spectrometer	803	Lab & Monitoring Equipment	\$105,000	
21	Atomic Absorption Spectrometer w/Autosampler	803	Lab & Monitoring Equipment	\$95,000	
22	Multi Test Program Field Testing Van	804	Motorized Equipment	\$60,000	
23	Multi Program Van Custom Equipment and Build Out	804	Motorized Equipment	\$40,000	
24	Source Test Analyzers	804	Lab & Monitoring Equipment	\$50,000	
25	Office Pod/Phone Booth	810	Office Equipment	\$40,000	
					<u>\$2,484,925</u>
TOTAL CAPITAL EXPENDITURE					<u><u>\$7,194,925</u></u>

**TABLE XV**  
**CAPITAL EXPENDITURE DETAILS**

	ITEM DESCRIPTION	Cost	Pgm	Capital Type
1	<u>Grants Management System</u> Replacement for (6) current systems used for management tracking and reporting of grant funds administered	\$500,000	313	Computer & Network Equipment
2	<u>Shared Services with MTC / ABAG</u> Personnel/Shared business operations, IT license, maintenance agreements	\$500,000	709	Computer & Network Equipment
3	<u>Records Management Program Software</u> Scanning equipment and workstation upgrades for records storage and management	\$10,000	712	Computer & Network Equipment
4	<u>Records Management Program Equipment</u> Furniture and other office equipment for records storage and management	\$100,000	712	Office Equipment
5	<u>My Air Online Systems Security Improvements</u> Business analysis, lifecycle management, software configuration management and administration	500,000	125	Computer & Network Equipment
6	<u>Online Permit Billing Systems</u> Enhancement of permitting and enforcement computer systems to include performance and efficiency improvements, documentation and knowledge transfer.	\$3,100,000	125	Production System
7	<u>Black Carbon Analyzer</u> Replacement/upgrades for aging air monitoring equipment	\$59,200	802	Lab & Monitoring Equipment
8	<u>PM2.5 Sampler</u> Replacement/upgrades for aging air monitoring equipment	\$20,000	802	Lab & Monitoring Equipment
9	<u>Nox Analyzer</u> Replacement/upgrades for aging air monitoring equipment	\$25,000	802	Lab & Monitoring Equipment
10	<u>UFP Analyzer</u> Replacement/upgrades for aging air monitoring equipment	\$64,000	802	Lab & Monitoring Equipment
11	<u>Fenceline Ambient Air Monitoring</u> Community monitoring paid for by permit fees collected under Schedule X	\$717,800	802	New Equipment - Schedule X
12	<u>Gas Calibration System Upgrades (Gas Calibrators)</u> Replacement/upgrades for aging air monitoring equipment	\$388,425	802	Lab & Monitoring Equipment
13	<u>Gas Calibration System Upgrades (Zero Air Generators)</u> Replacement/upgrades for aging air monitoring equipment	\$162,500	802	Lab & Monitoring Equipment
14	<u>Data Acquisition Hardware Upgrades</u> Replacement/upgrades for aging air monitoring equipment	\$183,000	802	Computer & Network Equipment
15	<u>Data Acquisition Hardware Upgrades</u> For network securitization paid for by permit fees collected under Schedule X	\$4,000	802	Computer & Network Equipment

**TABLE XV**  
**CAPITAL EXPENDITURE DETAILS**

	ITEM DESCRIPTION	Cost	Pgm	Capital Type
16	<u>Data Acquisition Hardware Upgrades</u> For network securitization	\$76,000	802	Computer & Network Equipment
17	<u>Ozone Analyzer/Photometer</u> For required EPA performance audits as required in 40 CFR Part 58 Appendix A	\$45,000	807	Lab & Monitoring Equipment
18	<u>High Performance Liquid Chromatograph w/Autosampler</u> Replacement needed, out of service contract	\$125,000	803	Lab & Monitoring Equipment
19	<u>Gas Chromatograph/Mas Spectrometer w/Autosampler</u> Replacement needed, out of service contract and beyond end of useful life	\$225,000	803	Lab & Monitoring Equipment
20	<u>Energy Dispersive X-ray Fluorescence Spectrometer</u> Replacement needed, beyond end of useful life	\$105,000	803	Lab & Monitoring Equipment
21	<u>Atomic Absorption Spectrometer w/Autosampler</u> Replacement needed, beyond end of useful life	\$95,000	803	Lab & Monitoring Equipment
22	<u>Multi Test Program Field Testing Van</u> Replacement needed, beyond end of useful life	\$60,000	804	Motorized Equipment
23	<u>Multi Program Van Custom Equipment and Build Out</u> For field-testing new multi program van, custom equipment and build out to include instrument racks, plumbing, cylinder storage, and work areas.	\$40,000	804	Motorized Equipment
24	<u>Source Test Analyzers</u> Replacement needed, beyond end of useful life	\$50,000	804	Lab & Monitoring Equipment
25	<u>Office Pod/Phone Booth</u> Providing workspace and potential "clean-like room" for testing air monitoring instruments at Hollis Street, West Oakland	\$40,000	810	Office Equipment
<b>TOTAL CAPITAL EXPENDITURE</b>		<b>\$ 7,194,925</b>		

# General Fund Program Narratives and Expenditure Details

Note: Definitions are provided on pages 266-268  
And are an integral part of this budget document.



## **SERVICE AREA - ENGINEERING & COMPLIANCE**

## Compliance & Enforcement Division

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The Compliance & Enforcement Division ensures the Air District will realize the emission reductions achieved by the air quality regulations adopted by the Board of Directors, and permit conditions issued by the Executive Officer/APCO. Compliance with Air District, state, and federal regulations is achieved through a robust Compliance Assurance and Enforcement Program that includes comprehensive inspections and investigations and a complementary Compliance Assistance Program that supports compliance objectives of the Division by maintaining operations and assisting industry with air quality regulations and requirements. The Division works closely with local and state regulatory agencies, regulated industry and members of the community to provide the highest level of service to protect air quality and public health. The Division implements Air District strategies and enforces regulations that pertain to stationary sources, and has some mobile source enforcement authority in collaboration with the California Air Resources Board. Division priorities include conducting Title V and Synthetic Minor facility inspections, locating unpermitted sources of operations, resolving violations at facilities with ongoing non-compliance and responding to and investigating air quality complaints. Staff work collaboratively across Divisions to achieve the Air District's mission and apply the appropriate level of enforcement proportional to the level of non-compliance. The Division vigorously pursues violators who show a disregard for the law and well-being of the public and ensures corrective actions and measures to resolve violations are taken.

The Compliance and Enforcement Division continues to focus on activities that support the Air District's commitment to achieve clean air to protect public health and the environment as follows:

The Compliance Assurance and Enforcement Programs focus on announced and unannounced inspections of air pollution sources to ensure compliance. Targeted strategies are used to guide inspections to identify non-compliance and reduce excess emissions. Sources include: Title V and Synthetic Minors facilities, petroleum refineries, chemical plants, dry cleaners, gasoline dispensing facilities, autobody shops, asbestos renovations and demolitions, agricultural and prescribed burning, and other permitted sources. Other facets of the program requiring Division resources include investigations of Title V deviation reporting, Reportable Compliance Activities, and other inspections pertaining to the Portable Equipment Registration Program (PERP), Asbestos projects (renovations, demolitions and naturally occurring asbestos – NOA), compliance determinations for State Air Toxics Control Measures (ATCMs) and Federal Maximum Available Control Technology (MACTs) for air toxics. Air pollution complaints and incident response and investigations are a high priority in the Division that aim to address and resolve air quality concerns of local communities.

The Compliance Assistance Program develops outreach materials, advisories, policies and procedures and guidance information and implements compliance strategies that complement a wide range of enforcement efforts. The program aims to enhance industry and public understanding of compliance and enforcement programs and regulatory requirements, address compliance concerns and assist in resolving air quality violations. Key programs and projects in Compliance Assistance and Operations include the Air District's Wood Smoke Reduction Program, Air Quality Complaint Program, AB617 Community Health Protection Program in West Oakland and Richmond/San Pablo, Wildfire Air Quality Response Program, Commuter Benefits, Title V, Open Burning, Flare Monitoring, Naturally Occurring Asbestos, Inspector Training, Green Business Certifications, Variance and Hearing Board Activities, and many others involving state, federal and Air District regulations and requirements. The program also maintains online web information, the dispatch operating system and the compliance assistance and complaint phone lines which are all integral interfaces with the public.

<b>Managing Division:</b>	
Compliance & Enforcement Division	
<b>Contact Person:</b>	
John Marvin	
<b>Program Purpose:</b>	
Enforce applicable Federal, State, and District air pollution regulations and permit conditions.	
<b>Description of Program:</b>	
<p>The Enforcement Program consists of activities designed to respond when sources are found in violation of applicable Federal, State and Air District regulations and permit conditions. A strong, technically-based enforcement program provides both an essential deterrent to continued or future non-compliance as well as consistency in enforcement practices throughout the regulated community. This program includes all Division activities necessary to address non-compliance, including issuing Notices of Violation (NOV) and Notices to Comply (NTC), identifying causes and solutions for non-compliance, developing enforcement cases for legal action, and providing testimony during hearings and court cases. Other elements of the program include responding to the public's air pollution complaints, returning sources to compliance, and supporting enforcement of the variance and abatement order process. In addition, the toxic air contaminant activities, such as mobile source enforcement of diesel particulate matter ATCMs and asbestos demolition/renovation enforcement, ensure compliance with Federal, State and District regulations to protect the public from exposure to known carcinogens. Oversight of the Division's Safety Program is coordinated with the training functions in Program 402.</p>	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Investigate and enforce air quality violations; issue and process NOV's and NTC's; re-inspect sources to verify compliance status after issuance. Work with Legal Division to procure penalty settlement and/or successful prosecution.	
Receive and investigate citizen inquiries and general air pollution complaints. Respond to these complaints as soon as possible where highest priority response is given to ongoing complaints alleged against potential nuisance sites.	
Prepare enforcement cases in coordination with Legal Division; conduct/coordinate investigations to support their development for legal actions.	
Provide technical analysis and support for variances, abatement orders, and permit appeals to the Hearing Board. Prepare a weekly District position report on all matters before the Hearing Board. Ensure that increments of progress are met.	
Refinery Flares: review, comment, approve and enforce provisions in Regulation 12, Rules 11 and 12.	
Provide staff at community meetings to present information on the complaint process, enforcement activities, etc.	
Participate in interagency environmental task force programs to coordinate District enforcement activities with other County/State/Federal governmental agencies.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Participate in bi-monthly community meetings in AB617 like areas to learn and understand local community air pollution concerns. First meeting to be with BVHP community around mid-March.	Ongoing

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	31.30	39.45	39.45	32.79	(6.66)	(16.9)%
<b>Personnel Expenditures</b>						
Permanent Salaries	3,929,211	4,918,765	4,918,765	4,637,902	(280,863)	(5.7)%
Overtime Salaries	63,236	117,000	117,000	117,000		
Temporary Salaries		10,000	10,000		(10,000)	(100.0)%
Payroll Taxes	58,315	69,510	69,510	65,758	(3,752)	(5.4)%
Pension Benefits	1,188,461	997,319	997,319	927,722	(69,597)	(7.0)%
FICA Replacement Benefits	36,373	80,528	80,528	112,900	32,372	40.2%
Group Insurance Benefits	509,014	818,909	818,909	767,692	(51,217)	(6.3)%
Transportation Subsidy	8,075	56,582	56,582	31,864	(24,718)	(43.7)%
Workers' Compensation	13,275	19,518	19,518	15,140	(4,378)	(22.4)%
Discretionary Contribution		411,795	411,795	294,390	(117,405)	(28.5)%
<b>Total Personnel Expenditures</b>	5,805,960	7,499,926	7,499,926	6,970,368	(529,558)	(7.1)%
<b>Services &amp; Supplies Expenditures</b>						
Travel	7,673	20,250	20,250	20,250		
Training & Education		6,790	10,000	6,790	(3,210)	(32.1)%
Repair & Maintenance	626	191,250	171,250	198,750	27,500	16.1%
Communications	119,037	137,000	137,000	140,900	3,900	2.8%
Building Maintenance		2,500	2,500	2,500		
Utilities	2,320	4,000	4,000	4,000		
Printing & Reproduction	306	2,000	2,150	2,000	(150)	(7.0)%
Rents & Leases	66,519	80,040	80,040	85,040	5,000	6.2%
Professional Services	13,580	23,000	20,200	3,000	(17,200)	(85.1)%
Shop & Field Supplies	18,683	18,090	46,416	33,590	(12,826)	(27.6)%
Computer Hardware & Software	21,465	2,000	4,185	2,000	(2,185)	(52.2)%
Stationery & Office Supplies	123					
Minor Office Equipment		1,000	1,000	1,000		
<b>Total Services &amp; Supplies Expenditures</b>	250,332	487,920	498,991	499,820	829	0.2%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	6,056,292	7,987,846	7,998,917	7,470,188	(528,729)	(6.6)%

<b>Managing Division:</b>	
Compliance & Enforcement Division	
<b>Contact Person:</b>	
Tracy Lee	
<b>Program Purpose:</b>	
Provides compliance assistance and operational support across a variety of enforcement programs, policies and air quality regulations.	
<b>Description of Program:</b>	
Compliance Assistance and Operations (Operations) is an essential part of the Compliance & Enforcement Division responsible for ensuring business continuity and program compliance. A primary focus of Operations is the development and implementation of policies and procedures, compliance advisories, public outreach and educational material, and maintaining a broad range of compliance programs. Comprehensive program reviews and evaluations are conducted to ensure compliance of Air District, State and Federal regulations (e.g., Rule 8-34 Landfill Operations and State Landfill Methane Rule, Rule 6-4 and 12-13 Emissions Minimization Plans, Rule 12-12 Flare Minimization Plans, Reg 5 Open Burn Smoke Management Plans, Asbestos ATCM, Title V Deviations and Reportable Compliance Activities, Rule 6-3 Woodsmoke Program, Statewide Portable Equipment Registration Program, etc.). Operations coordinates cross-divisionally and works together with AB 617 communities to develop enforcement strategies that help further reduce air pollution and address community concerns by targeting sources of non-compliance and violators. Additional program functions include maintaining compliance assistance and enforcement webpages and online information, ensuring records retention of confidential and public documents, processing public records requests, dispatching compliance and enforcement activities and providing integral compliance assistance services to the public. The Compliance Assistance and Operations Program strives to improve consistency and efficiency of the division through staff training, program and policy development and administration.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Provide industry and members of the public with specialized educational and technical assistance to achieve and maintain compliance. Develop Compliance Assistance materials for specific business sectors and the public (woodsmoke). Provide compliance assistance during routine inspections and following enforcement action. Compliance assistance is also provided for all air quality complaints for the public through dispatch or other 1-800 or 1-877 telephone line systems. Outreach is conducted for compliance assistance for several programs, including mass-mailings of woodsmoke reduction program brochures and educational materials in sensitive wood smoke areas. Division staff identify and translate Compliance Assistance materials for small businesses and other industry sectors where non-English speaking operators need additional assistance.	
Develop and maintain Division Policies and Procedures, compliance advisories, and other documents/processes to ensure consistent application of enforcement activities. Build partnerships with other public and community organizations to strengthen compliance assistance activities. Conduct compliance assistance and enforcement activities for the woodsmoke reduction and other stationary sources. Maintain compliance assistance phone lines and dispatch operating system during core business hours.	
Training and Safety: provide staff with pertinent classes, educational materials and a robust safety curriculum to support core activities. Maintain ongoing Safety Training and implement new OSHA requirements as needed.	
Operations: develop and maintain air programs to support Air District and California Air Resources Board (CARB) rule requirements, including but not limited to woodsmoke, flare monitoring, asbestos demolition/renovation, naturally occurring asbestos, boilers, open burning, reportable compliance activities. soil aeration and mobile source(s) compliance. Provide equipment and capital management for communication, computers and related devices. Provide multilingual services to access all Division programs. Review, analyze and process petitions, plans, complaints, Reportable Compliance Activities (RCAs - e.g., breakdowns, Ground-level monitor (GLM) releases, non-operational monitors, pressure relief valve releases) and other notifications received.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Participate in bi-monthly community meetings in AB617 like areas and provide detailed enforcement statistics and C&E overview to specific community. First meeting tentatively scheduled for mid-March.	Ongoing

# Compliance Assistance & Operations

402

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	17.64	17.31	17.31	22.76	5.45	31.5%
<b>Personnel Expenditures</b>						
Permanent Salaries	2,270,687	2,159,326	2,159,326	3,157,693	998,367	46.2%
Overtime Salaries	11,807	7,000	7,000	7,000		
Temporary Salaries	4,335	25,000	25,000		(25,000)	(100.0)%
Payroll Taxes	33,208	30,430	30,430	44,662	14,232	46.8%
Pension Benefits	714,934	441,054	441,054	627,979	186,925	42.4%
FICA Replacement Benefits	20,792	35,327	35,327	78,385	43,058	121.9%
Group Insurance Benefits	291,455	346,126	346,126	477,461	131,335	37.9%
Transportation Subsidy	4,607	24,822	24,822	22,123	(2,699)	(10.9)%
Workers' Compensation	7,672	8,563	8,563	10,512	1,949	22.8%
Discretionary Contribution		180,675	180,675	200,334	19,659	10.9%
<b>Total Personnel Expenditures</b>	3,359,497	3,258,323	3,258,323	4,626,149	1,367,826	42.0%
<b>Services &amp; Supplies Expenditures</b>						
Travel	1,850	16,200	16,200	17,000	800	4.9%
Training & Education	7,392	18,500	26,288	19,500	(6,788)	(25.8)%
Repair & Maintenance		4,000	4,000	4,000		
Communications	29,204	128,000	150,861	128,000	(22,861)	(15.2)%
Postage		2,000	2,000	2,000		
Printing & Reproduction	36	8,500	8,500	8,500		
Rents & Leases		500	500	500		
Professional Services	4,793	30,000	44,542	8,000	(36,542)	(82.0)%
Shop & Field Supplies	100			1,000	1,000	
Computer Hardware & Software	48	1,000	1,000	1,000		
Stationery & Office Supplies	105	4,250	5,154	4,250	(904)	(17.5)%
Minor Office Equipment		1,500	1,500	1,500		
<b>Total Services &amp; Supplies Expenditures</b>	43,528	214,450	260,545	195,250	(65,295)	(25.1)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	3,403,025	3,472,773	3,518,868	4,821,399	1,302,531	37.0%

<b>Managing Division:</b>	
Compliance & Enforcement Division	
<b>Contact Person:</b>	
Juan Ortellado	
<b>Program Purpose:</b>	
A robust inspection program aimed to ensure facilities operating in the Bay Area comply with all applicable Air District, State and Federal regulations to protect air quality and public health.	
<b>Description of Program:</b>	
The program involves conducting comprehensive compliance inspections and investigations of stationary sources ranging from large industrial facilities, such as refineries, chemical plants, wastewater treatment, landfills, power plants and metal facilities, to smaller businesses, such as gasoline stations, auto body shops and dry cleaners. The program also includes enforcement of State Airborne Toxic Control Measures for sources that generate asbestos and diesel particulate matter. Beyond routine inspections to ensure that equipment, emissions monitoring, abatement and controls operate in compliance with regulatory requirements, the program involves responding to major incidents and potential air emission releases of hazardous chemicals and pollutants. Facilities discovered to be in violation are required to initiate timely corrective actions, minimize offsite community impacts and take steps to resolve air quality violations. Enforcement actions may require enhanced communications and coordination with other local agencies and first responders that result in joint investigations and enforcement case development.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Refinery Inspection Program for Regulatory and Title 5 Permit Compliance.	
Title V Inspections Program / EPA Grant / Aerometric Information Retrieval System (AIRS) and audits.	
Synthetic Minor Inspection Program.	
Initiate response to major air pollution incidents as soon as possible, and within minutes of notification, provide technical assistance and support to first response agencies during and after incidents; prepare incident reports.	
Asbestos, Grant, diesel PM, and Refrigeration Management Inspections Program.	
Conduct targeted auto body painting facility inspections.	
State Portable Equipment Inspection Program.	
Gasoline Dispensing Facilities (GDFs) Inspections Program.	
Inspection Communications / Computer Programs.	
Conduct targeted prescribed burns Title 17/ Regulation 5 Open Burning inspections.	
Perform analysis as required to track and analyze existing process safety management (PSM) programs, Federal and State risk management programs (RMP/RMPP); work with other agencies to improve programs.	
Participate in interagency activities, such as County environmental task forces, incident response teams, and other activities relating to prevention, preparedness and emergency response.	
Conduct targeted inspections at refinery/chemical plants and general facilities.	
Staff air quality related community meetings to provide information on District Programs	
<b>Major Objectives</b>	<b>Delivery Date</b>
Refinery Inspection Program: Conduct compliance inspections and program audits of refineries and determine if Title V Permit Compliance are being met.	Annually
Prepare and submit required reports to EPA, Negotiation of EPA 105 Grant Program Outputs.	Ongoing

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	26.80	30.79	30.79	40.47	9.68	31.4%
<b>Personnel Expenditures</b>						
Permanent Salaries	3,656,169	3,918,593	3,918,593	5,683,653	1,765,060	45.0%
Overtime Salaries	24,374	8,000	8,000	8,000		
Payroll Taxes	53,823	55,307	55,307	80,581	25,274	45.7%
Pension Benefits	1,159,292	802,846	802,846	1,122,873	320,027	39.9%
FICA Replacement Benefits	33,544	62,789	62,789	139,408	76,619	122.0%
Group Insurance Benefits	470,330	630,891	630,891	918,080	287,189	45.5%
Transportation Subsidy	7,388	44,118	44,118	39,345	(4,773)	(10.8)%
Workers' Compensation	12,352	15,219	15,219	18,695	3,476	22.8%
Discretionary Contribution		322,346	322,346	360,699	38,353	11.9%
<b>Total Personnel Expenditures</b>	5,417,272	5,860,109	5,860,109	8,371,334	2,511,225	42.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel	11,659	12,550	12,550	15,000	2,450	19.5%
Training & Education	10,280	5,168	5,168	6,800	1,632	31.6%
Repair & Maintenance	492	60,000	60,000	60,000		
Communications	18,541	33,500	39,591	33,500	(6,091)	(15.4)%
Building Maintenance		4,000	4,000	4,000		
Utilities	8,358	3,000	3,000	3,000		
Printing & Reproduction	331	1,000	1,000	1,000		
Rents & Leases	105,926	89,100	89,100	89,100		
Professional Services	5,681	15,500	17,410	15,500	(1,910)	(11.0)%
Shop & Field Supplies	22,671	26,000	32,725	26,000	(6,725)	(20.6)%
Gasoline & Variable Fuel	20					
Computer Hardware & Software	20,379	23,000	35,265	23,000	(12,265)	(34.8)%
Stationery & Office Supplies	1,163	2,300	2,990	2,300	(690)	(23.1)%
Minor Office Equipment	55					
<b>Total Services &amp; Supplies Expenditures</b>	205,556	275,118	302,799	279,200	(23,599)	(7.8)%
<b>Capital Expenditures</b>						
Lab & Monitoring Equipment	115,536	100,000	103,200		(103,200)	(100.0)%
<b>Total Capital Expenditures</b>	115,536	100,000	103,200		(103,200)	(100.0)%
<b>Total Expenditures</b>	5,738,364	6,235,227	6,266,108	8,650,534	2,384,426	38.1%



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## Engineering Division

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Engineering Division (Division) gives high priority to the timely review of permit applications and permit renewals. The typical application evaluation includes analyzing emissions impacts and determining compliance with applicable air quality requirements, including Best Available Control Technology (BACT), 'No Net Increase' emission offset requirements, New Source Review (NSR) of Toxic Air Contaminants (TAC) and California Environmental Quality Act (CEQA). There are about 10,000 facilities with about 26,000 devices and operations that have Air District permits. The Division processes, reviews, issues, and renews Title V (Major Facility Review) permits for about 79 facilities.

The Division implements Regulation 11, Rule 18, Reduction of Risk from Air Toxic Emissions at Existing Facilities. The Division expects to refine TAC emissions and prioritization scores for approximately 300 facilities and expects to conduct refined site-wide health risk assessments (HRAs) for about 150 facilities. HRA results will determine if the facilities are subject to the risk reduction requirements of this rule. Risk reduction plans will be reviewed, approved, and tracked. The toxics programs also support Community Health Protection Program goals to eliminate health disparities in overburdened communities.

The Division implements the State Air Toxics "Hot Spots" Program, which applies to existing facilities that emit TACs. Based on the annual TAC emissions inventory, the Division calculates prioritization scores for facilities, conducts HRAs for high priority facilities, and annually reports inventory, prioritization scores, and HRA results to CARB.

The Division continues to implement the Criteria Air Pollutants and Toxic Air Contaminants Reporting (CTR) Regulation and the Toxic Hot Spots Emissions Inventory Criteria and Guidelines Regulation, and state regulations establishing a uniform system of annual reporting of emissions of criteria air pollutants and TACs for permitted facilities. The Division has been actively working with other agencies and CAPCOA in the development of uniform emissions inventory guidelines for different source categories.

Due to power outages and PG&E Public Safety Power Shutoffs (PSPS), there continues to be a large number of applications for backup generators.

The Division is participating in the Air District's Assembly Bill 617 (AB 617) implementation, which includes Community Health Protection Programs to benefit communities most directly affected by air pollution. The Division participates in the workgroups with other air districts in the CARB BARCT/BARCT Technology Clearinghouse workgroup, CARB Permitting FAQs for the environmental justice workgroup, and the Emissions Inventory workgroup. The Division also participates in the Air District's AB 617 priority community workgroups.

The Division is working on short- and long-term projects to incorporate environmental justice principles in permitting. This includes (1) the development of permitting tools with other divisions and (2) working with the Environmental Justice Ad Hoc Committee of the Community Advisory Council to create Environmental Justice Strategies for permitting that can be used for Strategic Planning at the District.

The Division has fully transitioned to the Production System and continues to develop additional functionality to improve permitting operations, which includes an online system for the regulated community. These tools will increase consistency, efficiency, and accuracy by allowing customers to submit applications, report data for the emissions inventory, pay invoices and renew permits through an online interface.

The Division provides technical support to other divisions, agencies, and programs, including rule development, emissions inventory, compliance and enforcement, planning, monitoring and measurement, the Technology Implementation Office, and the Air District's Regional Climate Action Plan. Key rule development efforts include amendments to Regulation 3 (Fees), and amendments to rules to implement Expedited Best Available Retrofit Control Technology for AB 617.

<b>Managing Division:</b>	
Engineering Division	
<b>Contact Person:</b>	
Nicolas Maiden	
<b>Program Purpose:</b>	
Evaluate all Non-Title V permit applications. Review and process data updates and permit renewals.	
<b>Description of Program:</b>	
<p>The Permit Evaluation Program involves activities related to the evaluation of permit applications submitted to the District (except Title V permit applications, which are covered under Program 506). This includes applications for: (1) new/modified sources subject to District New Source Review requirements, (2) emissions banking, (3) Interchangeable Emission Reduction Credits (IERCs), and (4) Prevention of Significant Deterioration (PSD) &amp; Acid Rain permits. Staff calculates emissions, evaluates compliance with regulatory requirements, including case-by-case Best Available Control Technology (BACT) and emissions offset determinations, and establishes enforceable permit conditions. The program includes California Environmental Quality Act (CEQA) review and Climate Protection activities related to permitted sources.</p> <p>The Permit Renewal Program involves activities related to the annual renewal of District permits. The permit renewal process involves collection of data needed to update the Air District's emissions inventory, review of permit conditions, preparation of permit fee invoices, reconciliation of discrepancies and issuance of permit documents. Information gathered during this process is used for planning and rule development and may also result in enforcement action or additional permitting.</p>	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Evaluate all non-Title V permit applications (1,500 estimated).	
Complete CEQA-review functions.	
Provide technical support to all divisions including estimating emissions, rule/condition interpretations and rule development.	
Assist other agencies, industry and the public.	
Participate in cross-agency committees such as California Air Pollution Controls Officers Association (CAPCOA). Engineering Managers' Subcommittee and National Association of Clean Air Agencies (NACAA).	
Support implementation of rules (e.g., Refinery Regulations, GHG Regulations).	
Request, enter and review annual data update requests. Review and maintain permit conditions. Review permit renewal invoice program.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Ensure the timely workflow of the permit renewal program	Ongoing
Implement Regulation 12-15 Petroleum Refining Emissions Tracking Emission Inventory Guidelines	June 2025
Create and Implement a Corrective Action Plan to address the Management Audit Findings and Recommendations	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	37.43	38.99	38.99	46.78	7.79	20.0%
<b>Personnel Expenditures</b>						
Permanent Salaries	5,006,892	5,551,412	5,551,412	6,826,432	1,275,020	23.0%
Overtime Salaries	158,033	40,000	40,000	150,000	110,000	275.0%
Temporary Salaries	950			335,000	335,000	
Payroll Taxes	73,757	78,615	78,615	96,744	18,129	23.1%
Pension Benefits	1,601,889	1,135,819	1,135,819	1,351,184	215,365	19.0%
FICA Replacement Benefits	46,170	79,555	79,555	161,108	81,553	102.5%
Group Insurance Benefits	646,926	746,324	746,324	1,045,651	299,327	40.1%
Transportation Subsidy	10,381	55,898	55,898	45,470	(10,428)	(18.7)%
Workers' Compensation	16,915	19,282	19,282	21,605	2,323	12.0%
Discretionary Contribution		417,294	417,294	433,638	16,344	3.9%
<b>Total Personnel Expenditures</b>	7,561,913	8,124,199	8,124,199	10,466,832	2,342,633	28.8%
<b>Services &amp; Supplies Expenditures</b>						
Travel	356	13,000	13,000	15,500	2,500	19.2%
Training & Education	100	2,464	2,464	2,964	500	20.3%
Communications		110	110	110		
Printing & Reproduction	(300)					
Professional Services	207,078	401,059	759,228	401,059	(358,169)	(47.2)%
Computer Hardware & Software		2,000	12,000	2,000	(10,000)	(83.3)%
Books & Journals		200	200	200		
Minor Office Equipment	(200)	368	368	368		
<b>Total Services &amp; Supplies Expenditures</b>	207,034	419,201	787,370	422,201	(365,169)	(46.4)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	7,768,947	8,543,400	8,911,569	10,889,033	1,977,464	22.2%

<b>Managing Division:</b>	
Engineering Division	
<b>Contact Person:</b>	
Carol Allen	
<b>Program Purpose:</b>	
Develop and implement an effective air toxics control strategy that integrates Federal, State, and local requirements and Environmental Justice principals into permitting and risk reduction actions for stationary sources.	
<b>Description of Program:</b>	
The Air Toxics Program involves the integration of Federal and State air toxics mandates with local goals established by the Air District's Board of Directors. The program includes air toxics new source review (NSR), reduction of risk from existing facilities (Regulation 11, Rule 18), air toxics control measures, and the Air Toxics "Hot Spots" Program (AB2588). The Air Toxics Program also provides support to other Community Health Protection programs that seek to eliminate air quality disparities in overburden communities. Staff provides guidance on toxic emission calculations, controls, and impacts, maintains the toxic emission inventory, assists with incident and compliance evaluation, conducts health risk assessments (HRAs) for stationary sources, and approves risk reduction plans for existing facilities.	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Perform HRAs for permit applications involving new or modified sources (estimated 320 HRAs per year).	
Prepare facility-wide HRAs for facilities subject to Rule 11-18 (about 150 HRAs over 8 years). Conduct HRAs for alternative scenarios and proposed revisions to support implementation and verification of risk reductions.	
Support development of amendments to Rule 11-18 to reduce implementation time and improve program efficiency.	
Maintain and improve air toxics emissions inventory. Support implementation of new CARB toxics emissions reporting requirements. Support District and TARMAC efforts to improve toxic emission factors for various source categories.	
Complete annual air toxics prioritization for Hot Spots Program and conduct or review new HRAs required for high-priority sites that are exempt from Rule 11-18. Coordinate public notification and risk reduction audits when required.	
Review HRAs and Prevention of Significant Deterioration (PSD) modeling analyses for major permit applications.	
Support Air District efforts to develop and implement risk reduction strategies for undifferentiated PM2.5.	
Review and approve Rule 11-18 risk reduction plans and TBARCT determinations and support emission reduction permitting activities.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Conduct HRAs and other modeling analyses for NSR projects that trigger Rule 2-5 or PSD.	Ongoing
Conduct preliminary, draft, and final HRAs for Rule 11-18 Phase I facilities.	Ongoing
Continue updating Toxic Emission Factor Guidelines by adding source categories and including guidance for calculating maximum 1-hour emission rates.	Ongoing
Support AIM's preparation of annual stationary source toxic inventories, prioritization scores, and HRA results for CARB and EPA.	Annually
Publish periodic Air Toxic Emissions Inventories and Air Toxics Control Program reports.	Ongoing
Develop internal procedures for review and approval of Rule 11-18 risk reduction plans.	December 2024

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	7.58	8.91	8.91	9.62	0.71	8.0%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,112,950	1,384,441	1,384,441	1,577,666	193,225	14.0%
Overtime Salaries	5,391	8,000	8,000	8,000		
Temporary Salaries	823					
Payroll Taxes	16,517	19,635	19,635	22,415	2,780	14.2%
Pension Benefits	335,101	288,898	288,898	329,267	40,369	14.0%
FICA Replacement Benefits	10,275	18,180	18,180	33,173	14,993	82.5%
Group Insurance Benefits	143,715	187,865	187,865	250,276	62,411	33.2%
Transportation Subsidy	2,272	12,774	12,774	9,362	(3,412)	(26.7)%
Workers' Compensation	3,760	4,406	4,406	4,449	43	1.0%
Discretionary Contribution		97,111	97,111	100,485	3,374	3.5%
<b>Total Personnel Expenditures</b>	1,630,804	2,021,310	2,021,310	2,335,093	313,783	15.5%
<b>Services &amp; Supplies Expenditures</b>						
Travel	500	2,050	2,050	2,050		
Training & Education		4,600	4,600	4,600		
Postage		39,940	39,940	39,940		
Printing & Reproduction		7,000	7,000	7,000		
Professional Services	53,790	1,000	572,888	7,500	(565,388)	(98.7)%
Computer Hardware & Software		4,000	14,000	4,000	(10,000)	(71.4)%
Stationery & Office Supplies	(300)	300	10,300	300	(10,000)	(97.1)%
Minor Office Equipment	48	400	400	400		
<b>Total Services &amp; Supplies Expenditures</b>	54,038	59,290	651,178	65,790	(585,388)	(89.9)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,684,842	2,080,600	2,672,488	2,400,883	(271,605)	(10.2)%

<b>Managing Division:</b>	
Engineering Division	
<b>Contact Person:</b>	
Fred Tanaka	
<b>Program Purpose:</b>	
Develop and maintain permit systems & provide administrative services.	
<b>Description of Program:</b>	
The Permit Operations program involves the collection, updating and maintenance of data from permitted sources of air pollution, and the development and maintenance of systems to manage these data. Data include source/device locations, operational data, emission factors, emissions inventory, emissions banking and "no net increase" tracking. Additional program activities include maintaining procedures, coordination & tracking of permit-related activities, general administrative activities, and customer support.	
<b>Justification of Change Request:</b>	
Not applicable	
<b>Activities</b>	
Process and maintain data from permitted facilities.	
Update and correct data from permitted facilities.	
Maintain and update database systems.	
Maintain program forms.	
Manage and improve data quality.	
Provide administrative support.	
Maintain permit tracking and management programs.	
Maintain emissions bank and small facility bank.	
Maintain division pages on website.	
Manage division records including metadata and documents.	
Provide customer support.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Produce annual stationary source emissions inventory to California Air Resources Board (CARB) and EPA	October 2025

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	3.66	8.13	8.13	2.73	(5.40)	(66.4)%
<b>Personnel Expenditures</b>						
Permanent Salaries	568,939	975,153	975,153	410,360	(564,793)	(57.9)%
Overtime Salaries	21	5,000	5,000	5,000		
Payroll Taxes	8,455	13,729	13,729	5,815	(7,914)	(57.6)%
Pension Benefits	192,982	204,129	204,129	86,560	(117,569)	(57.6)%
FICA Replacement Benefits	5,217	16,592	16,592	9,402	(7,190)	(43.3)%
Group Insurance Benefits	72,936	163,479	163,479	51,925	(111,554)	(68.2)%
Transportation Subsidy	1,148	11,658	11,658	2,654	(9,004)	(77.2)%
Workers' Compensation	1,922	4,022	4,022	1,261	(2,761)	(68.6)%
Discretionary Contribution		84,268	84,268	26,086	(58,182)	(69.0)%
<b>Total Personnel Expenditures</b>	851,620	1,478,030	1,478,030	599,063	(878,967)	(59.5)%
<b>Services &amp; Supplies Expenditures</b>						
Printing & Reproduction	6,400	75,166	145,816	75,166	(70,650)	(48.5)%
Professional Services	(50)	12,255	12,255	12,255		
Shop & Field Supplies	98	4,151	49,151	5,172	(43,979)	(89.5)%
Computer Hardware & Software		1,021	11,021		(11,021)	(100.0)%
<b>Total Services &amp; Supplies Expenditures</b>	6,448	92,593	218,243	92,593	(125,650)	(57.6)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	858,068	1,570,623	1,696,273	691,656	(1,004,617)	(59.2)%



<b>Managing Division:</b>	
Engineering Division	
<b>Contact Person:</b>	
Sanjeev Kamboj	
<b>Program Purpose:</b>	
Implementation of Federal Operating Permit Program for Major Facilities.	
<b>Description of Program:</b>	
The Title V program involves activities related to Title V of the Federal Clean Air Act (CAA), which requires the Air District to issue federally enforceable permits to major and other designated facilities. The program is intended to enhance compliance with the CAA via permits that explicitly include all Federal, State, and Air District requirements applicable to sources of air pollution at subject facilities.	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Evaluate and process Title V applications (initial, renewal, revision, administrative amendment and reopening).	
Conduct Title V outreach activities and public hearings, as needed.	
Provide Title V training to the Air District staff.	
Track EPA rulemaking related to Title V, Section 112, compliance monitoring and acid rain.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Implement streamlining measures and ensure timely issuance of the Title V applications.	Ongoing
Work with EPA on Title V program evaluation (audit)	Ongoing
Create and Implement a workplan to address EPA's BAAQMD Title V Program Evaluation Findings and Recommendations.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	2.53	3.22	3.22	4.93	1.71	53.1%
<b>Personnel Expenditures</b>						
Permanent Salaries	363,823	446,907	446,907	733,325	286,418	64.1%
Overtime Salaries	1,883			5,000	5,000	
Temporary Salaries		8,006	8,006	8,006		
Payroll Taxes	5,281	6,329	6,329	10,406	4,077	64.4%
Pension Benefits	86,145	93,834	93,834	147,492	53,658	57.2%
FICA Replacement Benefits	3,280	6,572	6,572	16,995	10,423	158.6%
Group Insurance Benefits	46,373	56,818	56,818	105,091	48,273	85.0%
Transportation Subsidy	729	4,618	4,618	4,796	178	3.9%
Workers' Compensation	1,229	1,593	1,593	2,279	686	43.1%
Discretionary Contribution		34,294	34,294	46,604	12,310	35.9%
<b>Total Personnel Expenditures</b>	508,743	658,971	658,971	1,079,994	421,023	63.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel		378	378	378		
Training & Education		907	907	907		
Communications		530	530	530		
Printing & Reproduction	2,240	28,873	38,873	28,873	(10,000)	(25.7)%
Professional Services		402,723	402,723	402,723		
Computer Hardware & Software		919	10,919		(10,919)	(100.0)%
Books & Journals		613	613		(613)	(100.0)%
Minor Office Equipment		185	185	1,717	1,532	828.1%
<b>Total Services &amp; Supplies Expenditures</b>	2,240	435,128	455,128	435,128	(20,000)	(4.4)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	510,983	1,094,099	1,114,099	1,515,122	401,023	36.0%

<b>Managing Division:</b>	
Engineering Division	
<b>Contact Person:</b>	
Fred Tanaka	
<b>Program Purpose:</b>	
Develop the infrastructure for consistent and efficient permit evaluation and processing, and complete projects intended to develop and improve programs within the Engineering Division.	
<b>Description of Program:</b>	
<p>The Engineering Special Projects program involves activities that are intended to ensure consistent, efficient, and high-quality, permit evaluation and processing. This includes the development of permit rules, policies, procedures, training and tools within the division. The program includes the deployment of the Production System and other online tools to submit information and provide direct access to facility permitting information/documents. These tools are also expected to increase compliance and gradually move to a paperless system. The goals include improved efficiency, better accuracy, reduction of the level of effort, and improved tracking. In addition, new programs or changes to existing programs are developed and implemented.</p> <p>The program also implements public noticing, public records fulfillment and other projects not specified in other Division programs. Planning and implementation of AB 617 activities for permitted facilities are also handled in this program, including Criteria Air Pollutants and Toxic Air Contaminants Reporting (CTR).</p>	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Develop and maintain District permit rules, policies and procedures.	
Update permitting tools such as Permit Handbook, Best Available Control Technology (BACT) and Toxic Best Available Control Technology (TBACT) Workbook documents.	
Review and improve the point source emissions inventory and other reported data.	
Manage training program.	
Coordinate Public Noticing activities.	
Process Public Records Requests for division records.	
Develop/update permitting programs including emissions factors, standard permit conditions, permit handbook chapters, BACT workbook and other manuals to streamline permitting and increase consistency.	
Develop and implement AB 617 work including inventory, rule development, reporting, technology clearinghouse development, community risk reduction and re-envisioning of permitting in impacted communities.	
Review/improve metrics and analysis for cost recovery and containment.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Complete and submit Interchangeable Emission Reduction Credit (IERC) report to California Air Resources Board (CARB).	March 2025
Complete and submit Offset Equivalence report for EPA.	March 2025

# Engineering Special Projects

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	7.04	8.13	8.13	7.87	(0.26)	(3.2)%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,039,558	1,206,674	1,206,674	1,231,642	24,968	2.1%
Overtime Salaries	4,352	5,000	5,000	5,000		
Temporary Salaries	6,148					
Payroll Taxes	15,201	17,184	17,184	17,568	384	2.2%
Pension Benefits	290,119	251,450	251,450	250,651	(799)	(0.3)%
FICA Replacement Benefits	9,415	16,600	16,600	27,100	10,500	63.3%
Group Insurance Benefits	131,820	156,282	156,282	172,577	16,295	10.4%
Transportation Subsidy	2,191	11,663	11,663	7,648	(4,015)	(34.4)%
Workers' Compensation	3,512	4,023	4,023	3,634	(389)	(9.7)%
Discretionary Contribution		87,802	87,802	78,367	(9,435)	(10.7)%
<b>Total Personnel Expenditures</b>	1,502,316	1,756,678	1,756,678	1,794,187	37,509	2.1%
<b>Services &amp; Supplies Expenditures</b>						
Travel		5,000	5,000	5,000		
Training & Education		65,000	85,000	65,000	(20,000)	(23.5)%
Communications	6,405	5,000	5,000	7,100	2,100	42.0%
Printing & Reproduction	11,875	52,100	120,980	50,000	(70,980)	(58.7)%
Professional Services	9,526	50,000	62,500	50,000	(12,500)	(20.0)%
Shop & Field Supplies	848	10,000	49,000	10,000	(39,000)	(79.6)%
Computer Hardware & Software	9,466	60,000	83,471	60,000	(23,471)	(28.1)%
<b>Total Services &amp; Supplies Expenditures</b>	38,120	247,100	410,951	247,100	(163,851)	(39.9)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,540,436	2,003,778	2,167,629	2,041,287	(126,342)	(5.8)%

## **SERVICE AREA - EQUITY & COMMUNITY PROGRAMS**

## Community Engagement Division

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The Community Engagement Division supports the agency's mission by engaging with and supporting impacted communities in the Bay Area to advance public health, equity, and environmental justice. The Division works with communities to increase community awareness and transparency of air quality issues, build capacity, increase opportunities for impacted communities to participate in Air District decision-making, and support implementation of community-identified solutions. The Division supports relationship-building between communities and the Air District and supports other divisions by providing guidance with their engagement with communities.

Key program areas to support these efforts in FYE 2025 are the AB 617 program, the Community Advisory Council, the development of the agency Environmental Justice Policy, the James Cary Smith Community Grant Program, the Home and School Air Filtration Program and implementation of state and federal civil rights laws.

<b>Managing Division:</b>	
Community Engagement Division	
<b>Contact Person:</b>	
Anna Lee	
<b>Program Purpose:</b>	
The Environmental Justice and Community Engagement Division is committed to creating processes that meaningfully engage communities, increasing community-led solutions and opportunities for the communities' voices to be forefront in decision-making.	
<b>Description of Program:</b>	
The Community Engagement Division supports the agency's mission by engaging with and supporting impacted communities in the Bay Area to advance public health, equity, and environmental justice. The Division works with communities to increase community awareness and transparency of air quality issues, build capacity, increase opportunities for impacted communities to participate in Air District decision-making, and support implementation of community-identified solutions. The Division supports relationship-building between communities and the Air District and supports other divisions by providing guidance with their engagement with communities. Key program areas to support these efforts in FYE 2025 are the AB 617 program, the Community Advisory Council, the development of the agency Environmental Justice Policy, the James Cary Smith Community Grant Program, the Home and School Air Filtration Program and implementation of state and federal civil rights laws.	
<b>Justification of Change Request:</b>	
The Division expects to increase staffing and increase activities pending completion of the agency Strategic Plan to support environmental justice action implementation, youth engagement and language accessibility.	
<b>Activities</b>	
Launch an agency-wide environmental justice policy.	
Staff and coordinate activities of the Community Advisory Council.	
Administer Year 3 and new cycle of James Cary Smith Community Grant Program.	
Administer Title VI of the Civil Rights Act of 1964 and state law analog.	
Administer home and school air filtration programs to impacted communities.	
Develop youth engagement strategies.	
Support other divisions with community workshops, meetings and events.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Support agency-wide Environmental Justice Policy development.	Ongoing
Support Community Advisory Council to inform decision-making.	Ongoing
Administer James Cary Smith Community Grant Program to support community capacity building.	Ongoing
Support compliance with Title VI of the Civil Rights Act of 1964 and state law analog.	Ongoing
Conduct engagement of impacted communities in Air District decision-making to support public health and environmental justice.	Ongoing

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	12.69	12.60	12.60	10.77	(1.83)	(14.5)%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,855,197	1,873,472	1,873,472	1,692,998	(180,474)	(9.6)%
Overtime Salaries	23,748	27,000	27,000	27,000		
Temporary Salaries	460					
Payroll Taxes	27,035	26,719	26,719	24,325	(2,394)	(9.0)%
Pension Benefits	523,178	362,416	362,416	323,993	(38,423)	(10.6)%
FICA Replacement Benefits	17,011	25,713	25,713	37,107	11,394	44.3%
Group Insurance Benefits	238,896	219,123	219,123	227,187	8,064	3.7%
Transportation Subsidy	3,770	18,067	18,067	10,473	(7,594)	(42.0)%
Workers' Compensation	6,259	6,232	6,232	4,976	(1,256)	(20.2)%
Discretionary Contribution		136,072	136,072	107,732	(28,340)	(20.8)%
<b>Total Personnel Expenditures</b>	2,695,554	2,694,814	2,694,814	2,455,791	(239,023)	(8.9)%
<b>Services &amp; Supplies Expenditures</b>						
Travel	3,956	10,300	10,300	10,300		
Training & Education	4,504	20,000	20,000	20,110	110	0.6%
Communications	20,483	15,000	15,000	22,000	7,000	46.7%
Printing & Reproduction		3,500	3,636	3,500	(136)	(3.7)%
Professional Services	2,786,083	2,958,104	6,764,435	3,053,500	(3,710,935)	(54.9)%
Shop & Field Supplies	268	2,000	2,000	2,000		
Stationery & Office Supplies		1,500	1,500	1,500		
<b>Total Services &amp; Supplies Expenditures</b>	2,815,294	3,010,404	6,816,871	3,112,910	(3,703,961)	(54.3)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	5,510,848	5,705,218	9,511,685	5,568,701	(3,942,984)	(41.5)%



<b>Managing Division:</b>	
Community Engagement Division	
<b>Contact Person:</b>	
Anna Lee	
<b>Program Purpose:</b>	
To implement AB 617 by working with selected environmental justice communities in the Bay Area to prepare plans in partnership with communities to reduce emissions of toxic air contaminants and criteria pollutants or prepare monitoring plans in partnership with communities.	
<b>Description of Program:</b>	
The District partners closely with AB 617 communities to set up Community Steering Committees that work with District to guide the development of local emissions reduction plans. Staff develop community partnerships and ensure a data-informed, equitable and transparent process. In partnership with West Oakland Environmental Indicators Project, staff are completing the fifth year of implementation of the West Oakland Community Action Plan. Additionally, in Richmond-North Richmond – San Pablo, staff are working with community to implement the Path to Clean Air (PTCA) Community Emissions Reduction Plan. Staff are working with Co-Lead partner, Communities for a Better Environment, and the Community Steering Committee members to complete and adopt the East Oakland Community Emissions Reduction Plan. Staff are partnering with Bayview Hunters Point Community Advocates and Marie Harrison Community Foundation and Community Steering Committee members to develop the Bayview Hunters Point Community Emissions Reduction Plan.	
<b>Justification of Change Request:</b>	
AB 617 expenditures are expected to increase due to inflation and an increase in engagement for Richmond-North Richmond-San Pablo and East Oakland, both of which will be starting implementation of the CERPs.	
<b>Activities</b>	
Support West Oakland Community Steering Committee with Co-Lead partner for year five of the Plan.	
Support Community Steering Committee with implementation of Richmond-North Richmond-San Pablo Path to Clean Air Plan.	
Support Community Steering Committee with Co-Lead partner and develop East Oakland Community Emissions Reduction Plan.	
Support Community Steering Committee with Co-Lead partners for Bayview Hunters Point Community Emissions Reduction Plan.	
Administer contracts with Co-Lead partners and consultants that support local emissions reduction plans.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Support Community Steering Committees and community engagement in designated communities.	Ongoing
Support fifth year of implementation of the West Oakland Community Action Plan.	Ongoing
Support implementation of the Richmond-North Richmond-San Pablo Path to Clean Air Plan.	Ongoing
Support development and adoption of the East Oakland Community Emissions Reduction Plan.	Ongoing
Support development of the Bayview Hunters Point Community Emissions Reduction Plan process.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>		31.59	31.59	38.54	6.95	22.00%
<b>Number of Positions (LTCE)</b>				7.00	7.00	
<b>Personnel Expenditures</b>						
Permanent Salaries		4,735,302	4,735,302	7,367,910	2,632,608	55.60%
Overtime Salaries				50,000	50,000	
Payroll Taxes		67,428	67,428	105,491	38,063	56.4%
Pension Benefits		953,897	953,897	1,438,774	484,877	50.8%
FICA Replacement Benefits		64,466	64,466	156,736	92,270	143.1%
Group Insurance Benefits		622,845	622,845	1,077,096	454,251	72.9%
Transportation Subsidy		45,296	45,296	44,236	(1,060)	(2.3)%
Workers' Compensation		15,625	15,625	21,019	5,394	34.5%
Discretionary Contribution		341,731	341,731	469,161	127,430	37.3%
<b>Total Personnel Expenditures</b>		6,846,590	6,846,590	10,730,423	3,883,833	56.7%
<b>Services &amp; Supplies Expenditures</b>						
Professional Services		2,404,500	2,404,500	2,408,130	3,630	0.2%
<b>Total Services &amp; Supplies Expenditures</b>		2,404,500	2,404,500	2,408,130	3,630	0.2%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>		9,251,090	9,251,090	13,138,553	3,887,463	42.02%

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## Diversity, Equity and Inclusion Division

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The work of the Air District requires diverse perspectives, talents, and life experiences to solve some of the most complex technical air quality issues that we face. The Office of Diversity, Equity & Inclusion is taking meaningful steps to build an equitable and inclusive environment. The efforts will be informed by working with the Deputy Executive Officer of Equity and Community Programs, Board of Directors' Community Health, Equity and Justice Committee and staff to shift long-standing environmental justice inequities throughout the region. Key initiatives for the Office will be providing trainings that encompass equity tools to provide a blueprint of systems and structures to operationalize cross-divisional efforts relative to Air District programs. In addition, the Office works on various initiatives by applying an equity lens to programs, policies, practices and procedures related to staffing, recruitment, promotions, inclusive practices in the workplace, and contracting for capital projects and services.

<b>Managing Division:</b>	
Diversity Equity & Inclusion Office	
<b>Contact Person:</b>	
Tim Williams	
<b>Program Purpose:</b>	
The Office of Diversity, Equity & Inclusion is charged with spearheading initiatives that infuse an equity perspective into all facets of the agency. This entails enhancing our approach to staffing, recruitment, promotions, fostering inclusive workplace practices, contracting for capital projects and services, delivering equity training, and ensuring that all decision-making processes incorporate equitable considerations where feasible. Moreover, the office actively acknowledges the invaluable contributions of both our staff and community members alike, striving to cultivate an environment where every individual feels genuinely appreciated and respected.	
<b>Description of Program:</b>	
The Office of Diversity, Equity & Inclusion is taking meaningful steps to build an equitable and inclusive environment. The efforts will be informed by working with the Deputy Executive Officer of Equity & Community Programs, Board of Directors' Community Health, Equity and Justice Committee and staff to shift long-standing environmental justice inequities throughout the region.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Leverage Workforce Diversity and Empower Diverse Perspectives throughout Training & Leadership Development	
Manage Employee Resource Groups	
Provide Human Resources guidance on inclusive recruitment and retention strategies (e.g. equity language in job postings, job screenings, panel interviews, promotional opportunities for diverse candidates)	
Work cross-agency on policies, practices and initiatives to mitigate inequities. Review equity aspects within division documents and provide suggested amendment(s)	
Work with Board of Directors' Community Equity, Health and Justice Committee on its workplan, meeting agendas, speakers, and community convening meetings	
<b>Major Objectives</b>	<b>Delivery Date</b>
Develop Strategies to Expand Diversity and Inclusion in Human Resources Practices and Processes Applying an Equity Lens	Ongoing
Advance cohesive and equitable workplace while also pairing the strategic plan and environmental justice plan	Ongoing
Continue Internal Capacity Building	Ongoing
Creation, Development, and Guidance of Employee Resource Groups	Ongoing
Board of Directors' Community Health, Equity and Justice Committee Support	Ongoing

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	1.79	2.00	2.00	2.00		
<b>Personnel Expenditures</b>						
Permanent Salaries	280,645	300,572	300,572	334,002	33,430	11.1%
Overtime Salaries	405	4,000	4,000		(4,000)	(100.0)%
Payroll Taxes	4,170	4,257	4,257	4,750	493	11.6%
Pension Benefits	96,698	62,871	62,871	63,377	506	0.8%
FICA Replacement Benefits	2,605	4,081	4,081	6,899	2,818	69.1%
Group Insurance Benefits	36,363	29,228	29,228	42,060	12,832	43.9%
Transportation Subsidy	575	2,868	2,868	1,947	(921)	(32.1)%
Workers' Compensation	948	989	989	925	(64)	(6.5)%
Discretionary Contribution		21,647	21,647	21,282	(365)	(1.7)%
<b>Total Personnel Expenditures</b>	422,409	430,513	430,513	475,242	44,729	10.4%
<b>Services &amp; Supplies Expenditures</b>						
Travel		9,700	9,700	9,100	(600)	(6.2)%
Training & Education	3,276	51,500	51,500	51,500		
Communications			1,000		(1,000)	(100.0)%
Printing & Reproduction	384	6,500	6,500	6,500		
Professional Services	87,561	405,000	522,511	395,000	(127,511)	(24.4)%
Computer Hardware & Software	100	500	500	500		
Stationery & Office Supplies		700	700	700		
<b>Total Services &amp; Supplies Expenditures</b>	91,321	473,900	592,411	463,300	(129,111)	(21.8)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(33,028)					
<b>Total Expenditures</b>	480,702	904,413	1,022,924	938,542	(84,382)	(8.2)%

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# Strategic Incentives Division

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## General Fund

The Strategic Incentives Division mainly administers Special Revenue funds that are used to accelerate voluntary emissions reductions by incentivizing the replacement of older dirtier equipment that primarily targets mobile sources that total approximately \$100 million for project funds and \$8 million for Air District administrative costs. Strategic Incentives staff conducts outreach and solicits grant applications, evaluates grant applications according to established criteria, recommends allocation of the funding, prepares contracts with grantees, monitors progress in implementing funded projects, and reports on the use of funds.

In addition to this work, the Division also oversees programs and activities that are paid for at least in part by the General Fund (historically approximately \$570,000 annually) as match and to pay for projects and activities performed by staff that cannot be fully reimbursed by Special Revenue sources, such as development of applications for new sources of funding (i.e., federal or state), oversight of air district sponsored projects that are not eligible for funding from other sources, and activities that are also not eligible for reimbursement by other sources. Additional information on Strategic Incentive Division Budget can be found in the Special Revenue Fund section of the budget.



<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Adam Shapiro	
<b>Program Purpose:</b>	
Administer funding for grant programs related to non-mobile sources.	
<b>Description of Program:</b>	
In March 2024, the Air District will begin accepting applications for The Clean Heating Efficiently with Electric Technology (Clean HEET) Program that will provide incentive funding to reduce emissions and community exposure from wood smoke pollution by helping to lower the cost of replacing wood-burning devices with electric heat pumps. The program is funded by a US Environmental Protection Agency (EPA) Targeted Airshed Grant award and funding from the Air District's General Fund as match. On January 20, 2021, the Air District Board of Directors, authorized the Air District to accept, obligate, and expend up to \$2,120,345 in funding from the US EPA and allocated up to \$500,000 of General Fund from Designated Reserves as match funding. The Air District will review all completed applications until program funds have been exhausted. All work for this program must be completed by December 2025.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Update program policies and procedures, guidance materials, and administrative operating procedures; conduct program development; conduct outreach.	
Review and evaluate project applications to determine eligibility according to approved Board of Directors eligibility and priority funding criteria.	
Prepare contracts, vouchers, amendments, and correspondence; monitor projects, inspect, and audit programs and projects to assure compliance with EPA and District guidelines, policies, and statutory and regulatory requirements; process reimbursement requests; and ensure project files are complete and up to date.	
Prepare and submit reports to EPA; liaise with EPA on contract and program requirements.	
Prepare technical, financial, and staff reports; attend meetings; and participate in external audits.	
Coordinate with IT contractors to develop, enhance, and maintain data management systems.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Submit quarterly reports and other required reports to funding source (EPA).	Ongoing
Meet funding source disbursement and liquidation deadlines.	June 2025
Meet funding source requirements to fund projects benefitting priority areas.	Ongoing
Issue funding contracts and vouchers for grants awarded.	Ongoing

# Non-Mobile Source Grant Programs

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	0.66	1.65	1.65	1.06	(0.59)	(35.76)%
<b>Personnel Expenditures</b>						
Permanent Salaries	90,501	210,110	210,110	152,150	(57,960)	(27.59)%
Payroll Taxes	1,288	2,970	2,970	2,154	(816)	(27.5)%
Pension Benefits	15,524	40,987	40,987	29,289	(11,698)	(28.5)%
FICA Replacement Benefits	794	3,367	3,367	3,651	284	8.4%
Group Insurance Benefits	11,345	26,115	26,115	23,249	(2,866)	(11.0)%
Transportation Subsidy	172	2,366	2,366	1,030	(1,336)	(56.5)%
Workers' Compensation	306	816	816	490	(326)	(40.0)%
Discretionary Contribution		17,286	17,286	9,661	(7,625)	(44.1)%
<b>Total Personnel Expenditures</b>	119,930	304,017	304,017	221,674	(82,343)	(27.1)%
<b>Services &amp; Supplies Expenditures</b>						
Travel				1,000	1,000	
Training & Education				2,000	2,000	
Printing & Reproduction				5,000	5,000	
Professional Services	29,381	75,000	95,605	80,000	(15,605)	(16.3)%
Stationery & Office Supplies				500	500	
Minor Office Equipment				2,000	2,000	
<b>Total Services &amp; Supplies Expenditures</b>	29,381	75,000	95,605	90,500	(5,105)	(5.3)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	149,311	379,017	399,622	312,174	(87,448)	(21.88)%

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Chengfeng Wang	
<b>Program Purpose:</b>	
Expand availability of funding for emission reduction projects in the Bay Area by identifying and securing new sources of funding. Also manage small, pilot, and demonstration projects funded by Air District general funds.	
<b>Description of Program:</b>	
This program, established in 2010, is focused on identifying and securing new sources of funding for the Bay Area including funding from Federal, State, local governments, settlements, and other sources. Over time, this program aims to expand the availability of grant funding in the region to create additional opportunities for Bay Area businesses and residents to implement projects that reduce criteria pollutants, greenhouse gases, and toxic air contaminants from mobile and stationary sources. This program is also used to conduct activities to support pilot and demonstration projects that are not eligible for funding from other Air District funding sources.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Identify new sources of funding and prepare grant applications to secure new funding sources.	
Form partnerships to leverage Air District funding resources.	
Obtain Board of Directors approval of acceptance of new funding; review, execute, and manage grant agreements with funding agencies.	
Manage Air District funded programs: conduct outreach, evaluate applications and award funding to eligible recipients, and process reimbursement requests.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Form partnerships to leverage Air District funding sources.	Ongoing
Secure new sources of funding	Ongoing
Obtain Board of Directors approval of acceptance of new funding; review, execute, and manage grant agreements with funding agencies.	Ongoing

# Grant Program Development

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	0.32	0.26	0.26	2.30	2.04	784.6%
<b>Personnel Expenditures</b>						
Permanent Salaries	51,682	45,799	45,799	352,060	306,261	668.7%
Payroll Taxes	754	664	664	5,011	4,347	654.7%
Pension Benefits	13,367	9,757	9,757	68,991	59,234	607.1%
FICA Replacement Benefits	454	530	530	7,922	7,392	1,394.7%
Group Insurance Benefits	6,428	5,349	5,349	56,954	51,605	964.8%
Transportation Subsidy	99	373	373	2,236	1,863	499.5%
Workers' Compensation	175	129	129	1,062	933	723.3%
Discretionary Contribution		2,916	2,916	22,390	19,474	667.8%
<b>Total Personnel Expenditures</b>	72,959	65,517	65,517	516,626	451,109	688.5%
<b>Services &amp; Supplies Expenditures</b>						
Travel		21,200	21,200	13,200	(8,000)	(37.7)%
Training & Education		7,500	7,500	8,500	1,000	13.3%
Professional Services	78,601	45,000	84,784	15,000	(69,784)	(82.3)%
Shop & Field Supplies	109	1,000	1,000	1,000		
Computer Hardware & Software		15,000	15,000	14,000	(1,000)	(6.7)%
<b>Total Services &amp; Supplies Expenditures</b>	78,710	89,700	129,484	51,700	(77,784)	(60.1)%
<b>Capital Expenditures</b>						
Computer & Network				500,000	500,000	
<b>Total Capital Expenditures</b>				500,000	500,000	
<b>Total Expenditures</b>	151,669	155,217	195,001	1,068,326	873,325	447.9%

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## Technology Implementation Office

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The Technology Implementation Office (TIO) mission is to advance emerging, cost-effective solutions to achieve greenhouse gas emissions reductions for the transportation and industrial source sectors. TIO will connect climate technologies and customers by providing financial incentives (through grants and loans) as well as technical and matchmaking support. Climate technology areas include zero emissions vehicles and infrastructure, zero emissions energy storage and backup systems, composting, and waste-to-energy projects, amongst other GHG reduction solutions. By supporting the scale-up of climate technologies, TIO can help achieve state and regional greenhouse gas emissions targets, reduce emissions in impacted communities, while also making technologies cost-effective even in regions without strong climate policies.

<b>Managing Division:</b>	
Technology Implementation Office	
<b>Contact Person:</b>	
Anthony Fournier	
<b>Program Purpose:</b>	
The Air District's Climate Investments program advances emerging and cost-effective solutions to achieve greenhouse gas emissions reduction. The program's goal is to support the 2017 Clean Air Plan goal of a carbon-free Bay Area by 2050 and mainstream technologies so they can be scaled up throughout and beyond the Bay Area.	
<b>Description of Program:</b>	
The Climate Tech Finance program increases access to capital for entrepreneurs and public agencies to develop and adopt technologies that reduce greenhouse gases. The Clean Air Centers program establishes a network of publicly accessible facilities with high-end air filtration for use during smoke events in communities most impacted by those events.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Oversee loan and loan guarantee partnership and projects.	
Perform evaluations of climate technologies.	
Identify technologies and customers and provide technical support and financing to implement technologies.	
Convene stakeholders for technology matchmaking and peer-to-peer information exchanges.	
Implement grant program to fund the purchase of air filtration units for publicly accessible Clean Air Centers.	
<b>Major Objectives</b>	<b>Delivery Date</b>
1. Provide loans and loan guarantees for implementing new technologies.	Ongoing
2. Implement enhanced climate loan services statewide.	Ongoing
3. Maintain Clean Air Centers grant program.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	2.60	3.00	3.00	3.02	0.02	0.7%
<b>Personnel Expenditures</b>						
Permanent Salaries	400,151	460,493	460,493	442,440	(18,053)	(3.9)%
Overtime Salaries		25,000	25,000	25,000		
Temporary Salaries		100,000	100,000	200,000	100,000	100.0%
Payroll Taxes	5,987	6,526	6,526	6,276	(250)	(3.8)%
Pension Benefits	135,722	88,279	88,279	83,894	(4,385)	(5.0)%
FICA Replacement Benefits	3,656	6,116	6,116	10,411	4,295	70.2%
Group Insurance Benefits	51,104	66,884	66,884	74,871	7,987	11.9%
Transportation Subsidy	801	4,297	4,297	2,938	(1,359)	(31.6)%
Workers' Compensation	1,352	1,482	1,482	1,396	(86)	(5.8)%
Discretionary Contribution		32,589	32,589	28,107	(4,482)	(13.8)%
<b>Total Personnel Expenditures</b>	598,773	791,666	791,666	875,333	83,667	10.6%
<b>Services &amp; Supplies Expenditures</b>						
Travel	792	9,500	9,500	22,000	12,500	131.6%
Training & Education	3,155	6,000	6,000	14,000	8,000	133.3%
Communications	1,926	1,500	1,500	3,000	1,500	100.0%
Printing & Reproduction	60					
Professional Services	98,142	250,000	2,459,075	250,000	(2,209,075)	(89.8)%
Computer Hardware & Software	1,087	4,000	4,000	5,000	1,000	25.0%
Stationery & Office Supplies		500	500	1,000	500	100.0%
<b>Total Services &amp; Supplies Expenditures</b>	105,162	271,500	2,480,575	295,000	(2,185,575)	(88.1)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	703,935	1,063,166	3,272,241	1,170,333	(2,101,908)	(64.2)%



**SERVICE AREA - FINANCE & ADMINISTRATION**

## Administrative Resources Division

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The Administrative Resources Division provides administrative and operational support functions for the Air District, and is comprised of the Business Office, Fleet and Facilities Office.

The Business Office is responsible for contracts, purchasing, non-workers compensation risk management, mailroom services, and office support services.

The Fleet Office is responsible for the acquisition and maintenance of Air District pool vehicles and fleet, management of vehicle accidents and procurement of new vehicles. The facilities office is responsible for the planning, maintenance, construction oversight and operations of all Air District facilities, and manage security and safety measures.

<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Maricela Martinez	
<b>Program Purpose:</b>	
Provide facilities-related support to all Air District teams.	
<b>Description of Program:</b>	
The Facilities Office provides administrative and physical support to the frontline teams running day-to-day operations of the Air District's dual headquarters offices at 375 Beale Street and 4114 Lakeside Drive, plus the over eighty (80) satellite offices/field sites/operational locations.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Conference room setup for Board, Committee, Advisory Councils, and Hearing Board meetings.	
Oversee security for Board, Committee, Advisory Councils, and Hearing Board meetings, public workshops, and similar events.	
Oversee tradesperson vendors for select renovations and repairs at all District locations.	
Administer help desk responding to facility-related requests from all staff.	
Collaborate with BAHA on administration of facility-related work at Beale Street.	
Administer assigned seating and workspace hoteling programs at Beale Street.	
Support frontline teams with routine maintenance, service, and repairs at satellite locations.	
Provide office and pantry supplies at all District locations.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Establish a lease-management office within the Facilities team.	Ongoing

# Facilities

702

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	3.50	3.49	3.49	6.50	3.01	86.25%
<b>Personnel Expenditures</b>						
Permanent Salaries	381,955	400,165	400,165	964,715	564,550	141.08%
Overtime Salaries	44,690					
Payroll Taxes	5,605	5,625	5,625	13,669	8,044	143.0%
Pension Benefits	127,197	86,939	86,939	194,943	108,004	124.2%
FICA Replacement Benefits	3,493	7,110	7,110	22,374	15,264	214.7%
Group Insurance Benefits	48,745	73,789	73,789	165,348	91,559	124.1%
Transportation Subsidy	917	4,996	4,996	6,315	1,319	26.4%
Workers' Compensation	1,282	1,723	1,723	3,000	1,277	74.1%
Discretionary Contribution		35,843	35,843	61,308	25,465	71.0%
<b>Total Personnel Expenditures</b>	613,884	616,190	616,190	1,431,672	815,482	132.3%
<b>Services &amp; Supplies Expenditures</b>						
Travel	4,354			2,000	2,000	
Training & Education	1,539	1,000	1,000	3,000	2,000	200.0%
Communications	60,807					
Building Maintenance	426,916	575,000	955,372	776,000	(179,372)	(18.8)%
Utilities	802	50,250	50,250	255	(49,995)	(99.5)%
Printing & Reproduction		200	200	200		
Equipment Rental		2,000	2,000		(2,000)	(100.0)%
Rents & Leases	100,269	65,000	65,000	66,000	1,000	1.5%
Professional Services	159,263	550,250	772,122	450,250	(321,872)	(41.7)%
Shop & Field Supplies	1,596	3,000	5,500		(5,500)	(100.0)%
Stationery & Office Supplies		1,000	1,000		(1,000)	(100.0)%
Minor Office Equipment		10,000	10,000		(10,000)	(100.0)%
<b>Total Services &amp; Supplies Expenditures</b>	755,546	1,257,700	1,862,444	1,297,705	(564,739)	(30.3)%
<b>Capital Expenditures</b>						
Building & Grounds	55,036					
<b>Total Capital Expenditures</b>	55,036					
<b>Transfer In/Out</b>	(31,904)					
<b>Total Expenditures</b>	1,392,562	1,873,890	2,478,634	2,729,377	250,743	10.12%

<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Maricela Martinez	
<b>Program Purpose:</b>	
Maintenance and administration of the day to day incoming/outgoing mail and reproduction operations of the Air District.	
<b>Description of Program:</b>	
The day-to-day administrative operations include: sorting and distribution of incoming and outgoing mail, and processing reproduction requests.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Process incoming and outgoing mail.	
Receive and deliver incoming packages and deliveries.	
Process reproduction requests, including document binding and package preparation.	
Prepare, reproduce, and mail board packets, asbestos reports, permits, permit invoices, data update forms, and other materials as requested.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Process incoming and outgoing mail as well as packages.	Ongoing
Process reproduction requests.	Ongoing

# Mail and Reproduction

703

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	1.03	0.91	0.91	1.02	0.11	12.09%
<b>Personnel Expenditures</b>						
Permanent Salaries	220,313	173,299	173,299	132,501	(40,798)	(23.54)%
Overtime Salaries	1,631					
Payroll Taxes	3,317	2,467	2,467	1,870	(597)	(24.2)%
Pension Benefits	83,705	38,123	38,123	24,998	(13,125)	(34.4)%
FICA Replacement Benefits	2,074	1,852	1,852	3,523	1,671	90.2%
Group Insurance Benefits	29,136	21,305	21,305	15,228	(6,077)	(28.5)%
Transportation Subsidy	459	1,301	1,301	994	(307)	(23.6)%
Workers' Compensation	761	449	449	473	24	5.3%
Discretionary Contribution		10,382	10,382	8,391	(1,991)	(19.2)%
<b>Total Personnel Expenditures</b>	341,396	249,178	249,178	187,978	(61,200)	(24.6)%
<b>Services &amp; Supplies Expenditures</b>						
Communications	243,177	280,000	280,000	280,000		
Postage	47,947	65,000	65,000	70,000	5,000	7.7%
Equipment Rental	64,642	105,000	138,274	125,000	(13,274)	(9.6)%
Professional Services	63,084	300,000	316,613	300,000	(16,613)	(5.2)%
<b>Total Services &amp; Supplies Expenditures</b>	418,850	750,000	799,887	775,000	(24,887)	(3.1)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(17,679)					
<b>Total Expenditures</b>	742,567	999,178	1,049,065	962,978	(86,087)	(8.21)%

<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Maricela Martinez	
<b>Program Purpose:</b>	
This program will pay operating and maintenance costs associated with the Air District's office space located in Richmond, CA.	
<b>Description of Program:</b>	
This program will pay for the reconfiguring of the Headquarters East (Richmond) office and all costs associated with building maintenance of the facility, including shared costs associated with the Condominium Association. This year includes costs associated with building out Phase 2 and 3 of the Richmond Office.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
operating and maintenance costs associated with the Air District's office space located in Richmond, CA	
<b>Major Objectives</b>	<b>Delivery Date</b>
Reconfigure the Richmond Office (Headquarters East) with building out Phase 2 and 3 of the Richmond Office.	Ongoing

Headquarters East (Richmond)

707

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Personnel Expenditures</b>						
<b>Services &amp; Supplies Expenditures</b>						
Building Maintenance		6,000	6,000	6,000		
Utilities	105,034	56,000	56,000	130,000	74,000	132.1%
Professional Services	43,792	251,000	277,640	285,000	7,360	2.7%
<b>Total Services &amp; Supplies Expenditures</b>	148,826	313,000	339,640	421,000	81,360	24.0%
<b>Capital Expenditures</b>						
Leasehold Improvements			2,350		(2,350)	(100.0)%
Building & Grounds	37,625	500,000	591,802		(591,802)	(100.0)%
<b>Total Capital Expenditures</b>	37,625	500,000	594,152		(594,152)	(100.0)%
<b>Total Expenditures</b>	186,451	813,000	933,792	421,000	(512,792)	(54.92)%



<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Maricela Martinez	
<b>Program Purpose:</b>	
Provide for the purchasing of equipment and supplies and the negotiating of service contracts.	
<b>Description of Program:</b>	
The purchasing section is responsible for the procurement of services, equipment, and supplies. The section facilitates the administration of limited access license agreements, lease agreements, professional service contracts, and request for proposals/qualifications. The section is also responsible for the property management administration of various insurance policies, and the coordination of the disposal of surplus equipment.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Process purchase order requests.	
Approve the purchase of necessary office supplies as requested by District personnel.	
Administer District service contracts and negotiate lease renewals.	
Process service requests on equipment under maintenance.	
Deliver requested office supplies.	
Negotiate best price on sale of surplus equipment.	
Manage District insurance policies.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Process purchase order requests.	Daily
Approve the purchase of necessary office supplies as requested by District personnel.	Ongoing
Administer District service contracts, leases, and limited access license agreements.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	2.63	4.13	4.13	3.00	(1.13)	(27.36)%
<b>Personnel Expenditures</b>						
Permanent Salaries	368,932	569,229	569,229	424,453	(144,776)	(25.43)%
Overtime Salaries	4,071					
Payroll Taxes	5,415	8,044	8,044	6,003	(2,041)	(25.4)%
Pension Benefits	84,198	113,520	113,520	84,204	(29,316)	(25.8)%
FICA Replacement Benefits	3,311	8,433	8,433	10,332	1,899	22.5%
Group Insurance Benefits	46,292	73,446	73,446	72,661	(785)	(1.1)%
Transportation Subsidy	729	5,925	5,925	2,916	(3,009)	(50.8)%
Workers' Compensation	1,246	2,044	2,044	1,386	(658)	(32.2)%
Discretionary Contribution		43,943	43,943	26,942	(17,001)	(38.7)%
<b>Total Personnel Expenditures</b>	514,194	824,584	824,584	628,897	(195,687)	(23.7)%
<b>Services &amp; Supplies Expenditures</b>						
Training & Education				1,500	1,500	
Printing & Reproduction		25,400	25,400	25,400		
Professional Services		250,000	247,598	150,000	(97,598)	(39.4)%
General Insurance	505,272	807,240	809,642	900,000	90,358	11.2%
Stationery & Office Supplies	8,710	30,000	31,141	35,000	3,859	12.4%
<b>Total Services &amp; Supplies Expenditures</b>	513,982	1,112,640	1,113,781	1,111,900	(1,881)	(0.2)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(26,723)					
<b>Total Expenditures</b>	1,001,453	1,937,224	1,938,365	1,740,797	(197,568)	(10.19)%

<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Maricela Martinez	
<b>Program Purpose:</b>	
This program will pay for sharing of limited business operations and technology functions between the Air District, Metropolitan Transportation Commission, and the Association of Bay Area Governments at 375 Beale Street. This program will also pay for the lease payments associated with the Air District's financing ownership interest of its portion of the facility.	
<b>Description of Program:</b>	
Shared services between the Air District, Metropolitan Transportation Commission and the Association of Bay Area Governments, including personnel and shared business operations, IT license and maintenance agreements required for a shared services component for the agencies and payments related to its lease payments through the issuance of a private placement of Certificate of Participation Notes (COPS) with the Bay Area Housing Authority.	
<b>Justification of Change Request:</b>	
The shared services component includes general services and technology functions: personnel, conference room scheduling, conference room set-up, video conferencing, webcasting, copy/print/mail production and distribution, shared fleet management, wellness center; email, calendaring, telephone systems, wireless network, internet connectivity, printing, electronic file storage, server rooms maintenance. Beginning in FYE 2019, the lease payments associated with paying down the COPS are being paid through this program.	
<b>Activities</b>	
Maintain service level agreements with partner agencies	
Maintain communication plan for building protocols	
Maintain and develop training materials for new technologies and services available at 375 Beale Street	
Maintain Shared Services Budget and Responsibilities	
<b>Major Objectives</b>	<b>Delivery Date</b>
Maintain service level agreements with partner agencies	Ongoing
Maintain communication plan for building protocols	Ongoing
Maintain and develop training materials for new technologies and services available at 375 Beale Street	Ongoing
Maintain Shared Services Budget and Responsibilities	Ongoing

Headquarters West (Beale Street)

709

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Personnel Expenditures</b>						
<b>Services &amp; Supplies Expenditures</b>						
Utilities	4,023	5,000	5,000	3,000	(2,000)	(40.0)%
Rents & Leases	311,923	1,200,000	1,200,000	1,200,000		
Professional Services	2,669,355	3,370,792	3,370,792	3,500,000	129,208	3.8%
<b>Total Services &amp; Supplies Expenditures</b>	2,985,301	4,575,792	4,575,792	4,703,000	127,208	2.8%
<b>Capital Expenditures</b>						
Computer & Network		500,000	500,000	500,000		
<b>Total Capital Expenditures</b>		500,000	500,000	500,000		
<b>Total Expenditures</b>	2,985,301	5,075,792	5,075,792	5,203,000	127,208	2.51%

<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Maricela Martinez	
<b>Program Purpose:</b>	
Provide fleet-related support to all Air District teams.	
<b>Description of Program:</b>	
Fleet administers a program that provides for the service/maintenance, regulatory compliance, and lifecycle management of the District's over 100-vehicle fleet, including acquisitions/retirements, use-tracking, and related accounts, such as toll and fuel.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Administration of service/maintenance program for the District's over 100-vehicle fleet.	
Administration of short-term pool/rental vehicle program.	
Administer help desk responding to fleet-related requests from all staff.	
Process insurance claims and repair/replacement of impacted units.	
Completion of annual smog check reporting to State of California.	
Vehicle acquisition and retirement.	
Maintain regulatory compliance oversight for the District's over 100-vehicle fleet.	
Administration of the lifecycle of the District's over 100-vehicle fleet.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Reduce the carbon footprint associated with District vehicles.	Ongoing

# Fleet Services

710

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	2.91	2.54	2.54	2.50	(0.04)	(1.57)%
<b>Personnel Expenditures</b>						
Permanent Salaries	405,951	339,910	339,910	349,103	9,193	2.70%
Overtime Salaries	2,680					
Payroll Taxes	5,881	4,799	4,799	4,936	137	2.9%
Pension Benefits	98,769	71,027	71,027	67,604	(3,423)	(4.8)%
FICA Replacement Benefits	3,659	5,192	5,192	8,622	3,430	66.1%
Group Insurance Benefits	51,342	51,198	51,198	37,056	(14,142)	(27.6)%
Transportation Subsidy	810	3,648	3,648	2,433	(1,215)	(33.3)%
Workers' Compensation	1,363	1,258	1,258	1,156	(102)	(8.1)%
Discretionary Contribution		26,896	26,896	22,151	(4,745)	(17.6)%
<b>Total Personnel Expenditures</b>	570,455	503,928	503,928	493,061	(10,867)	(2.2)%
<b>Services &amp; Supplies Expenditures</b>						
Travel	4,989			50	50	
Training & Education		1,000	1,000	3,000	2,000	200.0%
Repair & Maintenance	3,756	15,000	16,214	28,000	11,786	72.7%
Communications	2,312	1,000	1,000	1,020	20	2.0%
Printing & Reproduction			11,000		(11,000)	(100.0)%
Rents & Leases	507,422	950,000	1,077,369	870,000	(207,369)	(19.2)%
Professional Services	12,705	50,000	39,000	51,000	12,000	30.8%
General Insurance		32,500	32,500	38,500	6,000	18.5%
Shop & Field Supplies		200	200	200		
Gasoline & Variable Fuel	239,804	376,579	390,018	470,000	79,982	20.5%
<b>Total Services &amp; Supplies Expenditures</b>	770,988	1,426,279	1,568,301	1,461,770	(106,531)	(6.8)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(29,626)					
<b>Total Expenditures</b>	1,311,817	1,930,207	2,072,229	1,954,831	(117,398)	(5.67)%

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## Enterprise Technology Solutions Division

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The Software Development and Online Services Division provides technology services for core business processes that are utilized across programs. Included in these services are My Air Online, public website, financial, grants and records systems.



<b>Managing Division:</b>	
Enterprise Technology Solutions Division	
<b>Contact Person:</b>	
Joy Chen	
<b>Program Purpose:</b>	
This program provides software design, development, implementation, and maintenance services for enterprise software.	
<b>Description of Program:</b>	
This program provides software design, development, implementation, and maintenance services for enterprise software. The work of this program focuses on software systems that are core to Air District operations and is utilized by multiple business operations across the Air District.	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Software design, development, implementation, and maintenance activities for enterprise software.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Enhance efficiency and improve resiliency of the My Air Online enterprise software system.	Daily
Create documentation and provide for knowledge transfer to internal stakeholders for the permitting and compliance system	Daily

# Software Development and Maintenance

125

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	5.75	6.00	6.00	6.40	0.40	6.7%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,059,530	1,076,224	1,076,224	1,185,106	108,882	10.1%
Overtime Salaries	14,104	13,287	13,287		(13,287)	(100.0)%
Payroll Taxes	15,995	15,559	15,559	17,184	1,625	10.4%
Pension Benefits	333,432	211,973	211,973	238,119	26,146	12.3%
FICA Replacement Benefits	10,023	12,244	12,244	22,042	9,798	80.0%
Group Insurance Benefits	140,290	112,696	112,696	131,058	18,362	16.3%
Transportation Subsidy	2,219	8,603	8,603	6,221	(2,382)	(27.7)%
Workers' Compensation	3,591	2,968	2,968	2,956	(12)	(0.4)%
Discretionary Contribution		67,582	67,582	75,671	8,089	12.0%
<b>Total Personnel Expenditures</b>	1,579,184	1,521,136	1,521,136	1,678,357	157,221	10.3%
<b>Services &amp; Supplies Expenditures</b>						
Travel			4,000	13,000	9,000	225.0%
Training & Education		16,342	12,342	16,000	3,658	29.6%
Communications	3,429	2,723	2,723	2,777	54	2.0%
Professional Services		163,419	163,419	166,000	2,581	1.6%
Computer Hardware & Software	478	108,946	109,689	104,000	(5,689)	(5.2)%
<b>Total Services &amp; Supplies Expenditures</b>	3,907	291,430	292,173	301,777	9,604	3.3%
<b>Capital Expenditures</b>						
Computer & Network	3,095,928	3,108,613	5,306,456	3,600,000	(1,706,456)	(32.2)%
<b>Total Capital Expenditures</b>	3,095,928	3,108,613	5,306,456	3,600,000	(1,706,456)	(32.2)%
<b>Total Expenditures</b>	4,679,019	4,921,179	7,119,765	5,580,134	(1,539,631)	(21.6)%

<b>Managing Division:</b>	
Enterprise Technology Solutions Division	
<b>Contact Person:</b>	
Anja Page	
<b>Program Purpose:</b>	
This program supports and maintains the agency's website and related online services.	
<b>Description of Program:</b>	
This program supports and maintains the agency's website and related online services. This includes the BAAQMD.GOV website and related applications such as public notifications.	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Support, assist, and train Division Content Editors in the use of the web content management system	
Develop, test, and implement new features and website components	
Maintain and manage website systems with ongoing upgrades and improvements	
Monitor visitor usage through statistics and logs to inform priorities and decisions on feature development	
Document website processes, issue resolution, and functionality	
<b>Major Objectives</b>	<b>Delivery Date</b>
Improve performance and security of the baaqmd.gov website.	Ongoing
Create a project plan and schedule for planned re-design of the baaqmd.gov website.	Annually
Develop online applications for reporting key information needed by community members	Ongoing

# Website Development & Maintenance

309

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	2.05	2.00	2.00	2.02	0.02	1.0%
<b>Personnel Expenditures</b>						
Permanent Salaries	333,537	325,797	325,797	338,541	12,744	3.9%
Overtime Salaries	1,368			1,395	1,395	
Payroll Taxes	4,914	4,622	4,622	4,807	185	4.0%
Pension Benefits	105,674	67,689	67,689	69,181	1,492	2.2%
FICA Replacement Benefits	3,056	4,081	4,081	6,948	2,867	70.3%
Group Insurance Benefits	42,840	45,008	45,008	48,412	3,404	7.6%
Transportation Subsidy	675	2,868	2,868	1,961	(907)	(31.6)%
Workers' Compensation	1,127	989	989	932	(57)	(5.8)%
Discretionary Contribution		22,029	22,029	21,574	(455)	(2.1)%
<b>Total Personnel Expenditures</b>	493,191	473,083	473,083	493,751	20,668	4.4%
<b>Services &amp; Supplies Expenditures</b>						
Training & Education		5,447	5,447	5,400	(47)	(0.9)%
Communications	1,837	1,792	1,792	1,828	36	2.0%
Printing & Reproduction	980	3,161	3,161	200,000	196,839	6,227.1%
Professional Services	1,090,011	999,670	1,951,270	324,000	(1,627,270)	(83.4)%
Computer Hardware & Software	20,033	154,674	158,254	137,389	(20,865)	(13.2)%
<b>Total Services &amp; Supplies Expenditures</b>	1,112,861	1,164,744	2,119,924	668,617	(1,451,307)	(68.5)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(25,608)					
<b>Total Expenditures</b>	1,580,444	1,637,827	2,593,007	1,162,368	(1,430,639)	(55.2)%

<b>Managing Division:</b>	
Enterprise Technology Solutions Division	
<b>Contact Person:</b>	
Magen Holloway	
<b>Program Purpose:</b>	
To provide for electronic storage systems required to maintain official Air District Documents.	
<b>Description of Program:</b>	
This program develops and maintains the systems required for the storage of official Air District official documents that are needed for business processes in each Division. The program identifies official records across the Air District and collaborates with each program to develop procedures to bring records into the Air District's records management systems.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Manage and Support of Physical and Electronic Storage of District Records.	
Configure and implement improvements to the OnBase records management system.	
Train Division Records Custodians on OB software and related procedures.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Complete the configuration of a new OnBase Development Environment	June 2023
Bring OnBase records into compliance with retention schedules	June 2023
Get approval from Division Directors on a completed Administrative Operating Procedure for the each division's official records.	June 2023

# Records Management Systems

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	1.07	1.00	1.00	3.00	2.00	200.0%
<b>Personnel Expenditures</b>						
Permanent Salaries	249,539	188,366	188,366	414,346	225,980	120.0%
Temporary Salaries				95,000	95,000	
Payroll Taxes	3,654	2,680	2,680	5,857	3,177	118.5%
Pension Benefits	86,349	41,427	41,427	83,130	41,703	100.7%
FICA Replacement Benefits	2,299	2,041	2,041	10,332	8,291	406.2%
Group Insurance Benefits	32,290	23,473	23,473	77,899	54,426	231.9%
Transportation Subsidy	508	1,434	1,434	2,916	1,482	103.3%
Workers' Compensation	843	495	495	1,386	891	180.0%
Discretionary Contribution		11,400	11,400	26,284	14,884	130.6%
<b>Total Personnel Expenditures</b>	375,482	271,316	271,316	717,150	445,834	164.3%
<b>Services &amp; Supplies Expenditures</b>						
Training & Education		10,000	13,500		(13,500)	(100.0)%
Communications	7,931	4,000	4,000		(4,000)	(100.0)%
Utilities	783					
Printing & Reproduction		95,000	123,500	100,000	(23,500)	(19.0)%
Rents & Leases	19,537					
Professional Services	220,975	200,000	215,770	200,000	(15,770)	(7.3)%
Shop & Field Supplies		10,000	10,000	10,000		
Computer Hardware & Software	7,612	70,000	70,388	75,000	4,612	6.6%
Stationery & Office Supplies		6,000	6,000	6,000		
<b>Total Services &amp; Supplies Expenditures</b>	256,838	395,000	443,158	391,000	(52,158)	(11.8)%
<b>Capital Expenditures</b>						
Office Equipment		100,000	100,000	110,000	10,000	10.0%
Computer & Network		10,000	66,413		(66,413)	(100.0)%
<b>Total Capital Expenditures</b>		110,000	166,413	110,000	(56,413)	(33.9)%
<b>Transfer In/Out</b>	(19,403)					
<b>Total Expenditures</b>	612,917	776,316	880,887	1,218,150	337,263	38.3%

<b>Managing Division:</b>	
Enterprise Technology Solutions Division	
<b>Contact Person:</b>	
James Tucker	
<b>Program Purpose:</b>	
To provide and maintain infrastructure and systems required for software development, data storage and reporting.	
<b>Description of Program:</b>	
This program provides for the design, development and day to day maintenance of infrastructure that may be required for software development, data storage and reporting functions utilized with enterprise systems. Activities include maintenance administration of server development and testing environments and database administration.	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
development operations including environmental maintenance and testing automation	
<b>Major Objectives</b>	<b>Delivery Date</b>
Bring DevOps cloud security into alignment with security standards as they are developed.	Monthly
Migrate cloud production to operations team	Daily

# Software Development Operations, Data and Reporting

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	4.96	6.11	6.11	7.16	1.05	17.2%
<b>Personnel Expenditures</b>						
Permanent Salaries	787,415	933,965	933,965	1,158,261	224,296	24.0%
Overtime Salaries	29,745	16,278	16,278	33,207	16,929	104.0%
Payroll Taxes	11,626	13,235	13,235	16,455	3,220	24.3%
Pension Benefits	236,037	197,503	197,503	236,812	39,309	19.9%
FICA Replacement Benefits	7,249	12,450	12,450	24,659	12,209	98.1%
Group Insurance Benefits	101,516	126,272	126,272	156,786	30,514	24.2%
Transportation Subsidy	1,626	8,748	8,748	6,960	(1,788)	(20.4)%
Workers' Compensation	2,649	3,018	3,018	3,307	289	9.6%
Discretionary Contribution		66,292	66,292	73,752	7,460	11.3%
<b>Total Personnel Expenditures</b>	1,177,863	1,377,761	1,377,761	1,710,199	332,438	24.1%
<b>Services &amp; Supplies Expenditures</b>						
Training & Education		16,342	16,342	16,342		
Communications		186	186	189	3	1.6%
Professional Services	20,460	74,936	74,936	575,000	500,064	667.3%
Computer Hardware & Software		13,618	13,618	27,781	14,163	104.0%
<b>Total Services &amp; Supplies Expenditures</b>	20,460	105,082	105,082	619,312	514,230	489.4%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,198,323	1,482,843	1,482,843	2,329,511	846,668	57.1%



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## Executive Division

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Despite the continuing challenges of the pandemic, the Air District furthered our vision of providing a healthy breathing environment for all Bay Area residents. We continued to address disparities in air quality and health protections by expanding partnerships in historically disadvantaged communities. At the same time, our climate protection work progressed to accelerate electrification and incentivize greenhouse gas reductions by funding cutting-edge technologies.

Under the leadership and direction of the Executive Officer/APCO and the Board of Directors, the Executive Office guides the Bay Area Air Quality Management District (Air District) in meeting its mission of protecting and improving public health, air quality, and the global climate. To fulfill this mission, the Air District builds its programs and policies on sound science, develops them with technical expertise and rigor, and executes them with quality. Air District programs and policies include both traditional air quality management approaches and new strategies for achieving clean air.

In FYE 2023, the Air District will continue to implement State and Federal regulations and directives, and will also continue to implement and develop the following key initiatives:

- Clean Air Plan Implementation
- Climate Action Work Program
- Assembly Bill (AB) 617 Implementation
- Wildfire Air Quality Response Program
- Diesel Free by '33 Campaign
- Technology Implementation Office
- Wood Smoke Program and Rule Amendments
- My Air Online Program
- Clean Air Foundation
- Spare the Air Everyday Campaign
- Public Participation Plan Implementation
- Diversity, Equity, and Inclusion Office

The Executive Office is responsible for developing and maintaining strategic partnerships to achieve clean air. These partnerships include but are not limited to collaboration with: community groups, non-profits, peer regional agencies (Metropolitan Transportation Commission, Association of Bay Area Governments & Bay Conservation and Development Commission), regulatory agencies (U.S. Environmental Protection Agency and California Air Resources Board), and associations (California Air Pollution Control Officers Association, Air and Waste Management Association & National Association of Clean Air Agencies), as well as the State Legislature. In FYE 2023, these key partnerships will also address regional coordination of climate protection activities, and implementation of State initiatives at the regional level.

<b>Managing Division:</b>	
Executive Division	
<b>Contact Person:</b>	
Vanessa Johnson	
<b>Program Purpose:</b>	
Administration and Direction of Air District Programs.	
<b>Description of Program:</b>	
This budget program is responsible for providing overall administration and direction to Air District staff. Through this budget program, the Executive Officer/APCO interprets and oversees implementation of Board directives and policies and administers the business of the Air District.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Implement and develop key initiatives to meet Air District goals and objectives.	
Coordinate development of Air District's legislative agenda and implement strategy for achieving Air District's legislative goals.	
Coordinate Air District activities with staff, stakeholders, and community groups.	
Help sponsor stakeholder events in support of Air District Initiatives.	
Monitor actions of and serve as liaison to regional governmental agencies (e.g. MTC, ABAG, BCDC), federal and statewide governmental organizations (e.g. U.S. EPA, CARB, CAPCOA), as well as the state legislature, and representatives of the regulated community.	
Compliance and enforcement actions.	
Administer and manage the Bay Area Clean Air Foundation.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Rule Development and Amendments	Ongoing
Issue all non-Title V permits on a timely basis (within a 45 day period)	Ongoing
Production System Implementation	Ongoing
Clean Air Plan Implementation	Ongoing
Assembly Bill (AB) 617 Implementation	Ongoing
Public Participation Plan Implementation	Ongoing
Adopt District Budget for FYE 2025	Ongoing

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	15.05	22.79	22.77	22.77	(0.02)	(0.1)%
<b>Personnel Expenditures</b>						
Permanent Salaries	4,297,198	4,571,429	4,571,429	5,088,096	516,667	11.3%
Overtime Salaries	12,498	12,000	12,000	15,000	3,000	25.0%
Temporary Salaries				95,000	95,000	
Payroll Taxes	63,821	70,892	70,892	81,281	10,389	14.7%
Pension Benefits	1,348,814	932,874	932,874	1,004,842	71,968	7.7%
FICA Replacement Benefits	39,737	46,530	46,530	78,270	31,740	68.2%
Group Insurance Benefits	554,186	437,921	437,921	545,814	107,893	24.6%
Transportation Subsidy	8,755	32,693	32,693	22,090	(10,603)	(32.4)%
Workers' Compensation	14,518	11,278	11,278	10,496	(782)	(6.9)%
Discretionary Contribution		264,110	264,110	325,958	61,848	23.4%
<b>Total Personnel Expenditures</b>	6,339,527	6,379,727	6,379,727	7,266,847	887,120	13.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel	47,193	88,500	88,500	67,000	(21,500)	(24.3)%
Training & Education	14,883	34,500	34,500	34,500		
Repair & Maintenance						
Communications	16,731	5,000	5,000	18,000	13,000	260.0%
Building Maintenance						
Utilities						
Postage	245	200	200	350	150	75.0%
Printing & Reproduction	5,494	5,000	5,000	7,000	2,000	40.0%
Equipment Rental						
Rents & Leases	32,557					
Professional Services	1,901,403	2,438,251	3,601,070	2,093,200	(345,051)	(14.2)%
General Insurance						
Shop & Field Supplies	1,370					
Laboratory Supplies						
Gasoline & Variable Fuel	92					
Computer Hardware & Software	2,512	6,200	6,200	6,200		
Stationery & Office Supplies	1,453	3,500	3,550	3,500		
Books & Journals	44	6,000	6,000	1,000	(5,000)	(83.3)%
Minor Office Equipment						
Miscellaneous Expenses	150					
<b>Total Services &amp; Supplies Expenditures</b>	2,024,127	2,587,151	3,750,020	2,230,750	(356,401)	(13.8)%
<b>Capital Expenditures</b>						
Building & Grounds	19,224					
<b>Total Capital Expenditures</b>	19,224					
<b>Transfer In/Out</b>	(203,614)					
<b>Total Expenditures</b>	8,179,264	8,966,878	10,129,747	9,497,597	530,719	5.9%

<b>Managing Division:</b>	
Executive Division	
<b>Contact Person:</b>	
Vanessa Johnson	
<b>Program Purpose:</b>	
Oversee Activities of the Board of Directors.	
<b>Description of Program:</b>	
Administration of activities of the Board of Directors.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Prepare and distribute all meeting materials, including agendas, minutes and correspondence for Board of Directors regular and special meetings, approximately 15 per year.	
Prepare all logistics for Board of Directors regular and special meetings, including scheduling, polling, providing refreshments, preparation of facilities, and legal noticing requirements, approximately 20 per year.	
Prepare and distribute all agenda materials and logistics for Board of Directors Committee meetings, approximately 55 per year. Receive, route, and appropriately address all correspondence directed to the Board.	
Receive, route, and appropriately address all correspondence directed to the Board.	
Track, process and issue monthly travel reimbursement and per diem payments for each member of the Board of Directors.	
Maintain archive of Board materials, including minutes, agendas, correspondence and adopted resolutions.	
Maintain the Air District's website as it relates to the Board of Directors membership, calendar, meeting materials and minutes.	
Assure timely filing of Statement of Economic Interests with the California Fair Political Practices Commission.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Coordinate all Board and Committee meetings.	Ongoing
Coordinate Board Ethics Training and Unconscious Bias Training.	Ongoing
Coordinate New Board Member Orientation.	Ongoing
Coordinate transition to new Chair of the Board of Directors.	Annually
Coordinate Board of Directors Annual Retreat.	Annually
Update of Board Committee assignments.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	1.83	1.70	1.70	1.20	(0.50)	(29.4)%
<b>Personnel Expenditures</b>						
Permanent Salaries	201,428	207,694	207,694	146,119	(61,575)	(29.6)%
Overtime Salaries	1,987					
Payroll Taxes	3,000	2,973	2,973	2,069	(904)	(30.4)%
Pension Benefits	67,991	41,343	41,343	29,032	(12,311)	(29.8)%
FICA Replacement Benefits	1,880	3,470	3,470	4,163	693	20.0%
Group Insurance Benefits	26,368	31,354	31,354	21,756	(9,598)	(30.6)%
Transportation Subsidy	449	2,438	2,438	1,175	(1,263)	(51.8)%
Workers' Compensation	681	841	841	558	(283)	(33.7)%
Discretionary Contribution		17,680	17,680	9,235	(8,445)	(47.8)%
Board Stipends	145,539	115,000	115,000		(115,000)	(100.0)%
<b>Total Personnel Expenditures</b>	449,323	422,793	422,793	214,107	(208,686)	(49.4)%
<b>Services &amp; Supplies Expenditures</b>						
Travel	18,941	41,500	41,500	124,000	82,500	198.8%
Training & Education	6,373	30,000	30,000	23,000	(7,000)	(23.3)%
Professional Services	14,551	22,000	22,000	22,000		
Stationery & Office Supplies		500	500		(500)	(100.0)%
Books & Journals				2,200	2,200	
<b>Total Services &amp; Supplies Expenditures</b>	39,865	94,000	94,000	171,200	77,200	82.1%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	489,188	516,793	516,793	385,307	(131,486)	(25.4)%

<b>Managing Division:</b>	
Executive Division	
<b>Contact Person:</b>	
Vanessa Johnson	
<b>Program Purpose:</b>	
Records, documents, and maintains records of actions of the quasi-judicial Hearing Board.	
<b>Description of Program:</b>	
The Hearing Board is a quasi-judicial body that rules on particular cases that affect only individual facilities. It is authorized to hear requests for variance relief, permit revocation, abatement orders, and appeals by permit applicants, or by interested third parties, concerning the issuance or denial of permits.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Prepare logistics for all Hearing Board meetings, including scheduling, polling, providing refreshments, preparation of facilities, and legal noticing requirements. Develop and maintain Hearing Board calendar and schedules.	
Develop and maintain Hearing Board calendar and schedules.	
Attend all hearings of the Hearing Board.	
Draft selected Orders for Hearing Board review and signature.	
Print and reproduce Hearing Board notices.	
Maintain Record of Actions (Docket Book).	
Prepare and maintain docket files for each hearing.	
Collect required fees from Applicants.	
Follow-up on actions resulting from Hearing Board Orders/decisions.	
Process incoming documents and inquiries.	
Make arrangements for all off-site and webinar hearings.	
Research, compile and prepare reports for presentation to the Board of Directors and others as requested by the Hearing Board.	
Arrange for Hearing Board members attendance at Hearing Board Conferences and CARB Trainings.	
Track, process and issue monthly travel reimbursement and per diem payments for each member of the Hearing Board.	
Archive Hearing Board Dockets and related documents.	
Maintain the Air District's website as it pertains to the Hearing Board membership, calendar, and decisions/orders.	
Coordinate recruitment and orientation of new Hearing Board members as necessary.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Coordinate Hearing Board Activities	Ongoing

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	0.17	0.24	0.24	0.34	0.10	41.7%
<b>Personnel Expenditures</b>						
Permanent Salaries	21,088	30,077	30,077	45,730	15,653	52.0%
Overtime Salaries	511					
Payroll Taxes	325	424	424	646	222	52.4%
Pension Benefits	5,692	5,784	5,784	8,680	2,896	50.1%
FICA Replacement Benefits	204	493	493	1,183	690	140.0%
Group Insurance Benefits	2,816	3,687	3,687	5,243	1,556	42.2%
Transportation Subsidy	53	346	346	334	(12)	(3.5)%
Workers' Compensation	71	119	119	159	40	33.6%
Discretionary Contribution		2,520	2,520	2,898	378	15.0%
Board Stipends	12,050	35,000	35,000	20,000	(15,000)	(42.9)%
<b>Total Personnel Expenditures</b>	42,810	78,450	78,450	84,873	6,423	8.2%
<b>Services &amp; Supplies Expenditures</b>						
Travel	1	8,600	8,600	43,100	34,500	401.2%
Training & Education		2,000	2,000	2,000		
Postage	34	350	350	100	(250)	(71.4)%
Printing & Reproduction		1,000	1,000	500	(500)	(50.0)%
Professional Services	349	4,000	4,000	1,000	(3,000)	(75.0)%
Stationery & Office Supplies		250	250		(250)	(100.0)%
Books & Journals		500	500		(500)	(100.0)%
Minor Office Equipment		200	200		(200)	(100.0)%
<b>Total Services &amp; Supplies Expenditures</b>	384	16,900	16,900	46,700	29,800	176.3%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	43,194	95,350	95,350	131,573	36,223	38.0%



<b>Managing Division:</b>	
Executive Division	
<b>Contact Person:</b>	
Vanessa Johnson	
<b>Program Purpose:</b>	
The Advisory Council studies and makes recommendations on specific matters referred from the Board of Directors or the Air Pollution Control Officer. Matters can include technical, social, economic and environmental aspects of air quality issues. The Community Advisory Council will advise the Board of Directors and the Executive Officer on technical, community, health, and policy matters.	
<b>Description of Program:</b>	
The Advisory Council is comprised of 7 members, appointed by the Board of Directors. SB1415 requires that the Advisory Council members be skilled and experienced in the fields of air pollution, climate change, or the health impacts of air pollution. The Council advises and consults with the Board of Directors and Executive Officer and makes recommendations and reports on matters that affect both policy and the legislative agenda.	
The Community Advisory Council was created at the request of community advocates in the Bay Area. The CAC is a Brown Act Committee and consists of 17 community members. The Councilmembers reflect the diversity of the communities in the Bay Area, the lived experiences in communities heavily impacted by air pollution and are individuals with diverse skill sets and a range of relevant knowledge and technical experience.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Prepare and distribute all meeting materials, including agendas and minutes for Advisory Council regular and special meetings, approximately 4 per year. Prepare logistics for all Advisory Council regular and special meetings, including scheduling, polling, preparation of facilities, providing stenographer, and legal noticing requirements, approximately 4 per year.	
Maintain archive of Advisory Council materials, including minutes, agendas, and presentations.	
Maintain the District's website as it relates to the Advisory Council membership, calendar, meeting materials and minutes. Attend all Regular and Committee meetings of the Advisory Council.	
Track, process and issue quarterly travel reimbursement for each member of the Advisory Council.	
Coordinate recruitment of new Advisory Council members as necessary.	
The Community Advisory Council, which is a Brown Act advisory committee of the Board, will choose its own areas of focus, and provide input on key Air District policies and programs. Potential activities include: Disbursing the Community Benefits Fund; EJ Policy and Community Engagement Guidelines; Racial Equity Framework.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Coordinate activities of the Advisory Council.	Ongoing
Conduct approximately four (4) meetings, based on the topics selected by the Board of Directors and Executive Officer.	Ongoing
Discuss presentations, materials and recommendations received meetings, and prepare and present a report to the Board of Directors.	Ongoing
The CAC advises the Board of Directors and the Executive Officer on technical, community, health, and policy matters.	Ongoing
The Council also exercises its own initiative to select areas for exploration or develop air quality projects or programs that emerge from impacted communities.	Ongoing

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	0.09	0.12	0.12	0.07	(0.05)	(41.7)%
<b>Personnel Expenditures</b>						
Permanent Salaries	10,233	16,982	16,982	7,719	(9,263)	(54.5)%
Overtime Salaries		10,000	10,000		(10,000)	(100.0)%
Payroll Taxes	162	257	257	108	(149)	(58.0)%
Pension Benefits	3,616	3,477	3,477	1,591	(1,886)	(54.2)%
FICA Replacement Benefits	100	236	236	254	18	7.6%
Group Insurance Benefits	1,391	1,895	1,895	1,124	(771)	(40.7)%
Transportation Subsidy	24	165	165	72	(93)	(56.4)%
Workers' Compensation	35	57	57	34	(23)	(40.4)%
Discretionary Contribution		1,242	1,242	486	(756)	(60.9)%
Board Stipends		91,800	91,800	147,240	55,440	60.4%
<b>Total Personnel Expenditures</b>	15,561	126,111	126,111	158,628	32,517	25.8%
<b>Services &amp; Supplies Expenditures</b>						
Travel		45,500	45,500	45,000	(500)	(1.1)%
Training & Education		10,500	10,500	3,000	(7,500)	(71.4)%
Printing & Reproduction		1,000	1,000		(1,000)	(100.0)%
Professional Services		373,500	373,500	31,500	(342,000)	(91.6)%
Books & Journals		500	500		(500)	(100.0)%
<b>Total Services &amp; Supplies Expenditures</b>		431,000	431,000	79,500	(351,500)	(81.6)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	15,561	557,111	557,111	238,128	(318,983)	(57.3)%

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# Finance Office

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The Finance Office holds the responsibility for managing the organization's financial resources, ensuring accurate recording, reporting, and auditing of financial transactions in accordance with the standards set by the Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP). Its primary objective is to oversee the financial well-being of the agency, ensuring financial stability within established budgetary limits. Key functions of the Finance Office include:

1. Budgeting: Collaborating with the various Divisions to prepare, create and monitor the annual agency budget.
2. Accounts Payable: Manage the payment obligations to suppliers or vendors for goods and services received. This department is responsible for processing invoices, verifying the accuracy of the charges, and facilitating timely payments to vendors within the agreed-upon terms.
3. Accounts Receivable: collecting and processing payments for services rendered.
4. Financial Reporting: compiling and presenting financial reports to stakeholders, including management, regulatory bodies, and the public.
5. Audit Preparation: reconciling all financial accounts and preparing all year-end financial audit information, collaborating, coordinating, and communicating with auditors.
6. Financial Analysis: providing timely and accurate analysis of financial data to support decision-making and strategic planning.
7. Payroll: Managing payroll computations, deductions, resolving payment issues, and disbursing payments to employees, tax authorities, and benefits providers.
8. Annual Cost Recovery: calculating the annual cost recovery percentage for each fee schedule to determine the proposed fee increases in coordination with the Engineering Division.

<b>Managing Division:</b>	
Finance Office	
<b>Contact Person:</b>	
Jun Pan	
<b>Program Purpose:</b>	
Administer payroll for District employees.	
<b>Description of Program:</b>	
The Payroll Program includes administering all aspects of the Air District's payroll, leave accruals, deductions, and other related areas dealing with payroll. It includes maintaining and utilizing the current Dayforce payroll system (FY2025).	
<b>Justification of Change Request:</b>	
Increase funds to improve and add features to payroll system to allow for greater efficiency, and increase in professional service fees.	
<b>Activities</b>	
Process biweekly payroll and related payroll reports	
Maintain payroll and time keeping system, implement self-service features of payroll system.	
Monitor leave accruals.	
Audit payroll records.	
Customize payroll system to improve process and workflow.	
Monitor and comply with federal, state, and local regulations related to payroll.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Administer and process biweekly payroll in an efficient and effective manner. Assists with problem solving on all aspects of payroll.	Ongoing
Implement new features of the payroll and timekeeping system and customize system to improve process and workflow. Expand and implement self service features.	Ongoing
Implement document management module in payroll system.	Ongoing

# Payroll

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	2.22	1.55	1.55	2.32	0.77	49.68%
<b>Personnel Expenditures</b>						
Permanent Salaries	378,393	224,426	224,426	366,022	141,596	63.09%
Overtime Salaries	3,267					
Temporary Salaries		40,000	40,000		(40,000)	(100.00)%
Payroll Taxes	5,686	3,175	3,175	5,210	2,035	64.09%
Pension Benefits	130,844	46,321	46,321	74,323	28,002	60.45%
FICA Replacement Benefits	3,513	3,164	3,164	7,990	4,826	152.53%
Group Insurance Benefits	48,943	31,451	31,451	68,658	37,207	118.30%
Transportation Subsidy	785	2,223	2,223	2,255	32	1.44%
Workers' Compensation	1,278	767	767	1,071	304	39.63%
Discretionary Contribution		16,648	16,648	23,294	6,646	39.92%
<b>Total Personnel Expenditures</b>	572,709	368,175	368,175	548,823	180,648	49.07%
<b>Services &amp; Supplies Expenditures</b>						
Travel	2,241	4,400	4,400	3,100	(1,300)	(29.55)%
Training & Education	1,795	3,000	4,450	4,065	(385)	(8.65)%
Professional Services	321,835	300,000	350,231	377,250	27,019	7.71%
<b>Total Services &amp; Supplies Expenditures</b>	325,871	307,400	359,081	384,415	25,334	7.06%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(29,752)					
<b>Total Expenditures</b>	868,828	675,575	727,256	933,238	205,982	28.32%

<b>Managing Division:</b>	
Finance Office	
<b>Contact Person:</b>	
Jun Pan & Danica Winston	
<b>Program Purpose:</b>	
The Finance/Accounting Program is responsible for maintaining the fiscal stewardship and financial accountability of the District.	
<b>Description of Program:</b>	
The Finance Office is responsible for maintaining the fiscal stewardship and financial accountability of the District. These responsibilities include accounting activities, financial audits, and reporting, vendor payments, receipt of permit fees, asset management, and maintenance of the District's financial system. The office is also responsible for the development of the District's annual budget and annual cost recovery analysis, the fiscal maintenance, and financial reporting of all federal and state grants.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Reconcile various grants and assist in preparation of reimbursement request reports.	
Reconcile receipts and disbursements with County Treasurer's Office Reports.	
Prepare quarterly comparison statements for the Finance and Administration Committee presentation.	
Prepare for the annual audit of the District's financial records.	
Analyze and Prepare the annual cost recovery analysis	
Process receipts (checks/credit card payments) on a daily basis.	
Prepare annual proposed budget book.	
Process vendor invoices on a daily basis	
<b>Major Objectives</b>	<b>Delivery Date</b>
Implement Concur State Travel Program	December 2023
Implement Government Accounting Statement Standards	Ongoing
Provide timely financial reports to Division Directors/Officer	Ongoing
Complete Annual Financial Report.	Annually
Ensure timely payment of accounts payable.	Daily
Record timely processing of check and credit card receipts.	Daily
Update and maintain Finance Procedures and Desk Manuals for Finance Office Staff	Ongoing
Update the Air District's Annual Financial Plan	Annually

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	13.52	18.96	18.96	15.66	(3.30)	(17.4)%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,795,044	2,420,897	2,420,897	2,333,046	(87,851)	(3.6)%
Overtime Salaries	5,942	5,000	5,000	6,000	1,000	20.0%
Temporary Salaries		50,000	50,000	80,000	30,000	60.0%
Payroll Taxes	26,449	34,269	34,269	33,404	(865)	(2.5)%
Pension Benefits	505,402	489,243	489,243	462,028	(27,215)	(5.6)%
FICA Replacement Benefits	16,464	38,693	38,693	53,922	15,229	39.4%
Group Insurance Benefits	230,864	418,376	418,376	394,736	(23,640)	(5.7)%
Transportation Subsidy	3,640	27,186	27,186	15,219	(11,967)	(44.0)%
Workers' Compensation	6,064	9,378	9,378	7,248	(2,130)	(22.7)%
Discretionary Contribution		198,727	198,729	148,453	(50,276)	(25.3)%
<b>Total Personnel Expenditures</b>	2,589,869	3,691,769	3,691,771	3,534,056	(157,715)	(4.3)%
<b>Services &amp; Supplies Expenditures</b>						
Travel	4,996	15,600	15,600	11,625	(3,975)	(25.5)%
Training & Education	6,750	20,500	20,500	36,500	16,000	78.0%
Postage		1,000	1,000		(1,000)	(100.0)%
Printing & Reproduction	3,452	6,500	6,500	6,650	150	2.3%
Professional Services	1,098,802	677,020	861,497	680,323	(181,174)	(21.0)%
Computer Hardware & Software		3,000	4,537	3,000	(1,537)	(33.9)%
Stationery & Office Supplies	183	1,200	1,200	1,000	(200)	(16.7)%
Books & Journals		800	800		(800)	(100.0)%
Minor Office Equipment		1,000	1,000	800	(200)	(20.0)%
<b>Total Services &amp; Supplies Expenditures</b>	1,114,183	726,620	912,634	739,898	(172,736)	(18.9)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(116,924)					
<b>Total Expenditures</b>	3,587,128	4,418,389	4,604,405	4,273,954	(330,451)	(7.2)%



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# Human Resources Office

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The Human Resources Office is responsible for personnel matters including payroll and benefits, labor and employee relations, recruitment and testing, employee engagement, processing personnel actions, employee performance appraisal and recognition programs, organizational development and training, health and safety compliance, workers compensation and special events coordination.

## Vision

A work environment in which honesty, integrity, and trust enriches the employee experience.

## Mission

Through strategic partnership and collaboration, we attract, retain, support and develop a diverse and inclusive workforce while fostering a fair, healthy and respectful work environment.

<b>Managing Division:</b>	
Human Resources Office	
<b>Contact Person:</b>	
Judy Yu	
<b>Program Purpose:</b>	
Administer benefits, workers' compensation, and safety programs for District employees.	
<b>Description of Program:</b>	
The Benefits Administration Program includes administering all aspect of employee and retiree benefits, workers' compensation, safety, ergonomics and special events. It includes maintaining and utilizing the current Dayforce human resources information system.	
<b>Justification of Change Request:</b>	
None	
<b>Activities</b>	
Administer benefits for employees and retirees in compliance with policies and procedures.	
Administer health, dental, vision, life and long term disability plans.	
Administer retirement and pension plans.	
Administer flexible spending accounts, employee assistance program, and transit subsidy.	
Administer onboarding and separation.	
Maintain human resources information systems.	
Administer leave program.	
Administer worker's compensation, safety, and ergonomics program.	
Conduct a variety of benefits, safety, and special trainings and events.	
Administer requirements for fitness medical examinations.	
Monitor and comply with federal, state, and local regulations related to benefits.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Administer employee benefit program.	Ongoing
Develop and administer the worker's compensation, safety and ergonomic program.	Ongoing
Review and perform cost benefit analysis of existing benefit contracts and consider alternative plans.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	1.60	1.35	1.35	1.70	0.35	25.9%
<b>Personnel Expenditures</b>						
Permanent Salaries	287,878	187,916	187,916	263,321	75,405	40.1%
Overtime Salaries	7,575			8,000	8,000	
Temporary Salaries	69,405	40,000	40,000	100,000	60,000	150.0%
Payroll Taxes	296,406	2,656	2,656	3,733	1,077	40.5%
Pension Benefits	5,079,733	37,148	37,148	50,796	13,648	36.7%
FICA Replacement Benefits	231,009	2,755	2,755	5,854	3,099	112.5%
Group Insurance Benefits	3,124,898	3,353,633	3,353,633	3,623,278	269,645	8.0%
Transportation Subsidy	626	1,936	1,936	1,652	(284)	(14.7)%
Workers' Compensation	42,432	668	668	785	117	17.5%
Discretionary Contribution		14,385	14,385	16,751	2,366	16.4%
<b>Total Personnel Expenditures</b>	9,139,962	3,641,097	3,641,097	4,074,170	433,073	11.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel		8,800	14,800	8,500	(6,300)	(42.6)%
Training & Education	41,447	55,000	62,461	55,000	(7,461)	(11.9)%
Professional Services	106,117	140,000	179,892	145,000	(34,892)	(19.4)%
Shop & Field Supplies	22,117	35,000	37,390	35,000	(2,390)	(6.4)%
<b>Total Services &amp; Supplies Expenditures</b>	169,681	238,800	294,543	243,500	(51,043)	(17.3)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(215,155)					
<b>Total Expenditures</b>	9,094,488	3,879,897	3,935,640	4,317,670	382,030	9.7%

<b>Managing Division:</b>	
Human Resources Office	
<b>Contact Person:</b>	
Judy Yu	
<b>Program Purpose:</b>	
Provide appropriate workplace learning and organization development to increase organizational effectiveness and results through training and development activities. Administer wellness events and activities to increase the well-being of the employees.	
<b>Description of Program:</b>	
The District's training and development program includes career developmental training for all non-management employees; and career developmental training, skills enhancement, safety, knowledge transfer, and succession planning for supervisory and management employees. It includes analysis of needs assessments and implementation of workforce development activities as part of an overall strategy to retain a top performing and motivated workforce. The program also includes the administration and coordination of wellness activities and events.	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Provide District-wide and Division-specific trainings.	
Develop leadership development program and mentorship program as part of overall succession planning.	
Provide Ethics, Harassment Prevention, and any required trainings.	
Provide coaching and development support to management and staff as needed.	
Administer the performance evaluation program.	
Administer the educational reimbursement and loan program.	
Coordinate and implement the various wellness activities and events.	
Coordinate the employee engagement program.	
Monitor and comply with federal, state, and local regulations related to training.	
Administer Form 700.	
Maintain Learning Management System.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Develop and administer the training programs for all staff level focusing in the changing needs and priorities of the Air District.	Ongoing
Administer Learning Management System and E-learning.	Ongoing
Coordinate the employee engagement program	Ongoing
Develop and administer the wellness program.	Ongoing
Develop and implement a new performance management system.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	1.92	1.44	1.44	2.84	1.40	97.2%
<b>Personnel Expenditures</b>						
Permanent Salaries	269,266	223,661	223,661	393,968	170,307	76.1%
Overtime Salaries	4,606			5,000	5,000	
Payroll Taxes	3,948	3,202	3,202	5,576	2,374	74.1%
Pension Benefits	86,517	46,164	46,164	76,193	30,029	65.0%
FICA Replacement Benefits	2,473	2,935	2,935	9,792	6,857	233.6%
Group Insurance Benefits	34,734	32,239	32,239	64,850	32,611	101.2%
Transportation Subsidy	550	2,063	2,063	2,764	701	34.0%
Workers' Compensation	910	711	711	1,313	602	84.7%
Discretionary Contribution		15,682	15,682	24,994	9,312	59.4%
<b>Total Personnel Expenditures</b>	403,004	326,657	326,657	584,450	257,793	78.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel	3,458	4,400	4,400	4,300	(100)	(2.3)%
Training & Education	175,603	365,000	414,818	385,000	(29,818)	(7.2)%
Professional Services	783	600,000	600,000	350,000	(250,000)	(41.7)%
<b>Total Services &amp; Supplies Expenditures</b>	179,844	969,400	1,019,218	739,300	(279,918)	(27.5)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(20,119)					
<b>Total Expenditures</b>	562,729	1,296,057	1,345,875	1,323,750	(22,125)	(1.6)%

<b>Managing Division:</b>	
Human Resources Office	
<b>Contact Person:</b>	
Judy Yu	
<b>Program Purpose:</b>	
Provide management and staff support in the area of employment relations.	
<b>Description of Program:</b>	
The Employment Relations Program includes the following District activities: employee relations, labor relations, classification and compensation, Equal Employment Opportunity (EEO) programs, regulatory compliance, research and recordkeeping.	
<b>Justification of Change Request:</b>	
Increase in professional service fees.	
<b>Activities</b>	
Administer, interpret, and implement the Memorandum of Understanding (MOU) and Personnel Policies and Procedures of the Administrative Code.	
Provide management and staff consultation.	
Meet and negotiate with Employee Association on appropriate subjects.	
Administer EEO Policy.	
Provide support of grievance/arbitration processes.	
Maintain accurate employment records.	
Provide discipline counseling.	
Monitor and comply with federal, state, and local regulations related to labor.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Administer, interpret, implement and comply with the MOU and Administrative Code.	Ongoing
Negotiate successor contract and continue positive relations with the Employees' Association.	Ongoing
Monitor and comply with federal, state, and local regulations.	Ongoing
Administer the Equal Employment Opportunity policy.	Ongoing
Ensure reliability of employment history and data.	Ongoing
Review and updates Human Resources policies and procedures.	Ongoing

# Employment Relations

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	2.81	3.43	3.43	2.97	(0.46)	(13.41)%
<b>Personnel Expenditures</b>						
Permanent Salaries	565,027	570,160	570,160	603,726	33,566	5.89%
Overtime Salaries	2,573			5,000	5,000	
Temporary Salaries				100,000	100,000	
Payroll Taxes	8,412	8,219	8,219	8,896	677	8.2%
Pension Benefits	139,826	118,474	118,474	119,448	974	0.8%
FICA Replacement Benefits	5,290	6,993	6,993	10,266	3,273	46.8%
Group Insurance Benefits	74,420	60,657	60,657	71,401	10,744	17.7%
Transportation Subsidy	1,170	4,914	4,914	2,897	(2,017)	(41.0)%
Workers' Compensation	1,909	1,695	1,695	1,377	(318)	(18.8)%
Discretionary Contribution		37,925	37,925	38,612	687	1.8%
<b>Total Personnel Expenditures</b>	798,627	809,037	809,037	961,623	152,586	18.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel	4,894	8,000	8,000	9,000	1,000	12.5%
Training & Education	6,344	12,500	12,500	11,000	(1,500)	(12.0)%
Communications	1,088					
Printing & Reproduction	115					
Professional Services	348,776	502,000	561,780	522,000	(39,780)	(7.1)%
<b>Total Services &amp; Supplies Expenditures</b>	361,217	522,500	582,280	542,000	(40,280)	(6.9)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(37,483)					
<b>Total Expenditures</b>	1,122,361	1,331,537	1,391,317	1,503,623	112,306	8.07%



<b>Managing Division:</b>	
Human Resources Office	
<b>Contact Person:</b>	
Judy Yu	
<b>Program Purpose:</b>	
Administer a merit based recruitment and selection process for external and internal candidates to fill vacant positions.	
<b>Description of Program:</b>	
The Recruitment and Testing Program includes the following activities: testing of internal and external candidates, outreaching and advertising the positions as a choice of employment, maintaining the recruiting online system, maintaining equal employment policy, including diversity, equity and inclusion as part of the recruiting process, and compliance with all laws, policies, and requirements.	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Conduct merit-based testing and incorporate diversity, equity, and inclusion as part of the process.	
Advertise and outreach vacant positions in various mediums to diversify applicant pool.	
Work with hiring managers to determine recruitment strategies.	
Perform background checks, reference checks, DMV checks and physical abilities checks.	
Participate in local, state and federal job fairs and similar outreach activities.	
Contract professional services for specialized executive management recruitments.	
Maintain online applicant tracking system.	
Monitor and comply with federal, state, and local regulations related to testing	
Conduct District-wide classification and compensation study.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Conduct merit based testing for internal and external candidates and incorporate diversity, equity and inclusion into the process.	Ongoing
Comply with all applicable recruitment policies, requirements and law.	Ongoing
Conduct regional, statewide and nationwide outreach to attract quality and diversity of candidates.	Ongoing
Maintain Air District's Equal Opportunity Policy for recruitment and testing.	Ongoing
Conduct classification and compensation study.	Ongoing

# Recruitment & Testing

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	2.42	3.45	3.45	4.12	0.67	19.42%
<b>Personnel Expenditures</b>						
Permanent Salaries	440,723	531,424	531,424	637,576	106,152	19.98%
Overtime Salaries	6,262			10,000	10,000	
Temporary Salaries		40,000	40,000	100,000	60,000	150.0%
Payroll Taxes	6,466	7,563	7,563	9,039	1,476	19.5%
Pension Benefits	129,095	113,290	113,290	128,701	15,411	13.6%
FICA Replacement Benefits	4,015	7,040	7,040	14,198	7,158	101.7%
Group Insurance Benefits	56,197	62,721	62,721	71,698	8,977	14.3%
Transportation Subsidy	887	4,947	4,947	4,007	(940)	(19.0)%
Workers' Compensation	1,489	1,706	1,706	1,904	198	11.6%
Discretionary Contribution		37,537	37,537	40,557	3,020	8.0%
<b>Total Personnel Expenditures</b>	645,134	806,228	806,228	1,017,680	211,452	26.2%
<b>Services &amp; Supplies Expenditures</b>						
Travel	7,907	8,800	8,800	8,500	(300)	(3.4)%
Training & Education	6,200	3,000	3,000	12,000	9,000	300.0%
Communications	9,981	60,000	97,287	50,000	(47,287)	(48.6)%
Professional Services	101,442	100,000	112,385	85,000	(27,385)	(24.4)%
<b>Total Services &amp; Supplies Expenditures</b>	125,530	171,800	221,472	155,500	(65,972)	(29.8)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(19,714)					
<b>Total Expenditures</b>	750,950	978,028	1,027,700	1,173,180	145,480	14.16%

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## Information Services Operations Division

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The Information Systems Division focuses on Information technology operations, cybersecurity, engineering, and user support.

Under this Division, Engineering and Operations Program staff provide design, implementation, security and maintenance of all computer server infrastructures including but not limited to email, telecommunications, network, file storage, business continuity/disaster recovery, and remote connectivity. The support team in this program provides user support to District staff for all technologies and user support to outside members of the regulated community that utilize on-line District technologies.

<b>Managing Division:</b>	
Information Services Operations	
<b>Contact Person:</b>	
Derek Klein	
<b>Program Purpose:</b>	
Provide computer server, networking and telecommunications infrastructure both on premises and in the cloud. Provide second tier service and support for escalated user support issues. Provide for Air District cybersecurity.	
<b>Description of Program:</b>	
Operate, engineer, purchase, install, upgrade, secure, monitor, maintain, and repair new software systems, computer networks, network servers, telephone systems, voicemail systems, firewalls, personal computers, workstations, file and database server hardware, and operating system and application software.	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Administration of VMWare servers.	
Configuration and administration of network routers, switches, firewalls and internet access.	
Support and administer DNS servers.	
Administration of desktop operating system and applications software.	
Administration of Windows Active Directory and servers.	
Administration of NetApp SAN storage system.	
Administration of MS Exchange-Online, Internet and remote access systems.	
Maintain servers by patching	
<b>Major Objectives</b>	<b>Delivery Date</b>
Refresh Servers and Storage infrastructure	Annually
Maintain computer operations availability for 10 hours/day, 5 days/week.	Daily
Provide communications availability for 10 hours/day, 5 days/week.	Daily
Maintain LAN operations availability for 10 hours/day, 5 days/week.	Daily
Maintain network routers and firewall.	Weekly
Provide system connectivity support for JD Edwards.	Monthly
Support, troubleshoot and maintain desktop workstations.	Weekly
Support and upgrade remote access capabilities.	Monthly
Maintain voice messaging system, including menus and changes for field staff.	Monthly

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	7.01	7.00	7.00	7.00		
<b>Personnel Expenditures</b>						
Permanent Salaries	1,109,617	1,145,895	1,145,895	1,157,188	11,293	1.0%
Overtime Salaries	6,447					
Payroll Taxes	16,373	16,518	16,518	16,567	49	0.3%
Pension Benefits	327,997	238,534	238,534	231,935	(6,599)	(2.8)%
FICA Replacement Benefits	10,258	14,285	14,285	24,108	9,823	68.8%
Group Insurance Benefits	143,711	157,174	157,174	195,611	38,437	24.5%
Transportation Subsidy	2,570	10,037	10,037	6,804	(3,233)	(32.2)%
Workers' Compensation	3,749	3,462	3,462	3,233	(229)	(6.6)%
Discretionary Contribution		77,186	77,186	73,719	(3,467)	(4.5)%
<b>Total Personnel Expenditures</b>	1,620,722	1,663,091	1,663,091	1,709,165	46,074	2.8%
<b>Services &amp; Supplies Expenditures</b>						
Travel	419	11,200	11,200	22,600	11,400	101.8%
Training & Education		60,000	77,712	60,000	(17,712)	(22.8)%
Repair & Maintenance	548,669	1,530,000	1,719,952	1,555,800	(164,152)	(9.5)%
Communications	30,072	21,600	24,631	22,000	(2,631)	(10.7)%
Professional Services	294,193	580,000	756,207	590,000	(166,207)	(22.0)%
Computer Hardware & Software	84,679	514,100	745,655	362,850	(382,805)	(51.3)%
<b>Total Services &amp; Supplies Expenditures</b>	958,032	2,716,900	3,335,357	2,613,250	(722,107)	(21.7)%
<b>Capital Expenditures</b>						
Computer & Network		900,000	1,121,080		(1,121,080)	(100.0)%
Communications Equipment	22,599	150,000	327,401		(327,401)	(100.0)%
<b>Total Capital Expenditures</b>	22,599	1,050,000	1,448,481		(1,448,481)	(100.0)%
<b>Transfer In/Out</b>	(84,230)					
<b>Total Expenditures</b>	2,517,123	5,429,991	6,446,929	4,322,415	(2,124,514)	(33.0)%

<b>Managing Division:</b>	
Information Services Operations	
<b>Contact Person:</b>	
Duane Vazquez	
<b>Program Purpose:</b>	
Provide end user support and manage the procurement of computer workstations and telecommunications systems.	
<b>Description of Program:</b>	
Operate, engineer, procure, install, configure, upgrade, maintain, repair and manage inventory for software and hardware computers, telephone systems, voicemail systems, wireless/cellular, printers and misc. peripheral devices. Provide technical assistance for computer systems, telephone systems, voicemail systems, hardware, and software. Assist in developing user training curriculum. Track and optimize user support metrics.	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Administration of desktop operating system and applications software.	
Administration of Cisco telephone and voice mail system.	
Configuration and administration of MFC printers, voip handsets, cellular devices, misc handheld & peripheral devices	
Purchase, installation, upgrade, maintenance, and repair of desktop workstations and printers.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Manage ticketing system to optimize user support performance indicators.	Daily
Maintain computer operations availability for 10 hours/day, 5 days/week.	Daily
Support, troubleshoot and maintain desktop workstations.	Weekly
Maintain voice messaging system, including menus and changes for field staff.	Monthly

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	1.00	5.00	5.00	5.00		
<b>Personnel Expenditures</b>						
Permanent Salaries	143,227	677,059	677,059	709,169	32,110	4.74%
Payroll Taxes	2,113	9,563	9,563	10,039	476	5.0%
Pension Benefits	56,117	137,745	137,745	139,275	1,530	1.1%
FICA Replacement Benefits	1,324	10,204	10,204	17,220	7,016	68.8%
Group Insurance Benefits	18,550	83,228	83,228	109,152	25,924	31.1%
Transportation Subsidy		7,169	7,169	4,860	(2,309)	(32.2)%
Workers' Compensation	484	2,473	2,473	2,309	(164)	(6.6)%
Discretionary Contribution		52,992	52,992	45,017	(7,975)	(15.0)%
<b>Total Personnel Expenditures</b>	221,815	980,433	980,433	1,037,041	56,608	5.8%
<b>Services &amp; Supplies Expenditures</b>						
Travel		2,000	2,000	2,000		
Training & Education		35,000	35,000	35,000		
Repair & Maintenance	2,110	10,000	17,890	18,000	110	0.6%
Communications		20,000	20,000	20,000		
Professional Services				100,000	100,000	
Computer Hardware & Software	24,074	304,000	315,168	444,000	128,832	40.9%
<b>Total Services &amp; Supplies Expenditures</b>	26,184	371,000	390,058	619,000	228,942	58.7%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(11,528)					
<b>Total Expenditures</b>	236,471	1,351,433	1,370,491	1,656,041	285,550	20.84%



## SERVICE AREA - GENERAL COUNSEL

## General Counsel Division

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The General Counsel provides legal advice, counseling and representation to the Board of Directors and its Committees, the Executive Officer/APCO, Air District staff, and the Community Advisory Council in the execution of their respective statutory mandates and responsibilities. The General Counsel also represents the Air District, or manages outside counsel representing the Air District, in all litigation involving the Air District and in matters before the Air District's Hearing Board. The General Counsel primarily practices in the areas of general civil law, Federal, State and local air pollution control law, administrative law, Federal and State civil litigation, government law, and the California Environmental Quality Act.

This fiscal year, the General Counsel will continue to prosecute enforcement cases referred to it by the Compliance and Enforcement Division. These enforcement cases will include civil penalty prosecutions, which most often result in a settlement where the violator agrees to pay an appropriate civil penalty but can also proceed to litigation if a violator will not agree to an appropriate penalty. They will also include abatement order cases before the Air District's Hearing Board in situations where there is ongoing non-compliance that needs to be addressed, and may include court cases as well to the extent that Hearing Board action is insufficient or otherwise inappropriate. These enforcement efforts to be undertaken this fiscal year are once again designed to provide an appropriate enforcement response to violations of Air District regulations to ensure compliance, deter future violations, impose civil penalties commensurate with the nature of the air quality violation involved, remove the economic benefit of violations, promote equity, and encourage proactive measures to maintain compliance by the regulated community. This fiscal year, the General Counsel will also continue to implement the Mutual Settlement Program, which prosecutes violations by small businesses and similar entities through small claims court, which is a more efficient and effective way to address violations for which a large penalty would not be appropriate. The General Counsel will also continue to coordinate with, and provide training for, Compliance and Enforcement Division staff regarding case development. These efforts will ensure that effective enforcement cases are built from the beginning of investigations and will result in more effective settlements and prosecutions. The General Counsel's attorneys will continue their focus on civil penalty enforcement investigations and actions, including civil litigation and, where appropriate, Hearing Board enforcement proceedings.

The General Counsel's office will continue to advise Air District staff on rulemaking, permitting and air quality planning activities. In this regard, the General Counsel's office will continue its efforts to coordinate closely with the Air District's staff on these issues to minimize challenges to Air District decision-making. The General Counsel will also continue to represent the Executive Officer/APCO before the Hearing Board, counsel the Board of Directors and its Committees as to their legal authority and duties, and interact with EPA, CARB, other Air Districts and private attorneys on various matters. The General Counsel will continue to use outside labor/employment law firms to handle the specialized practice of labor and employment law counseling, negotiations and litigation. In addition to continuing to provide pre-litigation counseling, and to handle litigation matters internally, the General Counsel will continue to manage the efforts of outside counsel as appropriate in litigation, employment, and specialized counseling matters. This work will include ongoing litigation cases that are currently pending in Superior Court, as well as any additional litigation that may arise.

The General Counsel will also continue to advise the Community Advisory Council and Air District staff regarding the Air District's efforts to advance environmental justice, achieve equitable outcomes, and address disparate air pollution and public health impacts in overburdened communities. This work will include an assigned attorney to support the Community Advisory Council, as well as support for the AB 617 program and the Community Steering Committees developing Community Emission Reduction Plans under that program. It will also include supporting Community Engagement staff and other staff within the agency as they develop these programs.

Finally, in FYE 2025 the General Counsel will continue a capacity building and development effort after a period of transition in the Legal Division. The General Counsel will refine the division's new policies and procedures to govern the Division's work and fully implement the division's new management practices. The General Counsel will also oversee the training and development of new attorneys in all aspects of the Air District's work."

<b>Managing Division:</b>	
Legal Services Division	
<b>Contact Person:</b>	
Carrie Schilling	
<b>Program Purpose:</b>	
To advise, counsel and assist the Board of Directors, the Executive Officer/APCO, and District staff on all legal matters related to the Air District's clean air mission and operations.	
<b>Description of Program:</b>	
The General Counsel provides a wide variety of legal services to the Board of Directors, the Executive Officer/APCO, the Advisory Council and Community Advisory Council, and Air District staff. Those services include advising and counseling on issues arising under Federal and State air pollution laws, the Brown Act, the California Environmental Quality Act (CEQA), the Public Records Act, and conflict of interest laws. Attorneys in the General Counsel's office prepare and review complex contracts and provide legal opinions and advice on rule development and governmental and general law issues, including enforcement, permitting and air quality planning matters. Work in the General Counsel's office also includes the development and implementation of legal policy documents for the Air District.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Staff all Board of Director and Board Committee meetings and provide legal advice and direction, as necessary, at such meetings.	
Draft all necessary resolutions for adoption by the Board of Directors.	
Provide all legal opinions, reports and correspondence requested by the Board of Directors, the Advisory Council and the Executive Officer/APCO.	
Review and comment on all legislative proposals affecting the District.	
Provide legal advice and review of all rule adoptions and amendments including CEQA analysis.	
Staff all meetings with District staff, members of the public, representatives of other public agencies, environmental groups, industry, the press and legislative representatives involving District permitting, rule development or enforcement.	
Provide legal advice, direction and contract drafting to administration of TFCA.	
Advise and assist the Executive Officer/APCO and District staff in legal matters involving contracts, the Public Records Act, conflicts of interest, leases and copyrights.	
Advise Air District staff and the Board of Directors on all issues related to the Federal Clean Air Act, California Clean Air Act and associated State and Federal regulations.	
Provide all staff support functions associated with the above activities.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Incorporate equity and Environmental Justice principles into Legal Division policies and decision-making.	Ongoing

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	7.22	7.80	7.80	8.45	0.65	8.3%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,539,232	1,583,480	1,583,480	1,799,943	216,463	13.7%
Overtime Salaries	585	500	500	1,000	500	100.0%
Temporary Salaries			100,000	195,000	95,000	95.0%
Payroll Taxes	22,653	24,229	24,229	27,782	3,553	14.7%
Pension Benefits	661,003	324,908	324,908	357,486	32,578	10.0%
FICA Replacement Benefits	14,153	15,921	15,921	29,088	13,167	82.7%
Group Insurance Benefits	198,114	163,982	163,982	178,539	14,557	8.9%
Transportation Subsidy	3,134	11,186	11,186	8,209	(2,977)	(26.6)%
Workers' Compensation	5,192	3,859	3,859	3,901	42	1.1%
Discretionary Contribution		90,661	90,661	115,218	24,557	27.1%
<b>Total Personnel Expenditures</b>	2,444,066	2,218,726	2,318,726	2,716,166	397,440	17.1%
<b>Services &amp; Supplies Expenditures</b>						
Travel	2,580	3,500	3,500	4,500	1,000	28.6%
Training & Education	5,458	10,500	10,500	6,500	(4,000)	(38.1)%
Communications	2,217	5,000	5,000	1,500	(3,500)	(70.0)%
Printing & Reproduction		3,000	3,000		(3,000)	(100.0)%
Professional Services	33,406	608,000	629,338	312,000	(317,338)	(50.4)%
Shop & Field Supplies	93					
Stationery & Office Supplies	1,350	1,000	1,795	1,400	(395)	(22.0)%
Books & Journals	56,349	65,000	66,085	130,000	63,915	96.7%
<b>Total Services &amp; Supplies Expenditures</b>	101,453	696,000	719,218	455,900	(263,318)	(36.6)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(130,234)					
<b>Total Expenditures</b>	2,415,285	2,914,726	3,037,944	3,172,066	134,122	4.4%

<b>Managing Division:</b>	
Legal Services Division	
<b>Contact Person:</b>	
Carrie Schilling	
<b>Program Purpose:</b>	
To represent the APCO in all proceedings involving variances, orders of abatement, permit appeals and permit revocations before the Air District's Hearing Board.	
<b>Description of Program:</b>	
The General Counsel provides all necessary legal representation and counsel for the APCO in variance, abatement order, permit appeal, and permit revocation actions before the Air District's Hearing Board. Permit holders may seek variance relief from the Hearing Board when they are unable to meet an Air District rule or permit requirement, as long as state law requirements are met. The APCO may seek orders of abatement against facilities for on-going violations, or seek to revoke those facilities' permits. The General Counsel also represents the APCO in appeals by applicants or third parties to permitting decisions made by the APCO.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Review and advise Air District staff regarding the legal and factual sufficiency of variance requests.	
Prepare and/or review all required written correspondence, pleadings and orders.	
Represent the Air District in all Hearing Board matters, including preparing all written submissions for these cases.	
Prepare Air District witnesses for hearings.	
Provide staff support functions associated with the above activities.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Not applicable.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	0.11	0.70	0.70	0.15	(0.55)	(78.6)%
<b>Personnel Expenditures</b>						
Permanent Salaries	22,181	140,632	140,632	39,246	(101,386)	(72.1)%
Payroll Taxes	354	2,030	2,030	631	(1,399)	(68.9)%
Pension Benefits	2,845	27,597	27,597	7,500	(20,097)	(72.8)%
FICA Replacement Benefits	230	1,428	1,428	533	(895)	(62.7)%
Group Insurance Benefits	3,209	13,337	13,337	2,243	(11,094)	(83.2)%
Transportation Subsidy	51	1,004	1,004	150	(854)	(85.1)%
Workers' Compensation	75	346	346	71	(275)	(79.5)%
Discretionary Contribution		8,113	8,113	2,519	(5,594)	(69.0)%
<b>Total Personnel Expenditures</b>	28,945	194,487	194,487	52,893	(141,594)	(72.8)%
<b>Services &amp; Supplies Expenditures</b>						
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	28,945	194,487	194,487	52,893	(141,594)	(72.8)%

<b>Managing Division:</b>	
Legal Services Division	
<b>Contact Person:</b>	
Carrie Schilling	
<b>Program Purpose:</b>	
To remove the economic benefit from, and provide an effective deterrence to, violations of Air District rules by assessing monetary penalties as provided for in the California Health and Safety Code and by pursuing injunctive relief to address any ongoing non-compliance with air pollution regulations.	
<b>Description of Program:</b>	
The General Counsel enforces the Air District's rules by assessing penalties against violators, either through settlement or in court if violators refuse to pay an appropriate penalty voluntarily; by pursuing administrative enforcement actions (orders of abatement and revocation of permits) before the Air District's Hearing Board; and by coordinating with other agencies with civil or criminal enforcement authority, either through joint prosecutions or through referrals. The General Counsel also oversees the Mutual Settlement program, which resolves more minor violations through a small claims court process, which is more efficient and cost-effective than resolution by an attorney where a large penalty would not appropriate (e.g., for administrative violations by small businesses with a limited ability to pay).	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Administer Mutual Settlement Program.	
Pursue Small Claims Court actions to collect civil penalties.	
Provide full time clerical staff support for this program.	
Prepare witnesses and documentary evidence for administrative hearings and civil litigation associated with actions to recover civil penalties.	
Meet and confer with District staff and defendants to discuss settlement or to advance litigation.	
Represent the District in all court hearings, settlement conferences and civil discovery.	
Coordinate the referral of cases for civil and criminal prosecution to District Attorney offices and other agencies with jurisdiction over air quality issues.	
Prepare all correspondence and prepare and file all pleadings in civil and administrative actions.	
Settle or pursue enforcement actions on all Notices of Violation (NOVs).	
<b>Major Objectives</b>	<b>Delivery Date</b>
Not applicable.	Ongoing

# Penalties Enforcement & Settlement

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	5.06	7.05	7.05	6.96	(0.09)	(1.3)%
<b>Personnel Expenditures</b>						
Permanent Salaries	805,605	1,212,924	1,212,924	1,453,984	241,060	19.9%
Overtime Salaries	41	100	100		(100)	(100.0)%
Temporary Salaries				58,286	58,286	
Payroll Taxes	11,616	17,424	17,424	22,292	4,868	27.9%
Pension Benefits	187,388	247,689	247,689	293,519	45,830	18.5%
FICA Replacement Benefits	7,255	14,384	14,384	23,937	9,553	66.4%
Group Insurance Benefits	102,184	141,111	141,111	119,899	(21,212)	(15.0)%
Transportation Subsidy	1,608	10,107	10,107	6,756	(3,351)	(33.2)%
Workers' Compensation	2,722	3,486	3,486	3,210	(276)	(7.9)%
Discretionary Contribution		78,615	78,615	93,043	14,428	18.4%
<b>Total Personnel Expenditures</b>	1,118,419	1,725,840	1,725,840	2,074,926	349,086	20.2%
<b>Services &amp; Supplies Expenditures</b>						
Travel	70	2,800	2,800	2,300	(500)	(17.9)%
Training & Education		2,000	2,000		(2,000)	(100.0)%
Professional Services				75,000	75,000	
Books & Journals		1,000	1,000		(1,000)	(100.0)%
<b>Total Services &amp; Supplies Expenditures</b>	70	5,800	5,800	77,300	71,500	1,232.8%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,118,489	1,731,640	1,731,640	2,152,226	420,586	24.3%



<b>Managing Division:</b>	
Legal Services Division	
<b>Contact Person:</b>	
Carrie Schilling	
<b>Program Purpose:</b>	
To represent and oversee Air District representation in litigation in State and Federal courts.	
<b>Description of Program:</b>	
The General Counsel represents the Air District in all litigation matters in State and Federal court and in administrative proceedings. In some cases, the attorneys in the General Counsel's office handle such litigation in-house. In other cases, the General Counsel manages and oversees outside counsel handling such litigation. Such cases include situations where the size or complexity of the matter requires additional litigation resources beyond the capacity of the General Counsel's office, as well as litigation involving specialized legal areas such as labor law, employment law and tort actions. The General Counsel keeps the Board of Directors informed about the status of all litigation through periodic written updates and closed-session briefings.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Represent Air District in State court actions.	
Represent Air District in Federal court actions.	
Provide litigation status reports to Air District Board of Directors.	
Legal research for litigation matters.	
Monitor and direct activities of outside counsel in general litigation and specialized legal areas such as labor law, employment law and tort actions.	
Provide clerical support for litigation matters.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Not Applicable	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	0.32	0.30	0.30	1.09	0.79	263.3%
<b>Personnel Expenditures</b>						
Permanent Salaries	50,757	61,536	61,536	183,732	122,196	198.6%
Overtime Salaries		500	500		(500)	(100.0)%
Payroll Taxes	708	891	891	2,707	1,816	203.8%
Pension Benefits	26,654	11,861	11,861	37,849	25,988	219.1%
FICA Replacement Benefits	460	613	613	3,786	3,173	517.6%
Group Insurance Benefits	6,530	6,557	6,557	16,417	9,860	150.4%
Transportation Subsidy	101	430	430	1,068	638	148.4%
Workers' Compensation	171	148	148	508	360	243.2%
Discretionary Contribution		3,496	3,496	11,707	8,211	234.9%
<b>Total Personnel Expenditures</b>	85,381	86,032	86,032	257,774	171,742	199.6%
<b>Services &amp; Supplies Expenditures</b>						
Travel		100	100	100		
Training & Education		3,000	3,000		(3,000)	(100.0)%
Postage	16	2,000	2,000	100	(1,900)	(95.0)%
Professional Services	778,942	235,000	895,955	205,000	(690,955)	(77.1)%
Books & Journals	10,311	7,000	7,000	7,000		
Minor Office Equipment		1,000	1,000	1,000		
<b>Total Services &amp; Supplies Expenditures</b>	789,269	248,100	909,055	213,200	(695,855)	(76.5)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	874,650	334,132	995,087	470,974	(524,113)	(52.7)%

**SERVICE AREA - PUBLIC AFFAIRS**

## Communications Office

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The Communications Office coordinates all agency media outreach, Air District messaging, crisis communications, media relations as well as print, digital and social media outreach for the Air District. The Office provides media and public outreach about the Air District's programs, operations and incident response.

The Office manages advertising and outreach for Spare the Air and the Employer Programs. The Office oversees the Air District and Spare the Air social media sites, strategies and programs. The Office maintains the Spare the Air website and related sites and the Spare the Air mobile apps. The Office represents the Air District at community events for Spare the Air throughout the region.

Office functions include production of publications and digital collateral for the general public and target audiences. This includes publishing newsletters, the annual report, videos and collateral materials. The Office also provides and oversees graphic design services, social media content creation, translation services and videography.

<b>Managing Division:</b>	
Communications Office	
<b>Contact Person:</b>	
Kristina Chu	
<b>Program Purpose:</b>	
Provide proactive outreach to media to inform the public about air quality issues, agency program and initiatives and to maintain positive media relations. Act as the Air District's main point of contact to the public through media and social media. Increase public awareness and understanding of the Spare the Air program and other Air District programs, initiatives, and regulations. Provide consistent internal communications messaging to agency staff. Support incident response by notifying the media and public about air quality incidents.	
<b>Description of Program:</b>	
Provide proactive media outreach about air quality issues, Air District programs and the purpose and functions of the agency through printed materials, media events, promotional materials, websites, press releases, publications, videos, mobile apps and social media. Develop graphically appealing and compelling images to better message Air District programs, policies and efforts on social media, videos, presentations and displays. Develop an internal communications program and will create templates and brand guides to standardize agency-wide materials. Provide information to the media and public about air quality incidents. Monitor and measure the effectiveness of the Spare the Air campaign via public opinion surveys.	
<b>Justification of Change Request:</b>	
Budget increase due to creation of internal communications strategy and growing incident response needs.	
<b>Activities</b>	
Conduct Spare the Air public opinion surveys to evaluate program and measure behavior change.	
Produce publications including plans, brochures, booklets and other Air District documents.	
Issue press releases and host media events highlighting Air District accomplishments.	
Develop and implement media, social media and communication strategies around major Air District policies and issues.	
Track and analyze print, internet, radio, social media and television coverage of the Air District.	
Develop an internal communications program and create templates and brand guides to standardize agency-wide materials.	
Develop incident response communications internal, media and social media outreach procedures	
Support Air District's Incident Response Plan	
<b>Major Objectives</b>	<b>Delivery Date</b>
Develop media response / operating procedures, Air District media policy, and social media policy.	Ongoing
Produce Air District Annual Report.	June 2025
Develop videos, news releases / statements, infographics and display graphics for Air District programs / events.	Ongoing
Develop incident response communications and emergency response for air quality incidents.	Ongoing
Host media events to promote Air District programs and initiatives.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	6.61	5.29	5.29	6.50	1.21	22.9%
<b>Personnel Expenditures</b>						
Permanent Salaries	970,925	789,359	789,359	1,064,879	275,520	34.9%
Overtime Salaries	3,976	7,000	7,000	7,000		
Temporary Salaries	284					
Payroll Taxes	14,488	11,361	11,361	15,394	4,033	35.5%
Pension Benefits	311,526	166,788	166,788	217,524	50,736	30.4%
FICA Replacement Benefits	9,050	10,804	10,804	22,368	11,564	107.0%
Group Insurance Benefits	126,692	103,265	103,265	137,323	34,058	33.0%
Transportation Subsidy	2,003	7,591	7,591	6,313	(1,278)	(16.8)%
Workers' Compensation	3,289	2,619	2,619	3,000	381	14.5%
Discretionary Contribution		57,208	57,208	67,826	10,618	18.6%
<b>Total Personnel Expenditures</b>	1,442,233	1,155,995	1,155,995	1,541,627	385,632	33.4%
<b>Services &amp; Supplies Expenditures</b>						
Travel	2,136	20,000	20,000	14,000	(6,000)	(30.0)%
Training & Education	2,943	21,500	31,555	21,500	(10,055)	(31.9)%
Communications	12,910	47,000	47,000	47,000		
Postage		4,000	4,000	4,000		
Printing & Reproduction	7,566	42,500	66,528	42,500	(24,028)	(36.1)%
Professional Services	385,376	500,750	1,138,865	540,410	(598,455)	(52.5)%
Shop & Field Supplies	60	500	500	500		
Stationery & Office Supplies		4,000	4,000	4,000		
Minor Office Equipment		1,000	1,000	1,000		
<b>Total Services &amp; Supplies Expenditures</b>	410,991	641,250	1,313,448	674,910	(638,538)	(48.6)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(34,472)					
<b>Total Expenditures</b>	1,818,752	1,797,245	2,469,443	2,216,537	(252,906)	(10.2)%

<b>Managing Division:</b>	
Communications Office	
<b>Contact Person:</b>	
Kristina Chu	
<b>Program Purpose:</b>	
The Spare the Air winter program informs the public about the Wood Burning Rule, the health impacts of wood smoke pollution and alternative, cleaner forms of heat and change-out incentives.	
<b>Description of Program:</b>	
The Wood Burning Rule was passed in 2008 and wood burning is banned when a Spare the Air Alert is called for fine particulate pollution. The Spare the Air winter campaign informs the public about the health impacts of wood smoke both inside and outside the home. A seasonal messaging/advertising campaign is developed and delivered to the public through regional advertising, media outreach, neighborhood events and through seasonal door-to-door outreach and survey campaign.	
<b>Justification of Change Request:</b>	
No change.	
<b>Activities</b>	
Develop and disseminate a Spare the Air winter campaign to inform the public about the health impacts of wood smoke.	
Prepare and issue media releases, respond to media inquiries and plan media events/deskside & editorial board visits.	
Conduct public opinion surveys to evaluate program and measure behavior change.	
Manage and update the baaqmd.gov and sparetheairnow.org websites as well as social media.	
Manage notification methods for Spare the Air Alerts, including automated phone alerts, text and email alerts, online banners, iPhone/Android app and widget.	
Deliver public outreach, advertising and media relations campaigns.	
Provide public outreach at community events throughout the Bay Area.	
Door to door outreach/surveys	
Provide overview of campaign to the Board of Directors.	
Provide outreach to local government leaders and community organizations and the general public about the Spare the Air winter program.	
Promote cleaner heating options and available incentives.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Media outreach for Spare the Air winter.	Ongoing
Launch Spare the Air winter season.	November 2026
Execute and evaluate Spare the Air winter season public outreach campaign.	June 2025
Develop news releases / statements, displays, videos and infographics for Spare the Air winter programs / events.	Ongoing
Respond to public inquiries, provide informational speeches and presentations.	Ongoing
Update website alerts and Spare the Air app.	Ongoing
Monitor and measure campaign effectiveness via public opinion surveys.	March 2025
Develop Spare the Air winter season summary.	April 2026
Issue Spare the Air Alerts when air quality is forecast to reach unhealthy levels.	Ongoing
Provide information about the health impacts of wood smoke to the public, community organizations and local government leaders.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	1.19	1.38	1.38	1.17	(0.21)	(15.2)%
<b>Personnel Expenditures</b>						
Permanent Salaries	166,777	198,103	198,103	171,496	(26,607)	(13.4)%
Overtime Salaries	7,687	2,000	2,000	2,000		
Payroll Taxes	2,465	2,820	2,820	2,447	(373)	(13.2)%
Pension Benefits	43,397	41,591	41,591	36,064	(5,527)	(13.3)%
FICA Replacement Benefits	1,531	2,831	2,831	4,043	1,212	42.8%
Group Insurance Benefits	21,586	26,728	26,728	25,558	(1,170)	(4.4)%
Transportation Subsidy	340	1,989	1,989	1,141	(848)	(42.6)%
Workers' Compensation	563	686	686	542	(144)	(21.0)%
Discretionary Contribution		14,859	14,859	10,894	(3,965)	(26.7)%
<b>Total Personnel Expenditures</b>	244,346	291,607	291,607	254,185	(37,422)	(12.8)%
<b>Services &amp; Supplies Expenditures</b>						
Travel	148					
Professional Services	860,349	1,125,000	1,549,945	1,125,000	(424,945)	(27.4)%
<b>Total Services &amp; Supplies Expenditures</b>	860,497	1,125,000	1,549,945	1,125,000	(424,945)	(27.4)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,104,843	1,416,607	1,841,552	1,379,185	(462,367)	(25.1)%



<b>Managing Division:</b>	
Communications Office	
<b>Contact Person:</b>	
Kristina Chu	
<b>Program Purpose:</b>	
The Spare the Air program encourages the public to reduce their driving, a major source of Bay Area air pollution, and promotes the use of public transit, biking, walking, carpooling, trip reduction and other behavior changes that reduce pollution from transportation sources.	
<b>Description of Program:</b>	
<b>Justification of Change Request:</b>	
Due to the loss of CMAQ funds, program 305 will no longer be active. Moving forward, the Spare the Air program will be funded through general funds from program 301 and TFCA funds from program 306.	
<b>Activities</b>	
<b>Major Objectives</b>	<b>Delivery Date</b>
Launch Spare the Air summer season.	Ongoing
Manage the Spare the Air advertising, media relations and social media campaign.	Ongoing
Promote Spare the Air at public events.	Ongoing
Develop videos, news releases / statements, displays and infographics for Spare the Air program / events.	Ongoing

# Spare The Air (CMAQ)

305

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Personnel Expenditures</b>						
<b>Services &amp; Supplies Expenditures</b>						
Professional Services	1,002,279	1,000,000	1,341,381		(1,341,381)	(100.0)%
<b>Total Services &amp; Supplies Expenditures</b>	1,002,279	1,000,000	1,341,381		(1,341,381)	(100.0)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,002,279	1,000,000	1,341,381		(1,341,381)	(100.0)%

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## External Affairs

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The External Affairs Office coordinates the administration of the Commuter Benefits Program in partnership with the Metropolitan Transportation Commission and directs the Flex Your Commute messaging campaign. The Office directs the Air District external sponsorship program to ensure transparency, goals and benefits are met in accordance with Air District requirements. The Office is developing a district-wide partnership program to expand messaging reach and information sharing with local, county and state agencies, and NGO's. The Office represents the Air District at conferences and events as directed and develops regional conferences and seminars to expand messaging for targeted initiatives and building regional partnerships.

<b>Managing Division:</b>	
External Affairs Division	
<b>Contact Person:</b>	
Lisa Fasano	
<b>Program Purpose:</b>	
The Air District utilizes sponsorship of events and conferences to help conduct public outreach, community engagement and to develop and expand partnerships.	
<b>Description of Program:</b>	
Event sponsorship by the Air District is used to promote Air District messages, initiatives, behavior change, and clean air actions.	
The goal of Air District sponsorships is to advance the work of the Air District, promote clean air, behavior change, GHG reductions air quality education. The Air District seeks to partner with events in the following categories:	
Showcasing Air District Programs and Initiatives through events held within the Air District's area of jurisdiction provides opportunities for the Air District to engage with the public, to share the Air District's mission encourage and promote air quality improvement and behavior change, answering air quality questions, enrolling the public to receive Spare the Air Alerts or other Air District social media notifications, and other similar activities.	
Education, Training and Networking Opportunity for Air District Workforce through attendance at professional conferences, seminars, workshops, and symposia hosted by trade, state, federal or professional organizations. This may also include opportunities for panel participation and staffing a booth that showcases the Air District's activities.	
Community Partnerships with Non-Profit Health Organizations to promote clean air initiatives that improve community health, further air pollution and Green House Gas (GHG) education and reduction goals, and other similar efforts.	
<b>Justification of Change Request:</b>	
The Air District is authorized to sponsor public events, conferences, public health programs or other activities that align with, or help further its mission to create a healthy breathing environment for every Bay Area resident while protecting and improving public health, air quality and the global climate.	
<b>Activities</b>	
Review sponsorship applications to ensure they meet the Air District's requirements and criteria..	
Confirm each activity has Air District division support and available staffing.	
Upon approval, notify event sponsor, initiate contract and other financial documents to outline benefits and Air District commitments.	
Coordinate with Air District division staff to confirm attendees/presenter/speakers for sponsored event.	
Initiate after action survey.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Work in communities to promote clean air actions to improve community health.	Ongoing

# Sponsorship

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<i>Personnel Expenditures</i>						
<i>Services &amp; Supplies Expenditures</i>						
Professional Services				450,000	450,000	
<b>Total Services &amp; Supplies Expenditures</b>				450,000	450,000	
<i>Capital Expenditures</i>						
<b>Total Expenditures</b>				450,000	450,000	

<b>Managing Division:</b>	
External Affairs Division	
<b>Contact Person:</b>	
Lisa Fasano	
<b>Program Purpose:</b>	
The External Affairs Office manages the Commuter Benefits Program, Flex Your Commute messaging campaign, directs the Air District external partners program advancing local, state and regional partnerships, develops speaking points and external presentations for the Executive Team, management and staff, develops messaging to further solutions to reduce air pollution from commuting and single occupancy driving, and oversees the Air District's sponsorship program.	
<b>Description of Program:</b>	
Directs the programming of initiatives to reduce drive-alone commuting through the Flex Your Commute messaging campaign, and the Commuter Benefits Program. Partner with the Metropolitan Transportation Commission to jointly administer the Commuter Benefits Program. Flex Your Commute encourages commuting partnerships and a reduction of drive alone commuting.	
To facilitate and grow Air District partnerships, External Affairs manages and allocates funding for -sponsored activities, conferences, and events. Sponsorships help position the Air District as an air quality leader, further partnerships and, reach new and diverse groups to convey messages. Event partnership helps engage and drive action toward air pollution and greenhouse gas reduction goals.	
Air District liaison to local, statewide and national organizations. Development of messaging campaigns for Air District initiatives and new programming.	
<b>Justification of Change Request:</b>	
External Affairs is a division under the Office of Public Affairs and extends the messaging and partnership efforts of the Communications and Legislative Affairs teams.	
<b>Activities</b>	
Air District Liaison for local, regional and national meetings and conferences. Attend, develop/maintain partnerships, gather information and report outcomes to Executive Office.	
Manage and track Air District sponsorships of events, conferences and meetings. Maximize the Air District's visibility and messaging through events. Develop and produce events to support Air District programs and mission.	
Develop key messages and talking points for external audiences around Air District initiatives and programs.	
Maintain program records and prepare end of fiscal year reporting of activities and actions.	
Promote and advance compliance with the Bay Area Commuter Benefits Program encouraging active commute engagement with employees.	
Using advertising, media relations and employer events to encourage employers to expand and promote commuter benefits within their organizations.	
Working with Bay Area employer programs to promote commuting options to reduce single-occupancy driving.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Expand registrations into the Commuter Benefits Program and increase its value to Bay Area employers. Initiate a partnership development program with local governments, NGS's Bay Area Businesses, and other local, state, regional and federal agencies.	Ongoing
Facilitate the Air District sponsorship program. Increase value to Air District sponsorships of regional, state and national events	Ongoing
Flex Your Commute messaging campaign will help promote employer/employee commute partnerships.	Ongoing
Flex Your Commute will advance commuter options and programs for employers and employees in the Bay Area. Increase awareness and adoption of the benefits of commuting options.	Ongoing

# External Affairs

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	2.03	2.77	2.77	3.45	0.68	24.55%
<b>Personnel Expenditures</b>						
Permanent Salaries	424,935	486,101	486,100	613,296	127,196	26.17%
Temporary Salaries	1,549	94,237	94,237		(94,237)	(100.0)%
Payroll Taxes	6,393	7,163	7,163	9,242	2,079	29.0%
Pension Benefits	80,788	100,893	100,893	122,831	21,938	21.7%
FICA Replacement Benefits	3,975	5,643	5,643	11,881	6,238	110.5%
Group Insurance Benefits	55,489	64,726	64,726	99,624	34,898	53.9%
Transportation Subsidy	732	3,965	3,965	3,353	(612)	(15.4)%
Workers' Compensation	1,436	1,368	1,368	1,593	225	16.4%
Discretionary Contribution		30,999	30,999	39,129	8,130	26.2%
<b>Total Personnel Expenditures</b>	575,297	795,095	795,094	900,949	105,855	13.3%
<b>Services &amp; Supplies Expenditures</b>						
Professional Services	80,986	350,000	619,212	417,500	(201,712)	(32.6)%
<b>Total Services &amp; Supplies Expenditures</b>	80,986	350,000	619,212	417,500	(201,712)	(32.6)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	656,283	1,145,095	1,414,306	1,318,449	(95,857)	(6.78)%



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## Legislative Office

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The Legislative Office mission is to advocate for Air District policy and budget priorities at both the state and federal levels. The Legislative Office is responsible for tracking and developing positions on state and federal legislation and budget proposals, meeting with legislators and legislative staff about policy proposals and updating them on Air District activities, representing the Air District at legislative hearings, and interacting with stakeholder groups, state and local agencies, and members of the public. The Legislative Office works closely with other divisions within the Air District to help achieve the Air District's commitment to reducing air pollution in California and the Bay Area region by sharing information on current legislative policy and budget proposals that affect Air District programs and policies.

<b>Managing Division:</b>	
Legislative Office	
<b>Contact Person:</b>	
Alan Abbs	
<b>Program Purpose:</b>	
State and Federal legislative advocacy.	
<b>Description of Program:</b>	
The Legislative Office advocates for Air District policy and budget priorities at the state and federal level. The Legislative Office interacts with legislators and staff, advocate and opposition stakeholders, state and local agencies, and members of the public.	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Legislative Advocacy	
Information sharing with Air District staff	
Outreach to Legislature on Air District activities	
<b>Major Objectives</b>	<b>Delivery Date</b>
Track and develop positions on state and federal legislation.	Bi-weekly
Meet with legislators and legislative staff about policy proposals.	Ongoing
Update legislators and staff on Air District activities.	Ongoing
Track and develop positions on state and federal budget proposals.	Ongoing
Attend legislative hearings.	Ongoing
Staff Air District Legislative Committee meetings.	Monthly
Represent Air District at meetings with stakeholder groups.	Monthly
Staff other Air District Board and Committee meetings, as necessary.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	2.00	2.00	2.00	2.00		
<b>Personnel Expenditures</b>						
Permanent Salaries	346,558	354,279	354,279	388,012	33,733	9.52%
Payroll Taxes	5,108	5,294	5,294	5,908	614	11.6%
Pension Benefits	107,707	71,417	71,417	73,830	2,413	3.4%
FICA Replacement Benefits	3,184	4,081	4,081	6,888	2,807	68.8%
Group Insurance Benefits	44,593	52,526	52,526	58,842	6,316	12.0%
Transportation Subsidy	673	2,868	2,868	1,944	(924)	(32.2)%
Workers' Compensation	1,171	989	989	924	(65)	(6.6)%
Discretionary Contribution		22,460	22,460	24,797	2,337	10.4%
<b>Total Personnel Expenditures</b>	508,994	513,914	513,914	561,145	47,231	9.2%
<b>Services &amp; Supplies Expenditures</b>						
Travel	3,516	8,500	8,500	11,950	3,450	40.6%
Training & Education	1,448	4,000	4,000	4,000		
Communications	276	1,000	1,000	1,000		
Professional Services	112,650	128,900	170,100	136,500	(33,600)	(19.8)%
Stationery & Office Supplies	19	250	250	250		
Books & Journals	269	600	600	600		
<b>Total Services &amp; Supplies Expenditures</b>	118,178	143,250	184,450	154,300	(30,150)	(16.3)%
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(20,165)					
<b>Total Expenditures</b>	607,007	657,164	698,364	715,445	17,081	2.45%

## **SERVICE AREA - SCIENCE & POLICY**

## Assessment, Inventory & Modeling Division

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The Assessment, Inventory, and Modeling (AIM) Division prepares comprehensive source emission inventories for the Bay Area and conducts air quality modeling at both regional and community scales. AIM conducts technical assessments that evaluate equity in air pollution exposures and health impacts in support of District programs. AIM coordinates and implements programs to improve and report estimates of emissions of criteria pollutants, toxic air contaminants, and climate forcing pollutants. AIM assesses emissions, concentrations, and exposures of particulate matter, toxic air contaminants, ozone and its precursors, to support targeted strategies that reduce impacts of air pollution both regionally and within communities, especially where Assembly Bill (AB) 617 community action plans are being developed and implemented. AIM reviews and provides guidance on environmental health risk assessments within environmental review documents prepared pursuant to California Environmental Quality Act (CEQA).

In FYE 2025, AIM will continue to improve the regional emissions inventory and analyses to support the implementation of the multi-pollutant Bay Area Clean Air Plan, which addresses particulate matter, toxic air contaminants, ozone, and greenhouse gases (GHGs). Many District programs are supported by updating and reporting inventories of air pollutant emissions. New requirements from CARB, posed by AB 617 and the Criteria and Toxic Report Rule, require annual emissions reports for toxics and criteria pollutants for major emitters and improved consistency in methods for estimating emissions across California's air districts. AIM will work with other Divisions to review emissions inventory products, develop quality assurance approaches, and update emissions methods and databases to meet reporting and rule development requirements of the District.

In FYE 2025, AIM will continue work to produce community-scale emission inventories and conduct technical assessment to meet the requirements of AB 617 and support community emissions reduction plans (CERP), including: identifying and prioritizing impacted communities, coordinating with community co-leads Steering Committees to reduce emissions and exposures, and providing tools and products that inform local strategies. AIM will work with other Divisions on the technical analysis, outreach, and risk reduction components of the CARE Program. AB 617 will require an expansion of the CARE program's technical work. AIM supports the work of other Divisions in reviewing health risk assessments within CEQA documents to provide comments where assessments are inconsistent with Air District guidance. AIM will conduct source apportionment analyses and hybrid photochemical and dispersion modeling, characterize emissions and air quality, and assess air quality health impacts to support AB 617 and other District's programs.

In FYE 2025, in partnership with other Divisions, AIM will analyze aerometric data, conduct and improve regional modeling, and apply statistical analyses to support the District's rules development, grant programs, permitting, climate protection, and planning activities. AIM will continue to work with CARB, U.S. EPA, NOAA, Northern California air districts, and other stakeholders on the regional modeling improvements. AIM will further improve modeling emissions estimates and continue conducting data analysis and modeling to better understand the health impacts of air pollutants in the Bay Area. AIM will investigate transport of pollutants between the Bay Area and neighboring regions and intercontinental transport of pollutants.

<b>Managing Division:</b>	
Assessment, Inventory & Modeling Division	
<b>Contact Person:</b>	
Song Bai	
<b>Program Purpose:</b>	
Compile source inventories for criteria pollutants, toxic air contaminants (TACs) and greenhouse gases (GHGs) for planning, rule development, modeling and exposure assessments, and public information; assess emissions estimates to support programs to reduce health risks from air pollution and to reduce levels of climate-forcing pollutants.	
<b>Description of Program:</b>	
Staff assigned to this program compiles inventories of air pollution emissions (criteria pollutants, TAC, and GHGs) from industrial sources, motor vehicles, commercial and agricultural activities, consumer products, and natural sources, which are used for air quality planning, rules development, and air quality progress tracking. To meet State requirements, the Source Inventories Program reports permitted source emissions to the California Air Resources Board (CARB) annually; CARB's newly adopted Criteria and Toxics Reporting (CTR) Regulation requires additional staff time and resources to report emissions from permitted facilities using methods standardized across California air districts. Staff estimates emissions for local-scale exposure assessments and Community Action Plans required by Assembly Bill (AB) 617. Staff also prepares and maintains GHG emission inventories and forecasts for the region, with near-term focus on particulate matter (PM), volatile organic compounds (VOC), and methane emissions from permitted facilities.	
<b>Justification of Change Request:</b>	
Emissions inventories are fundamental for air quality source apportionment analysis, as well as planning, rule development, modeling and exposure assessments, and public information sharing. Staff resources are needed to develop, maintain, and update emissions inventory to be used for the Air District's annual report, regional modeling inputs, and required data reporting to CARB.	
<b>Activities</b>	
Develop and update emissions inventories and improve the District's ability to assess emissions estimates.	
Prepare and improve emissions estimates to report to CARB; coordinate with Engineering Division to ensure consistent reporting under state requirements and the new CTR regulation.	
Evaluate and refine emissions estimates to support Air District programs, rules development, and local air quality Action Plans, with emphasis on fine particulate matter, TAC, and methane and incorporation of new measurement and analysis techniques.	
Provide inventory information to support Air District staff in various programs, including assessment of AB 617 communities and development of local air quality Action Plans.	
Provide inventory information and emissions estimates under public record request.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Develop activity datasets and methods for hyper-local emissions estimates to support AB 617 technical assessment.	Ongoing
Improve emissions estimates and methods to develop updated inventory across Bay Area emissions source sectors.	Ongoing
Prepare and transmit source emissions estimates to meet State annual reporting requirements.	Annually

Source Inventories

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	7.17	6.20	6.20	5.66	(0.54)	(8.7)%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,108,708	992,216	992,216	970,226	(21,990)	(2.2)%
Overtime Salaries		5,000	5,000		(5,000)	(100.0)%
Payroll Taxes	16,303	14,124	14,124	13,936	(188)	(1.3)%
Pension Benefits	336,640	201,591	201,591	194,054	(7,537)	(3.7)%
FICA Replacement Benefits	10,143	12,652	12,652	19,480	6,828	54.0%
Group Insurance Benefits	142,253	154,904	154,904	161,535	6,631	4.3%
Transportation Subsidy	2,470	8,890	8,890	5,498	(3,392)	(38.2)%
Workers' Compensation	3,745	3,067	3,067	2,612	(455)	(14.8)%
Discretionary Contribution		68,021	68,021	61,856	(6,165)	(9.1)%
<b>Total Personnel Expenditures</b>	1,620,262	1,460,465	1,460,465	1,429,197	(31,268)	(2.1)%
<b>Services &amp; Supplies Expenditures</b>						
Travel		5,200	5,200	5,200		
Training & Education	815	23,000	23,000	23,000		
Professional Services	1,683	121,000	166,235	101,000	(65,235)	(39.2)%
Computer Hardware & Software	18,360	22,000	22,000	22,000		
Stationery & Office Supplies		200	200	200		
Books & Journals		600	600	600		
Minor Office Equipment		1,000	1,000	1,000		
<b>Total Services &amp; Supplies Expenditures</b>	20,858	173,000	218,235	153,000	(65,235)	(29.9)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,641,120	1,633,465	1,678,700	1,582,197	(96,503)	(5.7)%



<b>Managing Division:</b>	
Assessment, Inventory & Modeling Division	
<b>Contact Person:</b>	
Saffet Tanrikulu	
<b>Program Purpose:</b>	
Provide technical support to the District's initiatives and collaborative activities through modeling and air quality analyses.	
<b>Description of Program:</b>	
This program provides technical support to various District activities, including: Assembly Bill 617 related programs, the Air Quality Planning Program, Strategic Incentives Division programs, the Climate Protection Program, the Spare the Air Program, the ambient data Quality Assurance (QA)/Quality Control (QC) Program, the Central California Air Quality Studies (CCAQS), and the California Baseline Ozone Transport Study (CABOTS). It also manages the District's modeling- and data analysis-related contracts; participates in the District's rule development, permit modeling, air monitoring and emissions inventory/exposure assessment activities; and responds to requests from District staff and the public for ambient data. It also collaborates with federal and state agencies to assess pollutant exposure, health impacts and international pollutant transport.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Support Assembly Bill 617: perform PM and air toxics modeling; assess air quality and health impacts.	
Perform air quality modeling and data analysis to support the District's rulemaking activities.	
Support District's Air Quality Planning Program: conduct data analysis and modeling.	
Support permitting activities: Prepare meteorological inputs for AERMOD to support permit modeling.	
Support the Strategic Incentives Division: create and update pollutant concentration maps.	
Perform quality assurance and quality control on District's meteorological data.	
Manage the District's data analysis and modeling-related contracts.	
Participate in CARB's Central California Air Quality Study programs.	
Participate in NASA's effort to estimate wildfire ambient and health impacts.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Perform air quality dispersion modeling for selected AB 617 communities.	Ongoing
Perform regional and local air quality modeling and analyses to support the District's rule development efforts.	Ongoing
Perform regional PM and air toxics modeling and analyses to assess pollutant formation in the Bay Area.	Ongoing
Perform source apportionment analyses to quantify the contribution of various emission sources.	Ongoing
Update emissions modeling data, e.g., conduct modeling with improved condensable PM emissions estimates.	Ongoing
Update health impact analyses of ozone and PM; update health risk analyses for air toxics and other pollutants.	Ongoing
Update assessment of regional and local pollutant transport and impacts of primary vs secondary PM.	Ongoing
Assess contribution of locally generated vs transported as well as primary vs secondary PM exposure.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	4.42	2.60	2.60	2.47	(0.13)	(5.0)%
<b>Personnel Expenditures</b>						
Permanent Salaries	686,001	387,436	387,436	385,490	(1,946)	(0.5)%
Payroll Taxes	10,036	5,537	5,537	5,468	(69)	(1.2)%
Pension Benefits	198,171	80,911	80,911	79,700	(1,211)	(1.5)%
FICA Replacement Benefits	6,266	5,306	5,306	8,503	3,197	60.3%
Group Insurance Benefits	87,806	47,412	47,412	55,481	8,069	17.0%
Transportation Subsidy	1,382	3,728	3,728	2,400	(1,328)	(35.6)%
Workers' Compensation	2,318	1,286	1,286	1,140	(146)	(11.4)%
Discretionary Contribution		28,091	28,091	24,527	(3,564)	(12.7)%
<b>Total Personnel Expenditures</b>	991,980	559,707	559,707	562,709	3,002	0.5%
<b>Services &amp; Supplies Expenditures</b>						
Travel	3,128	5,300	5,300	5,000	(300)	(5.7)%
Training & Education	1,050	6,500	6,500	8,000	1,500	23.1%
Repair & Maintenance	978	8,000	8,000	6,000	(2,000)	(25.0)%
Professional Services	291,441	320,000	499,535	320,000	(179,535)	(35.9)%
Stationery & Office Supplies	33	500	500	500		
<b>Total Services &amp; Supplies Expenditures</b>	296,630	340,300	519,835	339,500	(180,335)	(34.7)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,288,610	900,007	1,079,542	902,209	(177,333)	(16.4)%

<b>Managing Division:</b>	
Assessment, Inventory & Modeling Division	
<b>Contact Person:</b>	
Saffet Tanrikulu	
<b>Program Purpose:</b>	
Perform air quality modeling and data analyses to evaluate emission control strategies to attain and maintain air quality standards.	
<b>Description of Program:</b>	
This program maintains and applies state-of-the-science meteorological, emissions inventory and air quality models to investigate the formation of ozone, fine and ultrafine particulate matter (PM2.5 and PM0.1), and toxic air contaminants in the Bay Area; assesses the attainment status of the Bay Area with respect to Federal and State standards; supports Federal and State air quality plan development activities; quantifies the transport of ozone, PM and toxic air contaminants and their precursors within the Bay Area as well as between the Bay Area and neighboring districts; and quantifies the health impacts of ozone, PM, and toxic air contaminants. This program also includes analyses of ambient data, preparation of model inputs, monetary valuation of air pollution impacts in the Bay Area, maintenance of the District's cluster computer system, development of graphics and statistical programs to evaluate model inputs and outputs, and collaboration with modeling and air quality planning staff of CARB, U.S. EPA, NOAA, NASA, neighboring districts, industry, academia and other stakeholders.	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Analyze the Bay Area's status relative to national and state ambient air quality standards.	
Conduct ambient data analyses for ozone, PM2.5, PM0.1 and toxic air contaminants.	
Evaluate and improve model performance for multi-pollutant applications.	
Maintain and apply air pollution health impacts and monetary valuation models.	
Maintain and apply emissions inventory models to prepare inputs to air quality models.	
Conduct source apportionment studies and trend analyses.	
Prepare ambient data for model inputs and evaluation of model outputs.	
Maintain the District's cluster computer system on which models are run.	
Develop in-house staff expertise related to modeling and air quality analysis.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Evaluate and improve regional air quality model performance.	Ongoing
Maintain and evaluate air quality dispersion models.	Ongoing
Evaluate and improve WRF meteorological model performance.	Ongoing
Evaluate and update BenMAP for assessing health impacts of pollutants.	Ongoing
Maintain the meteorological and air quality database for modeling.	Ongoing
Update analysis of regional air quality model sensitivity to emission reductions for ozone, PM and toxics.	Ongoing
Update and improve emissions estimates for modeling.	Ongoing
Maintain modeling computers, update modeling software and computer libraries.	Ongoing

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	2.88	2.10	2.10	2.35	0.25	11.9%
<b>Personnel Expenditures</b>						
Permanent Salaries	428,883	328,260	328,260	386,993	58,733	17.9%
Payroll Taxes	6,369	4,653	4,653	5,496	843	18.1%
Pension Benefits	154,394	68,227	68,227	79,373	11,146	16.3%
FICA Replacement Benefits	3,955	4,285	4,285	8,093	3,808	88.9%
Group Insurance Benefits	55,284	48,345	48,345	57,968	9,623	19.9%
Transportation Subsidy	872	3,011	3,011	2,284	(727)	(24.1)%
Workers' Compensation	1,449	1,039	1,039	1,085	46	4.4%
Discretionary Contribution		22,921	22,921	24,651	1,730	7.5%
<b>Total Personnel Expenditures</b>	651,206	480,741	480,741	565,943	85,202	17.7%
<b>Services &amp; Supplies Expenditures</b>						
Travel	179	3,700	3,700	4,200	500	13.5%
Training & Education	418	2,000	2,000	2,000		
Repair & Maintenance	2,969	12,000	12,000	12,000		
Printing & Reproduction		4,000	4,000	8,000	4,000	100.0%
Professional Services		10,000	10,000	10,000		
Shop & Field Supplies	40					
Computer Hardware & Software		8,000	8,000	12,000	4,000	50.0%
<b>Total Services &amp; Supplies Expenditures</b>	3,606	39,700	39,700	48,200	8,500	21.4%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	654,812	520,441	520,441	614,143	93,702	18.0%

<b>Managing Division:</b>	
Assessment, Inventory & Modeling Division	
<b>Contact Person:</b>	
Song Bai	
<b>Program Purpose:</b>	
Evaluate community health risks from ambient toxic air contaminants (TACs), fine particulate matter (PM) and other pollutants. Develop mitigation strategies and measures for local sources and locations with higher exposures and risk levels and vulnerable populations.	
<b>Description of Program:</b>	
The District's CARE program targets community risk reduction activities and actively supports the development of community emissions reduction plans required by Assembly Bill 617. The program coordinates emissions estimation, air quality modeling, analysis of health records and socio-economic datasets, and exposure and health assessments to identify areas with vulnerable populations and relatively high air pollution. Information derived from these activities is used for risk reduction activities, such as rulemaking, grant and incentive programs, local air quality plans, collaboration with public health professionals, advocacy of State and local regulatory programs, and community engagement processes.	
<b>Justification of Change Request:</b>	
AB 617 continues to impose major new requirements, which demand additional products and resources from the CARE Program on a specified timeline to assess community-scale air quality, engage with communities, and provide technical support to community emissions reduction plans.	
<b>Activities</b>	
Conduct local-scale modeling and analyses to support assessment of AB 617 communities and development of action plans.	
Develop mitigation strategies for development near busy roadways and other air pollution sources.	
Improve collection and management of demographic, business, and activity data; enhance data visualization/analysis for community partnerships and local planning guidance.	
Participate in outreach and assist in evaluating community risks and hazards through modeling programs.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Conduct community-scale assessments in East Oakland, Bayview Hunters Point (BVHP), and other communities.	Ongoing
Develop and document improved methodology/tools for community-scale modeling to support AB 617 Community Emissions Reduction Plan (CERP) development.	Ongoing

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	3.63	1.70	1.70	1.40	(0.30)	(17.6)%
<b>Personnel Expenditures</b>						
Permanent Salaries	647,365	317,859	317,859	278,095	(39,764)	(12.5)%
Overtime Salaries	116	5,000	5,000		(5,000)	(100.0)%
Payroll Taxes	9,638	4,600	4,600	4,077	(523)	(11.4)%
Pension Benefits	217,667	65,886	65,886	53,861	(12,025)	(18.3)%
FICA Replacement Benefits	6,022	3,469	3,469	4,822	1,353	39.0%
Group Insurance Benefits	84,113	39,715	39,715	38,448	(1,267)	(3.2)%
Transportation Subsidy	1,330	2,438	2,438	1,361	(1,077)	(44.2)%
Workers' Compensation	2,187	841	841	647	(194)	(23.1)%
Discretionary Contribution		19,344	19,344	17,780	(1,564)	(8.1)%
<b>Total Personnel Expenditures</b>	968,438	459,152	459,152	399,091	(60,061)	(13.1)%
<b>Services &amp; Supplies Expenditures</b>						
Travel	1,260	5,200	5,200	5,200		
Training & Education	685	8,500	8,500	8,500		
Repair & Maintenance		5,000	5,000	5,000		
Communications	2,261	3,000	3,000	3,000		
Printing & Reproduction		2,000	2,000	2,000		
Professional Services	282,400	250,500	250,500	200,500	(50,000)	(20.0)%
Computer Hardware & Software	13,016	19,000	19,000	19,000		
Stationery & Office Supplies		200	200	200		
Books & Journals		500	500	500		
Minor Office Equipment		100	100	100		
<b>Total Services &amp; Supplies Expenditures</b>	299,622	294,000	294,000	244,000	(50,000)	(17.0)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,268,060	753,152	753,152	643,091	(110,061)	(14.6)%

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## Meteorology & Measurement Division

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The Meteorology and Measurement Division (M&M) provides emissions, air quality, and meteorological data; chemical analysis; and forecasting to support the activities of the Compliance & Enforcement, Engineering, Planning, Legal, Rules, Assessment, Inventory & Modeling, Communications, and Community Engagement Divisions. In addition to operating monitoring instruments and conducting testing and analysis, the M&M Division staff develop rigorous monitoring and testing plans, develop and maintain instruments and systems, conduct quality assurance and quality control, and analyze and communicate data. The resulting data is used to:

- determine if the Bay Area is in attainment with state and federal standards, in accordance with the Clean Air Act,
- determine if facilities are in compliance with Air District regulations,
- provide a scientific basis for Air District rule-making and programmatic decisions,
- identify areas with higher levels of pollutants of concern and community-level disparities in air pollution, and
- communicate about air quality with the public, including through air quality advisories and Spare the Air alerts.



<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Ila perkins	
<b>Program Purpose:</b>	
Provide the data required to determine and measure progress towards the Bay Area's attainment of National and State ambient air quality standards, community monitoring, as well as determine and measure progress of other Air District programs.	
<b>Description of Program:</b>	
The primary function of the Air Monitoring - Operations Section is to operate and maintain a network of air quality and meteorological measurement sites that provide data required to determine attainment status of both National and State ambient air quality standards, new and modified regulations, National and State sampling strategies, and to support vulnerable and disadvantaged communities. Additionally, a network of toxics gaseous and particulate monitors collect data to develop trends and help define risk, and for National and State programs. Air monitoring and meteorological data, as well as sampling projects such as the Photochemical Assessment Monitoring Stations (PAMS) and PM2.5 speciation sampling, are also used for Air Quality Index (AQI) forecasts, Clean Air Plan (CAP) modeling, Refinery Community Monitoring, the AB 617 program, and Environmental Impact Reports (EIRs).	
<b>Justification of Change Request:</b>	
Program Code 802 was previously for all Air Monitoring activities. Effective FYE 2022, Air Monitoring is separated into Operations (Program Code 802) and Projects & Technology (Program Code 810).	
<b>Activities</b>	
Operate and maintain the air monitoring network to provide a minimum of 90% valid data each quarter to determine the attainment status for National and State ambient air quality standards.	
Operate and maintain non-criteria pollutant monitors to provide data on ozone precursors, data for ozone forecasting, and data for fine particulate forecasting.	
Operate a Photochemical Assessment Monitoring Station (PAMS) network that meets EPA requirements.	
Operate a gaseous toxics network to provide data for State and Air District programs.	
Operate a network of fine particulate (PM2.5), black carbon, and particulate matter speciation samplers and analyzers in support of the determination of compliance with the National Ambient Air Quality Standards for PM2.5, wood smoke trends, and other area wide particulate matter studies.	
Operate two Near Road monitoring stations as mandated by EPA; two in the San Francisco-Oakland-Fremont CBSA, and one in the San Jose-Sunnyvale-Santa Clara CBSA; Operate an additional near road site positioned along the Interstate 580 corridor.	
Aid in the development and evaluation of existing technologies for air quality measurements.	
Implement community level air quality monitoring in support of AB617 and Schedule X (communities near refineries)	
<b>Major Objectives</b>	<b>Delivery Date</b>
Collect and process data that has been subjected to rigorous Quality Control (QC) as part of National, State and Air District programs.	Ongoing
Implementation of monitoring in communities near major stationary sources (Schedule X)	Ongoing

# Air Monitoring – Operations

802

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	18.01	19.48	19.48	20.23	0.75	3.85
<b>Personnel Expenditures</b>						
Permanent Salaries	2,283,377	2,368,618	2,368,618	2,853,650	485,032	20.5
Overtime Salaries	1,412					
Payroll Taxes	33,651	33,393	33,393	40,421	7,028	21.0
Pension Benefits	704,175	473,171	473,171	558,665	85,494	18.1
FICA Replacement Benefits	20,969	39,770	39,770	69,591	29,821	75.0
Group Insurance Benefits	293,546	398,832	398,832	439,764	40,932	10.3
Transportation Subsidy	4,672	27,944	27,944	19,641	(8,303)	(29.7)
Workers' Compensation	7,714	9,639	9,639	9,332	(307)	(3.2)
Discretionary Contribution		202,454	202,454	181,126	(21,328)	(10.5)
<b>Total Personnel Expenditures</b>	3,349,516	3,553,821	3,553,821	4,172,190	618,369	17.4
<b>Services &amp; Supplies Expenditures</b>						
Travel	20,467	25,000	25,000	56,000	31,000	124.0
Training & Education		42,800	42,800	45,000	2,200	5.1
Repair & Maintenance	32,575	94,688	109,212	85,300	(23,912)	(21.9)
Communications	37,134	72,486	72,486	45,000	(27,486)	(37.9)
Building Maintenance	6,606	220,370	221,469	185,000	(36,469)	(16.5)
Utilities	106,461	131,515	131,515	164,393	32,878	25.0
Rents & Leases	614,498	563,109	563,109	640,000	76,891	13.7
Professional Services	49,759	367,000	436,604	343,475	(93,129)	(21.3)
Shop & Field Supplies	178,200	289,655	323,867	197,000	(126,867)	(39.2)
Laboratory Supplies	37,593	102,420	104,986	125,000	20,014	19.1
<b>Total Services &amp; Supplies Expenditures</b>	1,083,293	1,909,043	2,031,048	1,886,168	(144,880)	(7.1)
<b>Capital Expenditures</b>						
Lab & Monitoring Equipment		940,263	1,093,341	1,699,925	606,584	55.5
<b>Total Capital Expenditures</b>		940,263	1,093,341	1,699,925	606,584	55.5
<b>Total Expenditures</b>	4,432,809	6,403,127	6,678,210	7,758,283	1,080,073	16.2

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Mairi Beacon	
<b>Program Purpose:</b>	
Provide laboratory, analytical, and technical services and support to other Meteorology and Measurement Division Sections and other Air District Divisions.	
<b>Description of Program:</b>	
The primary function of the Laboratory Program is to provide media preparation and analysis for the District's fixed site air monitoring network. The lab also provides technical support to other Divisions, Sections and programs in completing their objectives. The Laboratory Program maintains laboratory safety and laboratory quality assurance programs and evaluates new instrumentation and evolving analytical methods as needed.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Perform preparation, analysis, and L1 review for fixed site ambient air monitoring network samples.	
Provide analytical support of Source Test and Compliance and Enforcement actions.	
Perform gravimetric analyses on various filter media for other Air Districts.	
Develop digital solutions for more efficient and secure generation, processing, review, and storage of laboratory data.	
Maintain laboratory instrumentation and supplies to support analyses.	
Maintain laboratory quality and safety programs.	
Evaluate existing laboratory methods for opportunities to improve and execute improvements.	
Provide technical expertise and advice to other Air District divisions regarding internal and external laboratory methods and capabilities.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Provide laboratory support for Ambient Air Monitoring.	Ongoing
Provide laboratory support for Source Test, Compliance and Enforcement, and other District programs.	Ongoing
Evaluate and acquire instrumentation to replace four retiring instruments.	Annually
Work with ISD and other MM sections on security improvements to laboratory data infrastructure.	Annually
Perform cross-training, focusing on methods the fewest staff are familiar with.	Ongoing
Engage in internal and external Quality Assurance and Safety education and audits.	Ongoing
Continue evaluation and improvement of existing methods.	Ongoing
Continue integrating programs into Laboratory Information Management System.	Ongoing

# Laboratory

803

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	7.83	7.96	7.96	8.28	0.32	4.02
<b>Personnel Expenditures</b>						
Permanent Salaries	1,112,564	1,168,501	1,168,501	1,313,802	145,301	12.4
Overtime Salaries	689	5,000	5,000	5,000		
Payroll Taxes	16,377	16,578	16,578	18,686	2,108	12.7
Pension Benefits	340,895	245,986	245,986	262,722	16,736	6.8
FICA Replacement Benefits	10,205	16,242	16,242	28,515	12,273	75.6
Group Insurance Benefits	142,923	148,502	148,502	181,278	32,776	22.1
Transportation Subsidy	2,375	11,412	11,412	8,048	(3,364)	(29.5)
Workers' Compensation	3,758	3,937	3,937	3,824	(113)	(2.9)
Discretionary Contribution		85,728	85,728	83,621	(2,107)	(2.5)
<b>Total Personnel Expenditures</b>	1,629,786	1,701,886	1,701,886	1,905,496	203,610	12.0
<b>Services &amp; Supplies Expenditures</b>						
Travel		5,200	5,200	5,000	(200)	(3.8)
Training & Education		7,000	7,000	8,750	1,750	25.0
Repair & Maintenance	70,321	90,000	71,978	113,000	41,022	57.0
Communications	718			1,000	1,000	
Professional Services	26,639	26,400	27,171	20,125	(7,046)	(25.9)
Laboratory Supplies	85,498	100,000	133,296	102,000	(31,296)	(23.5)
Computer Hardware & Software		2,000	20,572	1,000	(19,572)	(95.1)
<b>Total Services &amp; Supplies Expenditures</b>	183,176	230,600	265,217	250,875	(14,342)	(5.4)
<b>Capital Expenditures</b>						
Lab & Monitoring Equipment		280,000	280,000	550,000	270,000	96.4
<b>Total Capital Expenditures</b>		280,000	280,000	550,000	270,000	96.4
<b>Total Expenditures</b>	1,812,962	2,212,486	2,247,103	2,706,371	459,268	20.4

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Jerry Bovee	
<b>Program Purpose:</b>	
Provide source testing and technical expertise to Air District Divisions.	
<b>Description of Program:</b>	
The primary functions of the Source Test Section are to: conduct analytical source tests; conduct performance audits on Continuous Emissions Monitors (CEMs); review third party source tests; research and develop new analytical source test procedures: oversee refinery fence-line monitoring programs; and, provide technical expertise and advice to other Divisions. These data are used to produce engineering studies to determine compliance status for specific source categories, determine whether to issue Permits to Operate, update the emissions inventory, determine actual abatement control effectiveness, provide data & technical assistance for Air District studies including AB 617, and develop applicable standards and produce emissions data for new or revised regulations.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Review facility contractor source test reports, make approve/disapprove determinations, and assess compliance status.	
Review facility CEMS excess emission and monthly reports and make compliance recommendations.	
Evaluate up to 400 facility submitted source test reports	
Conduct up to 45 particulate or gaseous toxics source tests.	
Conduct at least 90 instrumental gaseous source tests.	
Conduct up to 24 source tests at gasoline bulk terminals and bulk plants.	
Conduct up to 400 source tests on gasoline cargo tanks.	
Conduct up to 30 Enhanced Vapor Recovery source tests at Gasoline Distribution Facilities (GDF)	
Conduct up to 150 Field Accuracy Tests (FATs) on CEM systems.	
Evaluate up to 450 indicated excesses and other CEM-related call-ins.	
Maintain an electronic list of all source tests conducted at Title V facilities.	
Provide source testing to support rule development and implementation efforts.	
Provide Rule 12-15 refinery fence line monitoring program oversight	
<b>Major Objectives</b>	<b>Delivery Date</b>
Prepare reports on emissions from various source categories.	Ongoing
Prepare reports on particulate/gaseous toxic emissions from specific sources.	Ongoing
Prepare quarterly and annual summary of CEM data from specific sources.	Ongoing
Prepare reports on VOC emissions from gasoline bulk terminals and plants.	Ongoing
Prepare reports on VOC emissions from gasoline cargo tanks.	Ongoing
Provide monthly reports on indicated excesses from CEM systems.	Ongoing
Prepare reports on compliance rates and emissions, based on outside contractor tests.	Ongoing
Participate in source attribution studies associated with AB 617	Ongoing
Implement new emission testing methods and technologies	Ongoing

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	12.20	16.31	16.31	16.35	0.04	0.2%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,724,720	2,308,006	2,308,006	2,460,799	152,793	6.6%
Overtime Salaries	891	6,000	6,000	6,000		
Payroll Taxes	25,368	32,676	32,676	34,915	2,239	6.9%
Pension Benefits	533,703	471,949	471,949	493,115	21,166	4.5%
FICA Replacement Benefits	15,813	33,284	33,284	56,318	23,034	69.2%
Group Insurance Benefits	221,554	372,368	372,368	391,387	19,019	5.1%
Transportation Subsidy	3,491	23,387	23,387	15,895	(7,492)	(32.0)%
Workers' Compensation	5,827	8,067	8,067	7,552	(515)	(6.4)%
Discretionary Contribution		174,366	174,366	156,434	(17,932)	(10.3)%
<b>Total Personnel Expenditures</b>	2,531,367	3,430,103	3,430,103	3,622,415	192,312	5.6%
<b>Services &amp; Supplies Expenditures</b>						
Travel	26	5,000	8,000	7,350	(650)	(8.1)%
Training & Education	1,924	6,850	9,850	9,750	(100)	(1.0)%
Repair & Maintenance	111	3,200	3,768	3,200	(568)	(15.1)%
Communications	9,953	10,000	10,000	12,000	2,000	20.0%
Building Maintenance		5,800	5,800	2,800	(3,000)	(51.7)%
Utilities	29,286	22,000	22,000	22,000		
Printing & Reproduction				1,000	1,000	
Rents & Leases	322,153	320,000	320,000	340,000	20,000	6.3%
Professional Services	24,235	40,500	68,441	15,500	(52,941)	(77.4)%
Shop & Field Supplies	52,236	49,650	54,023	79,650	25,627	47.4%
Laboratory Supplies		7,500	1,500	5,000	3,500	233.3%
Minor Office Equipment				1,000	1,000	
<b>Total Services &amp; Supplies Expenditures</b>	439,924	470,500	503,382	499,250	(4,132)	(0.8)%
<b>Capital Expenditures</b>						
Motorized Equipment		100,000	100,000	60,000	(40,000)	(40.0)%
Lab & Monitoring Equipment	5,850	55,500	57,801	90,000	32,199	55.7%
<b>Total Capital Expenditures</b>	5,850	155,500	157,801	150,000	(7,801)	(4.9)%
<b>Total Expenditures</b>	2,977,141	4,056,103	4,091,286	4,271,665	180,379	4.4%

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Charles Knoderer	
<b>Program Purpose:</b>	
Provide air quality and open burning forecasts, support for wildfire impacts, and collect, validate, analyze, and disseminate aerometric and meteorological data.	
<b>Description of Program:</b>	
The primary function of the Meteorological Section is to provide air quality forecasts, including open burn, and mandated Air Quality Index (AQI) forecasts, special forecasts for programs such as mandatory curtailment of wood burning, forecasts for wildfire smoke impacts, and episode/alert forecasts. Data review objectives include the validation, compilation and interpretation of meteorological and air quality data, and distribution of data to various data systems, including EPA's AQS database. Other objectives include evaluation of meteorological data for legal actions.	
<b>Justification of Change Request:</b>	
The Overtime Budget (51155) was increased to account for inflation and includes additional meetings to coordinate open burning with other agencies (such as CalFire and ARB) as well as additional forecast responsibilities due to increased wildfire impacts on local air quality.	
<b>Activities</b>	
Provide reliable and timely Air Quality forecasts to the Air District and the public on weekdays, weekends and holidays.	
Provide support for tracking and forecasting smoke plume impacts during wildfire events.	
Review prescribed and marsh burn plans. Issue the daily open burn decision to Regional, State, and National Fire Agencies and the public. Allocate and distribute burn acreage for prescribed, marsh, and Sonoma County stubble burning.	
Quality assure EPA mandated air quality data and provide to EPA within 90 days of the end of a quarter.	
Develop forecasting techniques for winter particulate and summer ozone seasons, including statistical regression equations and develop and maintain the databases these methods are based upon.	
Review air quality and meteorological data from the five oil refinery Ground Level Monitoring (GLM) Networks and evaluate Excess Reports for the Compliance & Enforcement Division regarding compliance with Air District Regulations 1 & 9.	
Respond to record requests for information on air quality and meteorological data from the public. Provide presentations for Air District functions including Board and Committee meetings, and community outreach and public information meetings.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Provide daily air quality forecasts and burn acreage allocations to meet Air District needs. Provide additional support during wildfire impacts.	Ongoing
Submit quality assured air quality data to EPA's AQS Database.	Quarterly
Provide air quality, meteorological, and GLM data in electronic format to requestors.	Monthly
Review and approve smoke management plans submitted to the state's Smoke Management Program Software (PFIRS)	Ongoing
Continue improvements to databases for air quality and meteorological data.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	3.97	3.69	3.69	3.94	0.25	6.8%
<b>Personnel Expenditures</b>						
Permanent Salaries	630,504	574,540	574,540	657,421	82,881	14.4%
Overtime Salaries	542	7,500	7,500	7,650	150	2.0%
Payroll Taxes	9,477	8,156	8,156	9,390	1,234	15.1%
Pension Benefits	205,139	113,784	113,784	128,652	14,868	13.1%
FICA Replacement Benefits	5,938	7,523	7,523	13,609	6,086	80.9%
Group Insurance Benefits	82,971	74,428	74,428	88,153	13,725	18.4%
Transportation Subsidy	1,315	5,286	5,286	3,841	(1,445)	(27.3)%
Workers' Compensation	2,150	1,824	1,824	1,825	1	0.1%
Discretionary Contribution		40,213	40,213	41,887	1,674	4.2%
<b>Total Personnel Expenditures</b>	938,036	833,254	833,254	952,428	119,174	14.3%
<b>Services &amp; Supplies Expenditures</b>						
Travel	3,723	17,100	17,100	15,000	(2,100)	(12.3)%
Training & Education				2,000	2,000	
Repair & Maintenance		12,000	12,000		(12,000)	(100.0)%
Communications	3,134	3,500	3,500	3,570	70	2.0%
Rents & Leases	1,044					
Professional Services	13,846	34,000	34,000	33,000	(1,000)	(2.9)%
Shop & Field Supplies		4,000	4,000	4,000		
Computer Hardware & Software	(439)	20,000	20,000	18,000	(2,000)	(10.0)%
<b>Total Services &amp; Supplies Expenditures</b>	21,308	90,600	90,600	75,570	(15,030)	(16.6)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	959,344	923,854	923,854	1,027,998	104,144	11.3%



<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Charles Knoderer	
<b>Program Purpose:</b>	
Provide independent performance evaluation services for the Air Monitoring Operations Section and evaluate equipment and siting for air quality monitoring performed by industry and/or their consultants within the Air District's boundaries.	
<b>Description of Program:</b>	
The primary function of the Performance Evaluation (PE) Section is to ensure the accuracy of data collected throughout the Air District's air monitoring network. The PE Section is also responsible for audits and data evaluation of the H2S and SO2 ground level monitors (GLMs) and operation of H2S and SO2 mobile sampling units for odor complaint investigations and episodic sampling. Provide episodic ambient air-sampling after incidents at local refineries and chemical plants. Measure pollutants significant enough to cause wide-spread complaints.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Conduct performance evaluation audits on ambient air monitoring equipment as required by EPA and California Air Resources Board (CARB) regulations, and create accuracy records for reporting to EPA.	
Conduct performance evaluation audits on industry SO2 and H2S GLMs and prepare summary reports of the audits.	
Conduct performance evaluation audits on non-criteria pollutant monitors and prepare summary reports of the audits.	
Participate in inter-agency performance evaluation program conducted by EPA and CARB at Air District sites.	
Participate in interdivisional teams working on improving Air District regulations and the Manual of Procedures, special studies and customer service.	
Perform source-oriented sampling and mobile monitoring during complaint, odor, and episode conditions to provide data required for enforcement action. Between incidents, maintain the instruments and vehicles, as needed.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Maintain the directory of information on network drives for Air District access to all Quality Assurance (QA) data and activities.	Ongoing
Maintain criteria pollutant calibration standards and calibrators to meet EPA requirements.	Ongoing
Revise Standard Operating Procedures (SOPs) to reflect changes in procedures.	Ongoing

# Air Monitoring Instrument Performance Evaluation

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	3.21	3.11	3.11	3.31	0.20	6.43
<b>Personnel Expenditures</b>						
Permanent Salaries	437,219	422,961	422,961	527,207	104,246	24.6
Overtime Salaries	14,514	1,500	1,500	8,000	6,500	433.3
Payroll Taxes	6,424	5,988	5,988	7,517	1,529	25.5
Pension Benefits	135,616	88,702	88,702	108,298	19,596	22.1
FICA Replacement Benefits	3,999	6,346	6,346	11,411	5,065	79.8
Group Insurance Benefits	55,980	64,905	64,905	55,342	(9,563)	(14.7)
Transportation Subsidy	881	4,459	4,459	3,220	(1,239)	(27.8)
Workers' Compensation	1,478	1,538	1,538	1,530	(8)	(0.5)
Discretionary Contribution		32,989	32,989	33,558	569	1.7
<b>Total Personnel Expenditures</b>	656,111	629,388	629,388	756,083	126,695	20.1
<b>Services &amp; Supplies Expenditures</b>						
Travel	3,581	4,289	4,289	4,375	86	2.0
Repair & Maintenance	3,037	6,400	9,228	6,528	(2,700)	(29.3)
Communications	2,545	1,500	1,500	2,600	1,100	73.3
Building Maintenance		11,250	11,250	11,250		
Utilities	569					
Professional Services	347	2,550	9,487	5,600	(3,887)	(41.0)
Shop & Field Supplies	18,959	16,535	20,057	16,865	(3,192)	(15.9)
Books & Journals		160	160	160		
<b>Total Services &amp; Supplies Expenditures</b>	29,038	42,684	55,971	47,378	(8,593)	(15.4)
<b>Capital Expenditures</b>						
Lab & Monitoring Equipment	88,838	45,000	46,160	45,000	(1,160)	(2.5)
<b>Total Capital Expenditures</b>	88,838	45,000	46,160	45,000	(1,160)	(2.5)
<b>Total Expenditures</b>	773,987	717,072	731,519	848,461	116,942	16.0

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Daniel Meer	
<b>Program Purpose:</b>	
Operate and maintain the Bay Area BioWatch network for the Federal Department of Homeland Security (DHS).	
<b>Description of Program:</b>	
The BioWatch Monitoring Program consists of a network of sample collection units located throughout the Bay Area. Filter media are collected and replaced on a daily basis. Exposed filter housing are delivered to an outside laboratory for analysis. The network operates 24-hours a day, 365 days a year. This program is fully funded by a Department of Homeland Security grant and any budgetary changes were made to more accurately reflect the grant request.	
<b>Justification of Change Request:</b>	
All funding changes are covered by the DHS grant award.	
<b>Activities</b>	
Operate and maintain BioWatch collection sites to provide exposed filter media for laboratory analysis.	
Provide training and contract oversight for the BioWatch program.	
Implement Consequence Management Plan for the BioWatch program.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Provide oversight of facilities and equipment.	Ongoing
Assure program requirements for computer entry, sampling, and filter delivery are met.	Ongoing
Assure impacted Air Monitoring and contractor staff are notified in the event of positive results.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	0.05	0.07	0.07	0.01	(0.06)	(85.7)%
<b>Personnel Expenditures</b>						
Permanent Salaries	5,788	7,455	7,455	2,043	(5,412)	(72.6)%
Payroll Taxes	89	105	105	29	(76)	(72.4)%
Pension Benefits	2,547	1,562	1,562	389	(1,173)	(75.1)%
FICA Replacement Benefits	58	143	143	34	(109)	(76.2)%
Group Insurance Benefits	810	1,151	1,151	259	(892)	(77.5)%
Transportation Subsidy	13	100	100	10	(90)	(90.0)%
Workers' Compensation	20	35	35	5	(30)	(85.7)%
Discretionary Contribution		712	712	131	(581)	(81.6)%
<b>Total Personnel Expenditures</b>	9,325	11,263	11,263	2,900	(8,363)	(74.3)%
<b>Services &amp; Supplies Expenditures</b>						
Rents & Leases	18,461	50,000	50,000	50,000		
Professional Services	1,267,262	1,465,542	1,767,170	1,512,439	(254,731)	(14.4)%
Shop & Field Supplies		10,000	10,000	10,000		
Computer Hardware & Software		2,000	2,000	2,000		
<b>Total Services &amp; Supplies Expenditures</b>	1,285,723	1,527,542	1,829,170	1,574,439	(254,731)	(13.9)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,295,048	1,538,805	1,840,433	1,577,339	(263,094)	(14.3)%

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Jonathan P. Bower	
<b>Program Purpose:</b>	
Provide mobile, portable, and short-term air monitoring, oversight of air monitoring quality assurance, and management and development of air monitoring data storage and reporting systems.	
<b>Description of Program:</b>	
The Air Monitoring - Projects & Technology (AMPT) Section performs mobile, portable, and short-term air monitoring and sampling in support of various air monitoring projects. The section researches and develops tools, protocols, and procedures for testing and implementing air monitoring approaches to address a dynamic and growing list of uses cases, particularly at the community scale. AMPT is also responsible for oversight and development of regulatory data quality assurance systems and maintenance and development of data storage and reporting systems for air monitoring data by the Meteorology & Measurement Division. Major expenditures include air monitoring equipment and infrastructure, including a field office and air monitoring vans, software development, hardware purchases and support, and telecommunications for remote air monitoring.	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Required oversight and development of quality assurance (QA) systems: Includes heavy technical review, development, and implementation of QA documents and processes	
Required review and certification of air monitoring data	
Coordination with EPA, CARB, other PQAQs, and across multiple sections in M&M	
Maintenance of regulatory air monitoring data management system (DMS), including support for streaming semi-real time air monitoring data to the District website and other public datastores	
Collect ambient air quality data in focus communities using mobile or portable measurement platforms, providing high-quality, defensible data to data end users	
Continue to develop and document new monitoring approaches to achieve monitoring objectives	
Research, develop, and maintain systems for efficient and robust data collection; including hardware, software, communications, and documentation	
Provide technical input and project management for external air monitoring projects as needed	
Monitoring platform upgrades and repairs	
<b>Major Objectives</b>	<b>Delivery Date</b>
Collaborate on the development of monitoring plan and associated materials in East Oakland, and then perform air monitoring	Ongoing
Portable air monitoring platform development (e.g., portable lab, self-sustained systems): Coordination, installation of instrumentation, method development, data systems, and QA/QC	Ongoing
Scope an integrated data system for data collection, management, and review of data collected in mobile and portable air monitoring platforms	Ongoing
Work with contractor on development of a new, generalized system to ingest air monitoring (and associated) data	Ongoing
Coordinate and participate in EPA 2024 Technical Systems Audit (TSA) of the District's air monitoring network, and follow-up.	Ongoing
Ongoing tracking, coordinating, and implementing resolutions and projects proposed for M&M response to EPA 2021 TSA.	Ongoing

# Air Monitoring - Projects & Technology

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	8.77	5.70	5.70	5.44	(0.26)	(4.6)%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,210,590	854,342	854,342	889,395	35,053	4.1%
Overtime Salaries	3,772	5,000	5,000		(5,000)	(100.0)%
Payroll Taxes	17,861	12,137	12,137	12,681	544	4.5%
Pension Benefits	340,409	164,010	164,010	169,341	5,331	3.3%
FICA Replacement Benefits	11,122	11,641	11,641	18,746	7,105	61.0%
Group Insurance Benefits	155,761	116,540	116,540	123,751	7,211	6.2%
Transportation Subsidy	2,428	8,179	8,179	5,291	(2,888)	(35.3)%
Workers' Compensation	4,098	2,821	2,821	2,514	(307)	(10.9)%
Discretionary Contribution		61,696	61,696	56,645	(5,051)	(8.2)%
<b>Total Personnel Expenditures</b>	1,746,041	1,236,366	1,236,366	1,278,364	41,998	3.4%
<b>Services &amp; Supplies Expenditures</b>						
Travel	6,254	8,000	8,000	10,500	2,500	31.3%
Training & Education	5,680	8,000	8,000	9,500	1,500	18.8%
Communications	38,975	24,500	33,140	44,500	11,360	34.3%
Rents & Leases	23,000		138,000	140,000	2,000	1.4%
Professional Services	6,925	420,500	440,500	260,500	(180,000)	(40.9)%
Shop & Field Supplies	86,424	122,500	130,367	102,500	(27,867)	(21.4)%
Computer Hardware & Software		52,975	52,975	52,975		
Stationery & Office Supplies	49	500	500	500		
<b>Total Services &amp; Supplies Expenditures</b>	167,307	636,975	811,482	620,975	(190,507)	(23.5)%
<b>Capital Expenditures</b>						
Building & Grounds			40,000	40,000		
Lab & Monitoring Equipment	195,286		163,381		(163,381)	(100.0)%
<b>Total Capital Expenditures</b>	195,286		203,381	40,000	(163,381)	(80.3)%
<b>Total Expenditures</b>	2,108,634	1,873,341	2,251,229	1,939,339	(311,890)	(13.9)%

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Katherine Hoag	
<b>Program Purpose:</b>	
Summarize, analyze, and interpret air monitoring data, design air monitoring studies and evaluate monitoring networks, and provide technical support to Air District programs and the public.	
<b>Description of Program:</b>	
The Air Quality Analysis Section's primary objective is to characterize regional and local air quality using observed meteorological and air quality data, including preparing air quality summaries, determining compliance with National or State ambient air quality standards, and analyzing long-term trends to assess progress. District air monitoring program support includes developing an annual summary of the Air District's fixed-site air monitoring network, and a long-term assessment of the network's effectiveness every five years. This section is also responsible for reviewing or designing studies to characterize community-scale air quality, impacts of specific sources, and providing analyses to assist developing air quality improvement strategies. This section also provides technical support to community-led air monitoring and data analysis projects.	
<b>Justification of Change Request:</b>	
Contract funds for Bay Air Center moved from 302 to 811 in FYE 2020	
<b>Activities</b>	
Analyze measurement data to improve understanding of regional and local-scale air quality to determine compliance with the NAAQS and for routine reports or in support of Air District programs and the public.	
Evaluate regulatory ambient air monitoring network with respect to meeting Federal and State requirements or other Air District priorities, coordinate with US EPA on monitoring network modifications.	
Develop or review internal and external monitoring plans and/or air quality reports.	
Provide technical support for community projects, including providing context to monitoring data and assisting community-based participatory research projects using air sensors.	
Air District coordinator for the Bay Air Center.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Prepare Air Quality Data reports summarizing regional compliance with standards long-term trends, and community-level air quality assessments.	Ongoing
Prepare and submit Annual Air Monitoring Network Plan to EPA, CARB and the public.	Annually
Evaluate ambient monitoring network and seek EPA approval for changes as needed.	Ongoing
Complete exceptional event notifications or justification packages as needed, in coordination with CARB and EPA.	Ongoing
Oversight of Bay Air Center's technical support for community-led monitoring or data analysis projects	Ongoing
Work with CBE to implement EPA ARP Grant to design and implement source-oriented community monitoring in East Oakland; perform contract management for EPA grant	Ongoing

# Ambient Air Quality Analysis

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	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	5.15	5.06	5.06	3.06	(2.00)	(39.53)%
<b>Personnel Expenditures</b>						
Permanent Salaries	804,363	805,961	805,961	518,886	(287,075)	(35.62)%
Overtime Salaries	907	200	200	1,000	800	400.00%
Payroll Taxes	11,680	11,468	11,468	7,423	(4,045)	(35.27)%
Pension Benefits	229,505	154,965	154,965	98,470	(56,495)	(36.46)%
FICA Replacement Benefits	7,277	10,326	10,326	10,553	227	2.20%
Group Insurance Benefits	101,993	91,581	91,581	67,638	(23,943)	(26.14)%
Transportation Subsidy	1,606	7,255	7,255	2,978	(4,277)	(58.95)%
Workers' Compensation	2,698	2,503	2,503	1,415	(1,088)	(43.47)%
Discretionary Contribution		55,456	55,456	33,073	(22,383)	(40.36)%
<b>Total Personnel Expenditures</b>	1,160,029	1,139,715	1,139,715	741,436	(398,279)	(34.95)%
<b>Services &amp; Supplies Expenditures</b>						
Travel	10,803	19,000	24,000	39,000	15,000	62.50%
Training & Education		1,000	1,000	5,500	4,500	450.00%
Communications	4,757	1,500	1,500	3,000	1,500	100.00%
Printing & Reproduction				500	500	
Professional Services	153,904	565,000	687,970	1,721,200	1,033,230	150.19%
Computer Hardware & Software	2,762	20,000	15,000	10,000	(5,000)	(33.33)%
Stationery & Office Supplies		2,000	2,000		(2,000)	(100.00)%
Books & Journals		2,000	2,000	2,000		
Minor Office Equipment				2,000	2,000	
<b>Total Services &amp; Supplies Expenditures</b>	172,226	610,500	733,470	1,783,200	1,049,730	143.12%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,332,255	1,750,215	1,873,185	2,524,636	651,451	34.78%



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## Planning & Climate Protection Division

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The Planning and Climate Protection Division prepares plans to meet State and Federal air quality standards, leads and implements climate protection activities, and develops and implements local community emissions reduction plans per Assembly Bill 617 (AB 617). Staff partner with other Divisions to understand and address local and regional toxic air contaminants, criteria pollutants including fine particulate matter, and greenhouse gas emissions. Staff advance local and regional environmental justice by providing support for General Plan Environmental Justice Element development and implementation (per SB 1000); centering equity in climate action planning; and developing and delivering plan and policy resources such as model ordinances, technical resources, and best practices to accelerate action. Staff will continue supporting local lead agencies, regional agencies, and others in applying the Air District CEQA Thresholds and using updated Guidelines to ensure plans and projects are protective of local health and reduce climate impacts.

<b>Managing Division:</b>	
Planning & Climate Protection Division	
<b>Contact Person:</b>	
Alison Kirk	
<b>Program Purpose:</b>	
Program 602 Merged with Program 605	
<b>Description of Program:</b>	
Program 602 Merged with Program 605	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
<b>Major Objectives</b>	<b>Delivery Date</b>
Track and prioritize CEQA projects for review and provide outcome-oriented comments to lead agencies in coordination with other Divisions.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	7.75	4.88	4.88		(4.88)	(100.0)%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,263,893	748,496	748,496		(748,496)	(100.0)%
Overtime Salaries	100					
Temporary Salaries	14,231					
Payroll Taxes	18,548	10,670	10,670		(10,670)	(100.0)%
Pension Benefits	382,915	159,619	159,619		(159,619)	(100.0)%
FICA Replacement Benefits	11,498	9,959	9,959		(9,959)	(100.0)%
Group Insurance Benefits	161,137	96,474	96,474		(96,474)	(100.0)%
Transportation Subsidy	2,545	6,997	6,997		(6,997)	(100.0)%
Workers' Compensation	4,270	2,414	2,414		(2,414)	(100.0)%
Discretionary Contribution		53,048	53,048		(53,048)	(100.0)%
<b>Total Personnel Expenditures</b>	1,859,137	1,087,677	1,087,677		(1,087,677)	(100.0)%
<b>Services &amp; Supplies Expenditures</b>						
Travel	1,304	4,100	4,596		(4,596)	(100.0)%
Training & Education	600	3,000	3,000		(3,000)	(100.0)%
Communications	6,726					
Printing & Reproduction		11,000	6,000		(6,000)	(100.0)%
Professional Services	43,171	200,000	444,153		(444,153)	(100.0)%
Stationery & Office Supplies	182	500	993		(993)	(100.0)%
<b>Total Services &amp; Supplies Expenditures</b>	51,983	218,600	458,742		(458,742)	(100.0)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,911,120	1,306,277	1,546,419		(1,546,419)	(100.0)%

<b>Managing Division:</b>	
Planning & Climate Protection Division	
<b>Contact Person:</b>	
Alison Kirk	
<b>Program Purpose:</b>	
Prepare and implement plans to attain and maintain State and National ambient air quality standards and address disproportionate local air pollution impacts. Provide direct support to local and regional governments to address air quality in overburdened and frontline communities.	
<b>Description of Program:</b>	
This program prepares and implements regional plans to attain or maintain State and National air quality standards and works closely with partners to reduce local emissions and exposure to fine particulate matter and toxic air contaminants in overburdened communities. The program provides direct support to regional and local governments, community partners, and other stakeholders on the development and implementation of air quality plans, policies, and projects; local land use and transportation plans, policies, and projects; and environmental project review (CEQA).	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Lead development and implementation of regional air quality plans in collaboration with all Divisions, MTC, ABAG, BARC, and local entities.	
Track, review and comment on new or revised ambient air quality standards; prepare analyses, plans, and documentation to meet requirements.	
Support local governments and their community partners develop and implement plans and policies to improve air quality and address health inequity and environmental injustice.	
Create and disseminate accessible and relevant air quality planning and policy tools, guidance, and resources to support regional and local governments, practitioners and community partners.	
Comment on priority CEQA projects, maintain and update CEQA Thresholds and Guidelines as necessary.	
Participate in MTC's Air Quality Conformity Task Force and provide consultation to Federal agencies on general conformity.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Develop and coordinate efforts to prepare analyses, plans, and documentation to meet requirements of new or revised ambient air quality standards.	Ongoing
Maintain an easy-to-use virtual repository of air quality, CEQA, transportation and land use planning and policy tools and resources.	Ongoing
Work with local governments and their community partners to incorporate environmental justice and health equity into plans, policies, programs and projects.	Ongoing
Provide technical support and assistance to CEQA lead agencies, local governments and community partners.	Ongoing
Track and prioritize CEQA projects for review and provide outcome-oriented comments to lead agencies.	Ongoing

# Implement Plans, Policies and Measures

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	5.39	3.98	3.98	7.06	3.08	77.4%
<b>Personnel Expenditures</b>						
Permanent Salaries	802,467	624,718	624,718	1,211,401	586,683	93.9%
Overtime Salaries	201	4,000	4,000		(4,000)	(100.0)%
Payroll Taxes	11,820	8,921	8,921	17,427	8,506	95.3%
Pension Benefits	237,588	133,079	133,079	247,699	114,620	86.1%
FICA Replacement Benefits	7,321	8,122	8,122	24,325	16,203	199.5%
Group Insurance Benefits	102,655	84,054	84,054	150,835	66,781	79.5%
Transportation Subsidy	1,612	5,707	5,707	6,865	1,158	20.3%
Workers' Compensation	2,710	1,969	1,969	3,262	1,293	65.7%
Discretionary Contribution		43,480	43,480	77,232	33,752	77.6%
<b>Total Personnel Expenditures</b>	1,166,374	914,050	914,050	1,739,046	824,996	90.3%
<b>Services &amp; Supplies Expenditures</b>						
Travel	4,507	3,800	3,305	7,900	4,595	139.0%
Training & Education	2,320	5,000	10,000	8,500	(1,500)	(15.0)%
Printing & Reproduction		600	600	1,500	900	150.0%
Professional Services	14,600	185,000	434,231	375,000	(59,231)	(13.6)%
Computer Hardware & Software	800	1,000	1,300	1,000	(300)	(23.1)%
Stationery & Office Supplies		500	500	1,000	500	100.0%
<b>Total Services &amp; Supplies Expenditures</b>	22,227	195,900	449,936	394,900	(55,036)	(12.2)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,188,601	1,109,950	1,363,986	2,133,946	769,960	56.4%

<b>Managing Division:</b>	
Planning & Climate Protection Division	
<b>Contact Person:</b>	
Abby Young	
<b>Program Purpose:</b>	
Prepare regional plans to accelerate climate pollutant reductions, center equity, protect public health, and address disproportionate impacts. Provide direct support to local and regional governments and their community partners to address climate impacts in overburdened and frontline communities through planning, policies, and projects. Lead and support integration of climate protection into Air District programs. Partners with local, regional, and State agencies, community organizations, and other stakeholders to advance climate protection efforts.	
<b>Description of Program:</b>	
This program works to accelerate the reduction of climate pollutants while advancing equity, protecting public health, and addressing disproportionate criteria and toxic air pollution emissions in overburdened and frontline communities. Program staff work in collaboration with other Divisions to integrate climate protection into Air District programs including rule development and implementation, community health protection planning (AB 617), and emissions inventory and measures estimating. The program both leads and partners on regional efforts to decarbonize existing buildings, and actively participates in statewide building decarbonization efforts. Program staff provide leadership, technical support, and resources to advance regional, local and statewide climate protection planning and policy efforts that center equity, health and air pollution co-benefits. Program staff provide guidance to local governments in developing and implementing equitable climate action plans, GHG reduction strategies, and CEQA climate impact analysis and mitigation.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Lead the development and implementation of regional climate protection plans that center equity and focus on health protection and air pollution co-benefits.	
Lead the expansion and acceleration of regional efforts to decarbonize existing buildings.	
Provide guidance and support to local governments developing and implementing climate action plans, policies, and projects.	
Support partner implementation of asthma mitigation, energy efficiency enhancements, and electrification in at-risk households.	
Support statewide and local government efforts to decarbonize buildings.	
Lead the implementation of the Diesel Free By '33 initiative.	
Integrate climate protection into Air District programs through partnership and collaboration.	
Provide climate protection leadership through convening events, and providing networking opportunities for local governments and stakeholders to share and exchange information.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Support Air District climate protection efforts by tracking, assessing, and disseminating the latest GHG science and studies.	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	6.23	6.69	6.69	8.35	1.66	24.8%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,004,180	1,112,208	1,112,208	1,441,392	329,184	29.6%
Overtime Salaries	1,704					
Temporary Salaries	9,393					
Payroll Taxes	14,867	15,890	15,890	20,564	4,674	29.4%
Pension Benefits	306,577	221,214	221,214	283,844	62,630	28.3%
FICA Replacement Benefits	9,284	13,652	13,652	28,749	15,097	110.6%
Group Insurance Benefits	129,807	136,273	136,273	182,374	46,101	33.8%
Transportation Subsidy	2,182	9,593	9,593	8,114	(1,479)	(15.4)%
Workers' Compensation	3,393	3,309	3,309	3,855	546	16.5%
Discretionary Contribution		74,026	74,026	91,908	17,882	24.2%
<b>Total Personnel Expenditures</b>	1,481,387	1,586,165	1,586,165	2,060,800	474,635	29.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel	3,562	10,410	10,410	10,410		
Training & Education	4,767	6,900	6,900	6,900		
Communications	1,071					
Printing & Reproduction	278	1,200	1,200	1,200		
Professional Services	135,626	446,000	979,474	445,000	(534,474)	(54.6)%
Stationery & Office Supplies	161	500	500	500		
Books & Journals		100	100	100		
Minor Office Equipment		200	200	200		
<b>Total Services &amp; Supplies Expenditures</b>	145,465	465,310	998,784	464,310	(534,474)	(53.5)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	1,626,852	2,051,475	2,584,949	2,525,110	(59,839)	(2.3)%



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## Rules Division

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The Rules Division is responsible for the development of regulations to implement Air District plans to attain federal and State air quality standards, and to protect public health. In addition to development of rules derived from planning documents, staff assists with the preparation of air quality plans. Other measures are developed under the direction of the Board of Directors to further protect public health and safety and reduce emissions of greenhouse gases. In addition, staff reviews existing regulations and develops revisions to improve clarity, efficiency and effectiveness. For each control measure, staff assesses potential emission reductions, technological feasibility, socioeconomic impacts, cost-effectiveness, and environmental impacts under CEQA. Staff conducts public workshops and other public involvement processes, prepares staff reports, and makes presentations and recommendations to the Board of Directors at public hearings and committee meetings. Staff also manages and coordinates the rule development process for other Divisions.

<b>Managing Division:</b>	
Rules Division	
<b>Contact Person:</b>	
David Joe	
<b>Program Purpose:</b>	
The primary purpose of this program is to develop and propose emissions reductions strategies to reduce air pollutant emissions in the Bay Area.	
<b>Description of Program:</b>	
The Rule Development Program is responsible for evaluating sources for potential emissions control strategies and the development of regulations to attain Federal and State air quality standards, and to protect public health. In addition, staff reviews existing regulations and develops revisions to improve clarity, efficiency and effectiveness.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Continue to support the Implementation Working Group (IWG), which is a multiple stakeholder working group to support implementation of the amended Building Appliances Rules 9-4 and 9-6.	
Continue supporting AB 617 communities as they develop Community Emission Reduction Plans by providing staff resources to help the Steering Committee develop and prioritize emissions reduction measures	
Continue developing amendments to Regulation 11: Hazardous Pollutants, Rule 18: Reduction of Risk from Air Toxic Emissions at Existing Facilities (11-18) to streamline and expedite regulatory implementation.	
Complete regulatory amendments to various rules to reduce fugitive dust emissions.	
Complete regulatory amendments to Regulation 6: Particulate Matter, Rule 4: Metal Recycling and Shredding Operations (Rule 6-4).	
Continue developing amendments to Regulation 6: Particulate Matter, Rule 3: Wood-Burning Devices (Rule 6-3).	
Develop a white paper on commercial cooking.	
Develop a white paper on autobody repair.	
Following approval of the Richmond-North Richmond-San Pablo Community Emissions Reduction Plan (CERP) by the California Air Resources Board, begin work on two white papers for sources identified as high priority for rulemaking in the CERP.	
Perform new source evaluations (white papers) as resources allow.	
Prioritize and begin work, as resources allow, on other minor rulemaking efforts to increase enforceability and efficiency of existing Air District rules and regulations.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Finalize amendments to various rules to reduce fugitive dust emissions.	June 2025
Finalize amendments to Rule 6-4 on metal shredding operations.	June 2025
Finalize amendments to Rule 11-18	June 2025
Complete white paper on commercial cooking	December 2024
Complete white paper on autobody repair	June 2025

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	9.61	8.78	8.78	11.12	2.34	26.7%
<b>Personnel Expenditures</b>						
Permanent Salaries	1,563,616	1,439,257	1,439,257	1,936,988	497,731	34.6%
Overtime Salaries	19,409			16,000	16,000	
Temporary Salaries	5,302					
Payroll Taxes	23,222	20,656	20,656	27,890	7,234	35.0%
Pension Benefits	539,616	292,132	292,132	380,722	88,590	30.3%
FICA Replacement Benefits	14,513	17,917	17,917	38,277	20,360	113.6%
Group Insurance Benefits	203,235	173,523	173,523	267,026	93,503	53.9%
Transportation Subsidy	3,247	12,589	12,589	10,803	(1,786)	(14.2)%
Workers' Compensation	5,283	4,343	4,343	5,133	790	18.2%
Discretionary Contribution		96,843	96,843	123,532	26,689	27.6%
<b>Total Personnel Expenditures</b>	2,377,443	2,057,260	2,057,260	2,806,371	749,111	36.4%
<b>Services &amp; Supplies Expenditures</b>						
Travel	494	13,000	13,000	9,500	(3,500)	(26.9)%
Training & Education	595	10,000	11,000	12,000	1,000	9.1%
Printing & Reproduction	1,834	22,000	22,000	22,000		
Professional Services	135,682	401,000	893,213	540,000	(353,213)	(39.5)%
Shop & Field Supplies		500	500	500		
Computer Hardware & Software		3,000	3,000	4,000	1,000	33.3%
Stationery & Office Supplies	14	500	500	250	(250)	(50.0)%
Books & Journals		500	500	250	(250)	(50.0)%
<b>Total Services &amp; Supplies Expenditures</b>	138,619	450,500	943,713	588,500	(355,213)	(37.6)%
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	2,516,062	2,507,760	3,000,973	3,394,871	393,898	13.1%

## Program 10: General Fund Program Distributions

The monitoring and tracking of expenditures related to General Fund Program Distributions is managed through a dedicated account called Program 10. This separation allows Divisions and Finance staff to effectively oversee spending on special projects apart from the normal operating program budgets. Furthermore, it enables the Finance Office to reconcile actual expenses with the allocated budget amounts. These allocations cater to various programs and initiatives, with some requiring multiple years for expenditure.

The Fiscal Year 2024-2025 Program 10 General Fund Program Distribution encompasses two programs within the Air District's Wildfire Air Quality Response Program:

The Home and School Air Filtration Program (HSAFP) was approved by the Board of Directors in July 2022 using \$1,000,000 in General Fund Reserves to support impacted communities that are vulnerable to wildfire smoke by distributing home air filtration units and filter replacements and providing air filtration upgrades to elementary schools in Richmond and San Pablo. Program partners include the Public Health Institute's – Regional Asthma Management and Prevention (RAMP), Bay Area organizations in the California Asthma Mitigation Project (AMP), federally qualified health centers, James Cary Smith Community Grantees, and other community-based organizations partners in AB 617 communities, impacted communities and those serving outdoor workers, IQAir and West Contra Costa Unified School District.

The Board of Directors in June 2021 approved \$250,000 for staff to work with air filter manufacturers to purchase home air filters for the Home Air Filtration Program and a \$100,000 MOU agreement for a pilot program with RAMP and AMP partners to distribute air filters with the AMP partners to clients with asthma or other lung condition.

The Board of Directors in September 2021 approved an additional \$100,000 to expand the program to reach all Bay Area Counties under the Executive Officer's expenditure authority and to seek additional partners in Solano, Marin, and Napa.

The Board of Directors in November 2023 approved staff to reallocate remaining Wildfire Mitigation Designation funds towards any of the partners and project categories and to expand eligibility to any clients of partners, eliminating the need for a lung condition, and any JCS Community Grantee.

The Wildfire Management Office Emergency Supplies (WMOES) was approved by the Board of Directors in July 2021 \$1,000,000 General Fund Reserves for Air District to provide heavy-duty portable air filtration units for regional emergency management authorities throughout the San Francisco Bay Area to help communities prepare for wildfire smoke that have the potential to impact air quality in entire regions for consecutive days.

**The following is the projected spending plan for the programs:**

Programs	Authorized Amount	YTD Spending as of 06/30/2023	FY24 Projected Spending	FY2025 Projected Spending	Division	Program
HSAFP	1,350,000	619,706	72,439	657,855	Community Engagement	302
WMOES	1,000,000	628,981	78,072	292,946	Compliance & Enforcement	401

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# Special Revenue Fund Program Narratives and Expenditure Details

## SPECIAL REVENUE FUND

The Air District's Special Revenue works to support the Air District's mission of improving air quality, protecting public health, and protecting the global climate. The Special Fund revenue is principally derived from state and federal agency grants (e.g., from the California Air Resources Board and US Environmental Protection Agency), Department of Motor Vehicle Registration fees, settlement agreements, environmental mitigation fees, bond-sales, and the Bay Area Clean Air Foundation.

The Air District uses monies from these revenue sources to fund a variety of programs and projects that complement its regulatory and enforcement activities: grant and incentive programs for public agencies businesses, community groups, and residents, community outreach and engagement efforts, air quality monitoring and analysis, commuter benefits and Spare the Air programs, mobile source and anti-idling enforcement activities, and others. Air District staff administrative costs related to the implementation of Air District sponsored projects and programs are mainly provided for by the revenue source. A list of the main sources of revenue is listed below and a description of the programs funded by these sources is found in the section that follows:

- California Air Resources Board
- Transportation Fund for Clean Air (TFCA)
- Mobile Source Incentive Fund (MSIF)
- Carl Moyer Program (CMP)
- Community Air Protection Program (CAP)
- Volkswagen Environmental Mitigation Trust (VW Trust)
- Funding Agricultural Replacement Measures for Emission Reductions (FARMER)
- US Environmental Protection Agency
- California Goods Movement I-Bond (CGMB)
- Ocean-Going Vessel At-berth Remediation Fund (OGV Remediation Fund)
- Bay Area Clean Air Foundation
- Settlement funds



## **SERVICE AREA - ENGINEERING & COMPLIANCE**

# Special Revenue Fund

## Compliance and Enforcement

The Compliance & Enforcement Division ensures the Air District realizes the emission reductions achieved by the air quality regulations adopted by the Board of Directors, and permit conditions issued by the Executive Officer/APCO. Compliance with Air District, state, and federal regulations is achieved through a robust Compliance Assurance and Enforcement Program that includes comprehensive inspections and investigations and a complementary Compliance Assistance Program that supports compliance objectives of the Division by maintaining operations and assisting industry with air quality regulations and requirements. The Division works closely with local and state regulatory agencies, regulated industry and members of the community to provide the highest level of service to protect air quality and public health. The Division implements Air District strategies and enforces regulations that pertain to stationary sources and has some mobile source enforcement authority in collaboration with the California Air Resources Board. Division priorities include conducting Title V and Synthetic Minor facility inspections, locating unpermitted sources of operations, resolving violations at facilities with ongoing non-compliance and responding to and investigating air quality complaints. Staff work collaboratively across Divisions to achieve the Air District's mission and apply the appropriate level of enforcement proportional to the level of non-compliance. The Division vigorously pursues violators who show a disregard for the law and well-being of the public and ensures corrective actions and measures to resolve violations are taken.

The Compliance and Enforcement Division continues to focus on activities that support the Air District's commitment to achieve clean air to protect public health and the environment as follows:

The Compliance Assurance and Enforcement Programs focus on announced and unannounced inspections of air pollution sources to ensure compliance. Targeted strategies are used to guide inspections to identify non-compliance and reduce excess emissions. Sources include Title V and Synthetic Minor facilities, petroleum refineries, chemical plants, dry cleaners, gasoline dispensing facilities, autobody shops, asbestos renovations and demolitions, agricultural and prescribed burning, and other permitted sources. Other facets of the program requiring Division resources include investigations of Title V deviation reporting, Reportable Compliance Activities, and other inspections pertaining to the Portable Equipment Registration Program (PERP), Asbestos projects (renovations, demolitions and naturally occurring asbestos – NOA), compliance determinations for State Air Toxics Control Measures (ATCMs) and Federal Maximum Available Control Technology (MACTs) for air toxics. Air pollution complaints and incident response investigations are a high priority in the Division that aim to address and resolve air quality concerns of local communities.

The Compliance Assistance Program develops outreach materials, advisories, policies and procedures and guidance information and implements compliance strategies that complement a wide range of enforcement efforts. The program aims to enhance industry and public understanding of compliance and enforcement programs and regulatory requirements, address compliance concerns and assist in resolving air quality violations. Key programs and projects in Compliance Assistance and Operations include the Air District's Wood Smoke Reduction Program, Air Quality Complaint Program, AB617 Community Health Protection Program in West Oakland, Richmond/San Pablo, East Oakland and Bay View Hunters Point, Wildfire Air Quality Response Program, Commuter Benefits, Title V, Open Burning, Flare Monitoring, Naturally Occurring Asbestos, Inspector Training, Green Business Certifications, Variance and Hearing Board Activities, and many others involving state, federal and Air District regulations and requirements. The program also maintains online web information, the dispatch operating system and the compliance assistance and complaint phone lines which are all integral interfaces with the public.

<b>Managing Division:</b>	
Compliance & Enforcement Division	
<b>Contact Person:</b>	
Tracy Lee	
<b>Program Purpose:</b>	
Conduct enhanced inspection patrols to report smoking vehicles and to promote repair or retirement of these vehicles for the protection of public health. Conduct enhanced inspections to enforce drayage truck and related truck/mobile source regulations at, and adjacent to, the Port of Oakland.	
<b>Description of Program:</b>	
<p>The enhanced mobile source inspection program is conducted to reduce particulate matter (PM) emissions throughout the Bay Area, and of PM and other emissions specifically at, and adjacent to, the Port of Oakland. Enhanced enforcement patrols are conducted for smoking vehicles. All Air District inspectors patrol for smoking vehicles on the road, between performing inspections and answering complaints. Smoking vehicles are reported to Air District dispatchers and owner information is extracted from Department of Motor Vehicles (DMV) records. Letters and other compliance assistance materials are sent to owners to request that they repair or retire the respective vehicles.</p> <p>Enhanced enforcement of the truck/mobile source regulations is conducted at, and adjacent to, the Port of Oakland. Enhanced patrols and enforcement are conducted to ensure that excess idling does not occur. Compliance checks of portable equipment are also conducted to ensure compliance with State regulations. Compliance assistance materials are developed and outreach is conducted regarding specific regulatory requirements, including any compliance deadlines and the availability of Air District grants and incentives.</p>	
<b>Justification of Change Request:</b>	
None.	
<b>Activities</b>	
Smoking Vehicles: Conduct inspection patrols for smoking vehicles. Vehicle owners are identified using DMV records. Notification letters are sent to vehicle owners to inform them of the vehicle's excess emissions and to request that they repair the vehicle or contact assistance programs to retire the vehicle.	
Port Trucks Compliance Assurance: Conduct enhanced mobile source inspections at and adjacent to the Port of Oakland for compliance with the State DTR and related truck/mobile source regulations. Additional inspections are conducted and targeted at ensuring upgrades and modifications to engine model year 2010 and newer trucks in compliance with the requirements of Phase 1 and Phase 2 of the California Air Resources Board's DTR. Additional focused inspections are conducted for compliance with dray-off provisions of the regulation and to ensure that non-compliant trucks do not enter the Port. Air District staff also verify compliance with State mobile source regulations pursuant to the Air District's Mobile Source Compliance Plan.	
Port Trucks Enforcement: Conduct investigations and inspections, issue and process Notice of Violations for trucks and other mobile sources found in non-compliance.	
Port Trucks Compliance Assistance: Develop fact sheets, posters and other outreach materials to provide to Port operators and truckers on regulatory requirements, upcoming compliance dates and the availability of Air District grants. Develop compliance assistance materials for related mobile source regulatory requirements. Provide compliance assistance during inspections and following enforcement actions; provide bilingual assistance where needed. Identify and translate compliance assistance materials. Participate in Trucker Workgroup meetings at the Port, as needed.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Not applicable.	Ongoing

# Enhanced Mobile Source Inspections (TFCA)

318

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Personnel Expenditures</b>						
<b>Services &amp; Supplies Expenditures</b>						
Communications	2,271	3,000	3,000	3,000		
Postage		4,000	4,000	4,000		
Printing & Reproduction	9,035	8,500	9,195	8,500	(695)	(7.56)
<b>Total Services &amp; Supplies Expenditures</b>	11,306	15,500	16,195	15,500	(695)	(4.29)
<b>Capital Expenditures</b>						
<b>Total Expenditures</b>	11,306	15,500	16,195	15,500	(695)	(4.29)

# Commuter Benefits Program (TFCA)

319

<b>Managing Division:</b>	
Compliance & Enforcement Division	
<b>Contact Person:</b>	
Tracy Lee	
<b>Program Purpose:</b>	
Implementation of the Commuter Benefits Program, per the requirements of Air District Regulation 14-1.	
<b>Description of Program:</b>	
As part of the implementation of the Commuter Benefits Program, staff plans to continue performing education, outreach, monitoring and tracking of approximately 10,000 Bay Area employers subject to the Program. Enforcement actions will be taken as appropriate.	
<b>Justification of Change Request:</b>	
None.	
<b>Activities</b>	
Perform outreach to affected employers.	
Continue education campaign for affected employers.	
Perform tracking and monitoring of program.	
Facilitate data reporting and storage for affected employers.	
Coordinate activities with Metropolitan Transportation Commission's 511.org.	
Prepare and implement a compliance and enforcement system.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Conduct outreach and education.	Ongoing
Prepare and implement a compliance and enforcement system.	Ongoing

# Commuter Benefits Program (TFCA)

319

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<i>Personnel Expenditures</i>						
<i>Services &amp; Supplies Expenditures</i>						
Travel		6,000	6,000	6,000		
Postage		5,000	5,000	5,000		
<b>Total Services &amp; Supplies Expenditures</b>		11,000	11,000	11,000		
<i>Capital Expenditures</i>						
<b>Total Expenditures</b>		11,000	11,000	11,000		

## **SERVICE AREA - EQUITY & COMMUNITY PROGRAMS**

## Special Revenue Fund

### Community Engagement

The Community Engagement Office is the Air District's main point of contact with the public and engages the public in Air District programs and policies. Community Engagement staff collaborate with diverse communities and other partners to advance public health, equity, and environmental justice in the Bay Area. To that end, staff work with community members and other partners to increase community awareness and transparency of air quality issues, build capacity, implement community-identified solutions, and increase opportunities for the public to participate in Air District decision-making. Community Engagement staff particularly seek opportunities for communities that have been historically excluded, discriminated against, under-represented, or under-resourced to participate and shape Air District decisions.



<b>Managing Division:</b>	
Community Engagement Division	
<b>Contact Person:</b>	
Anna Lee	
<b>Program Purpose:</b>	
This program will implement a Supplemental Environmental Project (SEP) funded by the California Air Resources Board (CARB). The goal of the program is to provide high efficiency indoor air filtration systems in some of the most impacted communities in the Bay Area.	
<b>Description of Program:</b>	
In 2018 the Air District applied for a Supplemental Environmental Project grant from CARB and received \$2,000,000 to provide air filtration systems at sensitive receptor facilities in disproportionately impacted and disadvantaged communities in the Bay Area. The program will focus on providing filtration to public elementary schools in priority communities identified through AB 617. The Air District will manage a contract to support installation and maintenance of air filtration systems.	
<b>Justification of Change Request:</b>	
Program fund expended. not continue in FY 2025	
<b>Activities</b>	
<b>Major Objectives</b>	<b>Delivery Date</b>

Community Engagement - Special Project (Other Grant)

325

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<i>Personnel Expenditures</i>						
<i>Services &amp; Supplies Expenditures</i>						
Professional Services	99,958					
<b>Total Services &amp; Supplies Expenditures</b>	99,958					
<i>Capital Expenditures</i>						
<b>Total Expenditures</b>	99,958					

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# Special Revenue Fund

## - Strategic Incentive Division

The Strategic Incentives Division works to achieve early emissions reductions and accelerate adoption of cleanest-available technology through the administration of voluntary incentive programs to help fleet owners to replace older highly polluting vehicles and equipment with cleaner and zero-emissions technology. This work involves the oversight and administration of Special Revenue funds from federal, state, and local sources to offer incentives that target the clean-up of mobile sources in the marine, goods movement, industrial, transportation, and agricultural sectors, implementation of trip reduction strategies such as the installation of new bikeways and secure bike parking, and the change-out residential wood-burning stoves. The programs are designed to fund projects that reduce emissions and exposure in areas where communities have been most affected by air pollution. In FYE 2025, the team will be working to award over \$100 million in new Special Revenue-funded programs and active projects that were previously awarded over the past 10 years.

Special Revenue Fund sources are used to pay for direct project costs (grant awards) and associated Air District administrative costs. These revenue sources include the Carl Moyer Program, Community Air Protection – Incentive Program, Transportation Fund for Clean Air Fund, Mobile Source Incentive Fund, Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program, Environmental Protection Agency Targeted Airshed Program (EPA TAG), settlement funds, monies that are received from the Bay Area Clean Air Foundation, and other miscellaneous sources.

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Alona Davis	
<b>Program Purpose:</b>	
Under the Carl Moyer Program (CMP), Community Air Protection (CAP) Incentives program, Ocean-Going Vessel (OGV) At-berth Remediation Fund, and Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program, the Air District provides grants for eligible projects that reduce emissions and community exposure to diesel exhaust and other pollutants, primarily from mobile sources.	
<b>Description of Program:</b>	
This program administers funding that is awarded from the California Air Resources Board (CARB), including the CMP, CAP Incentives, Ocean-Going Vessel At-berth Remediation Fund, and FARMER Program under the State's guidelines that govern each program. Annually, new revenue from each of these incentive programs is awarded to the Air District, who administers both new and prior-year revenue under this Program (#307).	
The program prioritizes most of the funding for projects that provide emissions and exposure reductions in the Bay Area's most impacted communities and supports the strategies in AB 617 community emission reduction plans. Under these programs, eligible projects include the replacement of older polluting heavy- and medium-duty vehicles and equipment (such as trucks, buses, off-road equipment, marine vessels, and locomotives) with cleaner alternatives including zero-emission technologies. Funding may also be used to provide grants for the installation of recharging and refueling infrastructure that support zero-emission equipment and vehicles and other project types that have been approved by CARB. During FYE 2025 the Air District will also continue initiatives to upgrade its data systems needed to intake and process applications, store documentation, and report results, and work with CARB to revise guidelines to create more effective programs.	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Update program policies and procedures, guidance materials, and administrative operating procedures; develop solicitation packages; conduct outreach.	
Evaluate project applications, prepare recommendations for award of eligible projects for BOD approval, prepare contracts and amendments.	
Monitor projects, inspect, and audit programs and projects to assure compliance with guidelines, policies, and regulatory requirements; process reimbursement requests; maintain documentation.	
Prepare and submit reports to CARB; liaise with CARB on contract and guideline requirements.	
Prepare technical, financial, and staff reports, attend meetings, and participate in external audits.	
Coordinate with IT contractors to develop, enhance, and maintain data management systems.	
Develop a lawn and garden program and/or other program in support of community emission reduction plan strategies.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Submit reports to CARB on the District's implementation of the CMP (annually), CAP and FARMER (semi-annually), and OGV At-Berth Fund (as needed)	Annually
Finalize policies and procedures for the new CMP funding cycle, consistent with CARB guidelines.	August 2024
Open a first-come first serve solicitation for equipment replacement and supporting infrastructure projects.	January 2025
Open a competitive zero-emission infrastructure solicitation.	June 2025
Meet funding source disbursement and liquidation deadlines, and priority area targets.	June 2025
Conduct RFP, bring recommendation to Board, execute a contract with selected contractor to start work on a new data management system.	June 2025

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	15.04	16.21	16.21	12.58	(3.63)	(22.4)
<b>Personnel Expenditures</b>						
Permanent Salaries	1,952,440	2,176,518	2,176,518	1,778,906	(397,612)	(18.27)
Overtime Salaries	431					
Payroll Taxes	28,856	30,845	30,845	25,205	(5,640)	(18.28)
Pension Benefits	612,949	437,689	437,689	351,990	(85,699)	(19.58)
FICA Replacement Benefits	17,975	33,065	33,065	43,311	10,246	30.99
Group Insurance Benefits	250,851	299,753	299,753	271,198	(28,555)	(9.53)
Transportation Subsidy	3,993	23,233	23,233	12,224	(11,009)	(47.39)
Workers' Compensation	6,596	8,014	8,014	5,808	(2,206)	(27.53)
Discretionary Contribution		171,459	171,459	112,915	(58,544)	(34.14)
<b>Total Personnel Expenditures</b>	2,874,091	3,180,576	3,180,576	2,601,557	(579,019)	(18.20)
<b>Services &amp; Supplies Expenditures</b>						
Travel	3,060	20,000	20,000	11,550	(8,450)	(42.25)
Training & Education	46	17,000	17,000	13,500	(3,500)	(20.59)
Communications	1,566	5,000	5,000	5,000		
Postage				1,000	1,000	
Printing & Reproduction		3,000	3,000	3,000		
Professional Services	129,821	365,500	523,993	150,500	(373,493)	(71.28)
Shop & Field Supplies	145	2,000	2,000	2,800	800	40.00
Computer Hardware & Software		13,000	13,000	7,000	(6,000)	(46.15)
Stationery & Office Supplies		1,000	1,000	2,000	1,000	100.00
Books & Journals		500	500	500		
Minor Office Equipment		5,000	5,000	2,500	(2,500)	(50.00)
<b>Total Services &amp; Supplies Expenditures</b>	134,638	432,000	590,493	199,350	(391,143)	(66.24)
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	100,000					
<b>Total Expenditures</b>	3,108,729	3,612,576	3,771,069	2,800,907	(970,162)	(25.73)

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Minda Berbeco	
<b>Program Purpose:</b>	
Administer motor vehicle registration fee surcharge revenues to reduce on-road vehicle emissions.	
<b>Description of Program:</b>	
<p>In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within its jurisdiction to fund projects that reduce on-road motor vehicle emissions. The Air District allocates these funds to eligible projects through its Transportation Fund for Clean Air (TFCA) program and a portion of the funds collected are expended for administrative purposes. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242. Sixty percent of the funds are awarded to eligible projects within the Air District and to Air District-sponsored programs (e.g., Spare the Air). The remaining 40% is forwarded to the nine designated Bay Area county transportation agencies and distributed through the TFCA 40% Fund program (also referred to as the County Program Manager Fund).</p> <p>The TFCA provides grants to reduce emissions of criteria pollutants through the implementation of eligible trip reduction projects and clean-air vehicle- based projects.</p>	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Prepare recommendations for updates to program policies and funding allocation for consideration by the Board of Directors; update program guidance and administrative operating procedures; and develop solicitation packages and conduct outreach.	
Review and evaluate project applications to determine their eligibility, and prepare recommendations for award of eligible projects for approval by the Board of Directors.	
Prepare contracts, amendments, and correspondence; review progress reports and monitor projects, inspect, and audit programs and projects to assure compliance with District policies and statutory requirements; process reimbursement requests; and ensure project files are complete and up to date.	
Prepare technical, financial, and staff reports and attend meetings.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Conduct outreach, review applications, and obtain Board of Directors approval for eligible projects; and execute agreements with grantees for the 60% Fund and the designated County agencies for the 40% Fund for the next cycle of funding.	Ongoing
Complete updates to the FYE 2026 TFCA 40% Fund policies for Board of Directors consideration and distribute guidance and application package to Program Managers.	December 2024
Prepare FYE 2024 TFCA Report on Expenditures and Effectiveness.	December 2024
Conduct audit of TFCA funded projects and programs completed by 6/30/23.	December 2024
Obtain Board of Director approval of proposed FYE 2026 expenditure reports and execute funding agreements with the nine designated county agencies.	June 2025

# Transportation Fund for Clean Air Administration (TFCA)

308

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	4.00	4.72	4.72	5.37	0.65	13.8
<b>Personnel Expenditures</b>						
Permanent Salaries	532,155	623,426	623,426	794,907	171,481	27.51
Overtime Salaries	422					
Payroll Taxes	8,032	8,851	8,851	11,342	2,491	28.14
Pension Benefits	173,491	124,934	124,934	159,014	34,080	27.28
FICA Replacement Benefits	5,035	9,633	9,633	18,494	8,861	91.99
Group Insurance Benefits	70,129	87,342	87,342	116,679	29,337	33.59
Transportation Subsidy	1,124	6,768	6,768	5,220	(1,548)	(22.87)
Workers' Compensation	1,798	2,335	2,335	2,480	145	6.21
Discretionary Contribution		49,787	49,787	50,513	726	1.46
<b>Total Personnel Expenditures</b>	792,186	913,076	913,076	1,158,649	245,573	26.90
<b>Services &amp; Supplies Expenditures</b>						
Travel	82	15,000	15,000	11,500	(3,500)	(23.33)
Training & Education		7,000	7,000	11,500	4,500	64.29
Communications	1,093	2,500	2,500	3,000	500	20.00
Postage				500	500	
Printing & Reproduction		1,000	1,000	1,000		
Professional Services	140,892	398,999	494,531	254,000	(240,531)	(48.64)
Shop & Field Supplies		500	500	3,000	2,500	500.00
Computer Hardware & Software		6,000	7,520	7,000	(520)	(6.91)
Stationery & Office Supplies	218	500	500	1,000	500	100.00
Books & Journals		450	450	440	(10)	(2.22)
Minor Office Equipment		2,500	2,553	5,000	2,447	95.85
<b>Total Services &amp; Supplies Expenditures</b>	142,285	434,449	531,554	297,940	(233,614)	(43.95)
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	393,089	357,920	357,920	180,911	(177,009)	(49.45)
<b>Total Expenditures</b>	1,327,560	1,705,445	1,802,550	1,637,500	(165,050)	(9.16)



<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Minda Berbeco	
<b>Program Purpose:</b>	
Administer funding from motor vehicle surcharge revenues, authorized by AB 923, for emission reduction projects.	
<b>Description of Program:</b>	
<p>MSIF funds are used to fund the Air District’s incentives programs for heavy-duty and medium-duty vehicles and equipment for projects that are eligible under the State’s Carl Moyer Program Guidelines, to fund the Air District’s Vehicle Buy Back program, and as match funds for the Carl Moyer Program. Staff evaluate eligible projects, prepare recommendations for eligible projects and programs for approval by the Board of Directors, monitor progress in implementing funded projects, report on the use of the funds, and coordinate verification of requirements compliance. This year the Air District will also be upgrading data systems used to administer the grant programs supported by grant programs including MSIF.</p> <p>Assembly Bill 923 (AB 923 – Firebaugh), enacted in 2004 (codified as Health and Safety Code Section 44225), authorized local air districts to increase their motor vehicle registration surcharge for motor vehicles within the Air District’s jurisdiction up to an additional \$2 per vehicle. The revenues from the additional \$2 surcharge are deposited in the Air District’s Mobile Source Incentive Fund (MSIF).</p>	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Recommend funding allocations to the Board of Directors.	
Update program policies and procedures, guidance materials, and administrative operating procedures; develop solicitation packages; conduct outreach.	
Review and evaluate project applications to determine eligibility and prepare recommendations for award of eligible projects for approval by the Board of Directors.	
Prepare contracts, amendments, and correspondence; monitor projects, inspect, and audit programs and projects to assure compliance with State and District guidelines, policies, and statutory and regulatory requirements; process reimbursement requests; and ensure project files are complete and up to date.	
Prepare and submit annual reports to CARB on the expenditure of MSIF funds.	
Prepare technical, financial, and staff reports, attend meetings, and participate in external audits.	
Coordinate with IT contractors to develop, enhance, and maintain data management systems.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Report MSIF expenditures and project data to CARB.	August 2024
Obligate and liquidate funds by required deadlines.	Annually
Obtain Board of Directors approval of project recommendations.	Ongoing
Conduct RFP, bring recommendation to Board, execute a contract with selected contractor to start work on a new data management system.	June 2025

# Mobile Source Incentive Fund (MSIF)

310

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	3.56	1.64	1.64	4.30	2.66	162.2
<b>Personnel Expenditures</b>						
Permanent Salaries	419,231	219,132	219,132	643,241	424,109	193.54
Overtime Salaries	22					
Payroll Taxes	6,045	3,107	3,107	9,212	6,105	196.49
Pension Benefits	58,139	43,940	43,940	127,245	83,305	189.59
FICA Replacement Benefits	3,818	3,353	3,353	14,810	11,457	341.69
Group Insurance Benefits	54,352	29,360	29,360	90,890	61,530	209.57
Transportation Subsidy	878	2,356	2,356	4,180	1,824	77.42
Workers' Compensation	1,416	813	813	1,986	1,173	144.28
Discretionary Contribution		17,363	17,363	40,885	23,522	135.47
<b>Total Personnel Expenditures</b>	543,901	319,424	319,424	932,449	613,025	191.92
<b>Services &amp; Supplies Expenditures</b>						
Travel	46	10,500	10,500	8,000	(2,500)	(23.81)
Training & Education		18,500	18,500	11,500	(7,000)	(37.84)
Communications	2,933	2,000	2,000	2,000		
Postage				500	500	
Printing & Reproduction		3,000	3,000	3,000		
Professional Services	15,148	160,000	264,762	145,000	(119,762)	(45.23)
Shop & Field Supplies	16			1,000	1,000	
Computer Hardware & Software		17,000	17,000	7,000	(10,000)	(58.82)
Stationery & Office Supplies		800	800	800		
Books & Journals		200	200	200		
Minor Office Equipment	62	5,000	5,962	2,500	(3,462)	(58.07)
<b>Total Services &amp; Supplies Expenditures</b>	18,205	217,000	322,724	181,500	(141,224)	(43.76)
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	137,740	51,746	51,747	37,970	(13,777)	(26.62)
<b>Total Expenditures</b>	699,846	588,170	693,895	1,151,919	458,024	66.01

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Minda Berbeco	
<b>Program Purpose:</b>	
Accelerate the removal of high-emitting vehicles from the on-road motor vehicle fleet within the District's jurisdiction.	
<b>Description of Program:</b>	
The program removes high-emitting motor vehicles from the region's roadways by purchasing and scrapping eligible vehicles from registered owners on a voluntary basis. In FYE 2025, staff will continue working with CARB to make further program enhancements and to evaluate opportunities to significantly increase program participation.	
<b>Justification of Change Request:</b>	
No change.	
<b>Activities</b>	
Oversee contractor's purchase and scrapping of vehicles.	
Respond to inquiries regarding Vehicle Buy-Back Program.	
Oversee contractor's direct mailings.	
Acquire and update Department of Motor Vehicles (DMV) database used for direct mail annually.	
Develop and update Vehicle Buy-Back outreach materials.	
Conduct site visits of dismantling yards and dismantler offices.	
Manage suppression list and update DMV database.	
Review and approve scrapping contractor invoices.	
Review and approve direct mail contractor invoices.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Implement the Vehicle Buy-Back program, monitor contractor performance, review/ pay program invoices.	Ongoing
Report program expenditures to the California Air Resources Board (CARB)	June 2025

# Vehicle Buy Back (MSIF)

312

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	0.18	0.73	0.73	1.10	0.37	50.7
<b>Personnel Expenditures</b>						
Permanent Salaries	29,135	90,311	90,311	159,815	69,504	76.96
Payroll Taxes	453	1,278	1,278	2,283	1,005	78.64
Pension Benefits	12,220	17,936	17,936	31,199	13,263	73.95
FICA Replacement Benefits	283	1,490	1,490	3,788	2,298	154.23
Group Insurance Benefits	3,922	13,301	13,301	22,991	9,690	72.85
Transportation Subsidy	63	1,047	1,047	1,069	22	2.10
Workers' Compensation	98	361	361	508	147	40.72
Discretionary Contribution		7,608	7,608	10,151	2,543	33.43
<b>Total Personnel Expenditures</b>	46,174	133,332	133,332	231,804	98,472	73.85
<b>Services &amp; Supplies Expenditures</b>						
Travel				1,500	1,500	
Training & Education				1,000	1,000	
Postage				1,000	1,000	
Printing & Reproduction				1,000	1,000	
Professional Services	1,846,183	7,300,000	7,864,422	11,015,000	3,150,578	40.06
<b>Total Services &amp; Supplies Expenditures</b>	1,846,183	7,300,000	7,864,422	11,019,500	3,155,078	40.12
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	11,693	31,221	31,221	9,439	(21,782)	(69.77)
<b>Total Expenditures</b>	1,904,050	7,464,553	8,028,975	11,260,743	3,231,768	40.25

# Miscellaneous Incentive Program (Other Grant)

316

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Chengfeng Wang	
<b>Program Purpose:</b>	
Administer one-time pass-through funding to implement emissions reductions projects.	
<b>Description of Program:</b>	
<p>This program is used to manage grant revenues the Air District receives from sources such as the Bay Area Clean Air Foundation, State of California, Federal government, and settlement agreements. Monies in this program are used to administer "one-off" projects and programs that have a limited duration, e.g., 1 to 5 years.</p> <p>Funding may also be used to augment and complement funding from other Air District sources of funding.</p>	
<b>Justification of Change Request:</b>	
None.	
<b>Activities</b>	
Review and evaluate project applications to determine eligibility and prepare recommendations for award of eligible projects for approval by the Board of Directors.	
Prepare contracts, amendments, and correspondence; monitor projects, inspect, and audit programs and projects to assure compliance with grant agreements, Program guidelines, policies, and statutory and regulatory requirements; process reimbursement requests; and ensure project files are complete and up to date.	
Prepare and submit reports and funding disbursement requests to funding agencies; liaise with funding agencies on contract and guideline requirements.	
Prepare technical, financial, and staff reports, attend meetings, and participate in external audits.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Meet all funding source requirements including project obligation/encumbrance and liquidation deadlines	Ongoing
Submit required reports to funding source agencies	Ongoing

# Miscellaneous Incentive Program (Other Grant)

316

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	0.05	0.87	0.87	0.07	(0.80)	(92.0)
<b>Personnel Expenditures</b>						
Permanent Salaries	6,430	121,992	121,991	12,022	(109,969)	(90.15)
Payroll Taxes	92	1,740	1,740	178	(1,562)	(89.77)
Pension Benefits	5,563	24,588	24,588	2,409	(22,179)	(90.20)
FICA Replacement Benefits	55	1,775	1,775	241	(1,534)	(86.42)
Group Insurance Benefits	780	15,116	15,116	1,603	(13,513)	(89.40)
Transportation Subsidy	12	1,247	1,247	68	(1,179)	(94.55)
Workers' Compensation	22	430	430	32	(398)	(92.56)
Discretionary Contribution		9,284	9,284	766	(8,518)	(91.75)
<b>Total Personnel Expenditures</b>	12,954	176,172	176,171	17,319	(158,852)	(90.17)
<b>Services &amp; Supplies Expenditures</b>						
Travel		6,300	6,300	6,300		
<b>Total Services &amp; Supplies Expenditures</b>		6,300	6,300	6,300		
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(12,955)					
<b>Total Expenditures</b>	(1)	182,472	182,471	23,619	(158,852)	(87.06)

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Minda Berbeco	
<b>Program Purpose:</b>	
Administration of the Proposition 1B: Goods Movement Emission Reduction Program to reduce air pollution by replacing diesel equipment associated with goods movement activities.	
<b>Description of Program:</b>	
<p>In 2007, the California State Legislature enacted Senate Bill 88 authorizing \$1 billion in bond funding for projects to protect public health from emissions associated with goods movement activities along California trade corridors. The Proposition 1B: Goods Movement Emission Reduction Program is a partnership between the California Air Resources Board and local agencies and Air District administers this Program for the Bay Area.</p> <p>The Program currently allows funding for the replacement of old diesel off-road vehicles, equipment, and locomotives with near- and zero-emission technologies, and for shore-power electrification project for ocean-going vessel at berth.</p> <p>Air District staff conducts outreach and solicits grant applications, evaluates grant applications according to established criteria, recommends allocation of the funding, prepares contracts with grantees, monitors progress in implementing funded projects, and reports on the use of funds.</p>	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Develop/update policies and procedures for the administration of the Goods Movement Bond Program (GMP).	
Conduct outreach to interested parties and provide application assistance.	
Evaluate grant applications for eligibility with GMP guidelines.	
Conduct inspections of the baseline and funded project equipment.	
Prepare grant award recommendations and coordinate the execution of funding agreements for the selected projects.	
Administer and monitor projects that have been awarded GMP grants.	
Prepare and submit reports to the California Air Resources Board (CARB) on the implementation of the GMP.	
Monitor, inspect, and audit current and previously funded programs and projects to assure compliance with State and Air District guidelines, policies, and statutory and regulatory requirements.	
Prepare technical, financial, and staff reports.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Meet all funding source requirements including project obligation/encumbrance and liquidation deadlines	Ongoing
Submit required reports to funding source agencies	Ongoing

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	1.13	1.63	1.63	0.88	(0.75)	(46.0)
<b>Personnel Expenditures</b>						
Permanent Salaries	165,013	228,014	228,014	127,296	(100,718)	(44.17)
Payroll Taxes	2,550	3,228	3,228	1,806	(1,422)	(44.05)
Pension Benefits	55,441	47,124	47,124	25,884	(21,240)	(45.07)
FICA Replacement Benefits	1,580	3,332	3,332	3,031	(301)	(9.03)
Group Insurance Benefits	21,916	27,650	27,650	21,721	(5,929)	(21.44)
Transportation Subsidy	348	2,341	2,341	855	(1,486)	(63.48)
Workers' Compensation	557	808	808	406	(402)	(49.75)
Discretionary Contribution		17,409	17,409	8,085	(9,324)	(53.56)
<b>Total Personnel Expenditures</b>	247,405	329,906	329,906	189,084	(140,822)	(42.69)
<b>Services &amp; Supplies Expenditures</b>						
Travel		2,000	2,000		(2,000)	(100.00)
Training & Education		1,500	1,500		(1,500)	(100.00)
Printing & Reproduction		1,000	1,000		(1,000)	(100.00)
Professional Services	560	40,000	53,210		(53,210)	(100.00)
Shop & Field Supplies		1,000	1,000		(1,000)	(100.00)
<b>Total Services &amp; Supplies Expenditures</b>	560	45,500	58,710		(58,710)	(100.00)
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	(218,446)	(188,889)	(188,889)		188,889	(100.00)
<b>Total Expenditures</b>	29,519	186,517	199,727	189,084	(10,643)	(5.33)



<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Chengfeng Wang	
<b>Program Purpose:</b>	
The Volkswagen Environmental Mitigation Trust funds are used to mitigate the lifetime excess oxides of nitrogen (NOx) emissions caused by VW's use of an illegal defeat device in the State of California.	
<b>Description of Program:</b>	
<p>California Air Resources Board (CARB) is the designated Lead Agency acting on the State's behalf as beneficiary to implement California's \$423 million in VW Trust funds for eligible project categories. On May 25, 2018, CARB approved the VW Trust Beneficiary Mitigation Plan and approved the selection of the Bay Area Air District to administer Trust funding on a statewide-basis for two of the five project categories: 1) zero-emission freight and marine (ZEFM), and 2) light-duty zero emission vehicle infrastructure (LDI). In May 2023, CARB released a memo containing updates to the BMP, which include modifications to the projected NOx emission reduction targets, improvements to program implementation, and adjustments to align incentive funding amounts with other CARB incentive programs.</p> <p>In FYE 2025, staff will work to award the remaining \$35 million out of \$70 total million in ZEFM program funds to eligible zero-emission freight and marine projects, such as replacement of forklifts and port cargo handling equipment, airport ground support equipment, repower of ferry, tugboat, and towboats, and installation of oceangoing vessel shore power. The LDI program has previously completed the award of the allocation of \$10 million to eligible light-duty electric vehicle charging and hydrogen fueling infrastructure projects and these projects are in the implementation and operation phase.</p>	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Review and evaluate project applications to determine eligibility and prepare recommendations for award of eligible projects for approval.	
Prepare contracts, amendments, and correspondence; monitor projects, inspect, and audit programs and projects to assure compliance with grant agreements, Program guidelines, policies, and statutory and regulatory requirements; process reimbursement requests; and ensure project files are complete and up to date.	
Prepare and submit reports and funding disbursement requests to funding agencies; liaise with funding agencies on contract and guideline requirements.	
Maintain program website and program hotline.	
Prepare technical, financial, and staff reports, attend meetings, and participate in external audits.	
Coordinate with IT contractors to develop, enhance, and maintain data management systems.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Award the remaining \$35 million in ZEFM funds	June 2025
Maintain grants management system, program website and hotline	Ongoing
Evaluate project applications, recommend award for funding, execute contracts with grantees, monitor project progress, review reimbursement request and process payments	Ongoing
Submit required reports and funding disbursement requests to CARB	Ongoing
Maintain contract with CARB and Implementation Manual, and update as needed	Ongoing

# Volkswagen Environmental Mitigation Trust (VW Trust)

324

	Audited Program Actual 2023	Approved Program Budget 2024	Amended Program Budget 2024	Proposed Program Budget 2025	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>	1.75	2.47	2.47	3.13	0.66	26.7
<b>Personnel Expenditures</b>						
Permanent Salaries	242,143	357,170	357,170	463,419	106,249	29.75
Payroll Taxes	3,613	5,064	5,064	6,585	1,521	30.04
Pension Benefits	122,483	73,058	73,058	93,760	20,702	28.34
FICA Replacement Benefits	2,245	5,048	5,048	10,780	5,732	113.55
Group Insurance Benefits	31,263	46,372	46,372	81,816	35,444	76.43
Transportation Subsidy	497	3,547	3,547	3,042	(505)	(14.24)
Workers' Compensation	818	1,223	1,223	1,446	223	18.23
Discretionary Contribution		26,551	26,551	29,448	2,897	10.91
<b>Total Personnel Expenditures</b>	403,062	518,033	518,033	690,296	172,263	33.25
<b>Services &amp; Supplies Expenditures</b>						
Travel		13,000	13,000	13,700	700	5.38
Training & Education		2,000	2,000	3,500	1,500	75.00
Postage				500	500	
Printing & Reproduction				3,000	3,000	
Professional Services	76,072	97,229	165,137	50,800	(114,337)	(69.24)
Shop & Field Supplies				400	400	
Computer Hardware & Software				5,000	5,000	
Stationery & Office Supplies				1,000	1,000	
Books & Journals				500	500	
Minor Office Equipment				1,000	1,000	
<b>Total Services &amp; Supplies Expenditures</b>	76,072	112,229	180,137	79,400	(100,737)	(55.92)
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	35,606	233,115	155,408	265,633	110,225	70.93
<b>Total Expenditures</b>	514,740	863,377	853,578	1,035,329	181,751	21.29

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## Special Revenue Fund

### Technology Implementation Office (TIO)

The Technology Implementation Office (TIO) mission is to advance emerging, cost-effective solutions to achieve greenhouse gas emissions reductions for the transportation and industrial source sectors. TIO will connect climate technologies and customers by providing financial incentives (through grants and loans) as well as technical and matchmaking support. Climate technology areas include zero emissions vehicles and infrastructure, zero emissions energy storage and backup systems, composting, and waste-to-energy projects (co-digestion, waste treatment, anaerobic digestion, combined heat and power). By supporting the scale-up of climate technologies, TIO can help achieve state and regional greenhouse gas emissions targets, reduce emissions in impacted communities, while also making technologies cost-effective even in regions without strong climate policies.

<b>Managing Division:</b>	
Technology Implementation Office	
<b>Contact Person:</b>	
Anthony Fournier	
<b>Program Purpose:</b>	
Administer funding, outreach, and planning to accelerate the adoption of light-duty (passenger) electric vehicles (EVs) and EV infrastructure in the Bay Area.	
<b>Description of Program:</b>	
The Air District's 2017 Clean Air Plan established a goal of 90% of Bay Area vehicles being zero emissions by 2050. To support this goal, this program primarily includes incentives for the purchase and installation of EV charging infrastructure (Charge! program, CEC funding, and FHWA funding) and the Clean Cars For All program (CARB funding) which provides incentives for income-eligible residents to switch to cleaner vehicles or alternative transportation options. To complement and increase utilization of the incentives programs, this program also includes outreach, regional coordination, and planning to remove potential barriers and accelerate EV deployment throughout the Bay Area.	
<b>Justification of Change Request:</b>	
Grant funding from DMV revenues, the California Air Resources Board, the California Energy Commission, and the Federal Highway Administration to expand incentives for income-eligible consumers and support outreach, partnerships, and planning.	
<b>Activities</b>	
Administer grant programs, including updating policies and guidelines, conducting outreach, preparing program documents and communications, processing reimbursement requests, tracking project status, and conducting audits, for the Charge! program, CEC REACH grant, FHWA grant, and the Clean Cars For All program.	
Organize and participate in workgroups and events to increase awareness about EVs, support deployment, sharing best practices, and regional coordination.	
Conduct analyses and planning to inform Air District strategy and programs.	
Prepare technical, financial, and staff reports.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Complete awards for the Clean Cars For All program, including outreach to eligible communities and residents.	Ongoing
Complete cycle of Charge! Program, administer the CEC REACH and FHWA funding in support of EV charging infrastructure projects.	Ongoing
Develop implementation tools based on Bay Area EV Acceleration Plan and regional and program needs	Ongoing
Organize quarterly Bay Area EV Coordinating Council meetings	Ongoing

Light Duty Electric Vehicle Program (Other Grant)

317

	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	7.67	7.99	7.99	7.94	(0.05)	(0.6)
<b>Personnel Expenditures</b>						
Permanent Salaries	1,026,942	1,068,282	1,068,282	1,198,844	130,562	12.22
Overtime Salaries	512	10,000	10,000	60,000	50,000	500.00
Temporary Salaries		200,000	200,000	100,000	(100,000)	(50.00)
Payroll Taxes	15,126	15,341	15,341	17,353	2,012	13.12
Pension Benefits	301,873	214,562	214,562	233,050	18,488	8.62
FICA Replacement Benefits	9,428	16,313	16,313	27,342	11,029	67.61
Group Insurance Benefits	132,101	143,185	143,185	163,412	20,227	14.13
Transportation Subsidy	2,033	11,463	11,463	7,716	(3,747)	(32.69)
Workers' Compensation	3,469	3,954	3,954	3,667	(287)	(7.26)
Discretionary Contribution		84,510	84,510	76,217	(8,293)	(9.81)
<b>Total Personnel Expenditures</b>	1,491,484	1,767,610	1,767,610	1,887,601	119,991	6.79
<b>Services &amp; Supplies Expenditures</b>						
Travel	3,613	16,500	16,500	36,000	19,500	118.18
Training & Education	5,100	6,000	6,000	9,500	3,500	58.33
Communications	3,004	2,500	2,500	7,000	4,500	180.00
Professional Services	608,738	875,000	1,310,675	1,627,000	316,325	24.13
Computer Hardware & Software		3,000	3,000	11,000	8,000	266.67
<b>Total Services &amp; Supplies Expenditures</b>	620,455	903,000	1,338,675	1,690,500	351,825	26.28
<b>Capital Expenditures</b>						
<b>Transfer In/Out</b>	423,839	265,142	163,168	566,280	403,112	247.05
<b>Total Expenditures</b>	2,535,778	2,935,752	3,269,453	4,144,381	874,928	26.76

**SERVICE AREA - PUBLIC AFFAIRS**

# Special Revenue Fund

## - Communication Division

The Communications Office manages advertising and outreach for Spare the Air and the Employer Programs. The Office maintains the Spare the Air website, related social media sites and the Spare the Air mobile apps. The Office represents the Air District at community events for Spare the Air throughout the region.

Office functions include production of publications and digital collateral for the general public and target audiences. This includes publishing newsletters, videos and collateral materials. The Office also provides and oversees graphic design services, social media content creation, translation services and videography.



<b>Managing Division:</b>	
Communications Office	
<b>Contact Person:</b>	
Kristina Chu	
<b>Program Purpose:</b>	
The Spare the Air program encourages the public to reduce their driving, a major source of Bay Area air pollution, and promotes the use of public transit, biking, walking, carpooling, trip reduction and other behavior changes that reduce pollution from transportation sources. The program also provides outreach to employers/employees through the Spare the Air Employer Program. Employers are targeted specifically due to their significant influence on the commute behaviors of their employees.	
<b>Description of Program:</b>	
The Spare the Air program works with the public to reduce air pollution by making clean air choices including remote work, taking public transportation, using electric vehicles, ridesharing and trip linking. The Spare the Air Program provides health alerts and informs Bay Area residents about air pollution and encourages them to reduce single occupancy driving, especially during their commute to and from work, to improve air quality.	
When air quality is forecast to be unhealthy, the Air District issues Spare the Air Alerts. Outreach to the public is conducted through an advertising and media relations campaign as well as through social media sites. Funds will be used for electronic notification systems, employer outreach and staff time associated with the Spare the Air programs and grass roots education.	
<b>Justification of Change Request:</b>	
Budget increase to cover costs of streamlining Spare the Air program, app re-design and website updates.	
<b>Activities</b>	
Prepare and issue media releases and respond to media inquiries related to the Spare the Air program.	
Conduct Spare the Air campaign to educate the public about individual choices to reduce air pollution.	
Manage Spare the Air public outreach campaigns for advertising, social media and media relations.	
Provide Spare the Air program public outreach at community events throughout the Bay Area.	
Notify the media and employers of Spare the Air Alerts through AirAlerts, press releases, websites, apps and social media sites.	
Manage employer outreach & advertising campaign.	
Manage and update Spare the Air website landing pages and provide regular updates, measurements and responses for social media sites.	
Notify the public of Spare the Air Alerts through AirAlerts, text alerts, the media, sparetheair.org, baaqmd.gov, the iPhone/Android app and social media sites.	
Provide overview of campaign to the Board of Directors.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Coordinate Air District presence at public events and employer events, including community events and fairs.	Ongoing
Develop videos, news releases / statements, displays and infographics for Spare the Air program / events.	Ongoing
Manage the Spare the Air advertising, media relations and social media campaign.	Ongoing
Manage Spare the Air Employer Program.	Ongoing
Launch Spare the Air summer season.	Ongoing
Promote Spare the Air at public events.	Ongoing
Notify the media and public of Spare the Air Alerts through AirAlerts, press releases, websites, apps and social media sites.	Ongoing

# Spare the Air Program (TFCA)

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	Audited Program Actual	Approved Program Budget	Amended Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2023	2024	2024	2025	\$	%
<b>Number of Positions (FTE)</b>	2.35	3.90	3.90	3.60	(0.30)	(7.69)
<b>Personnel Expenditures</b>						
Permanent Salaries	312,297	531,696	531,696	518,732	(12,964)	(2.44)
Overtime Salaries	84,134	30,000	30,000	30,000		
Temporary Salaries	202					
Payroll Taxes	4,583	7,568	7,568	7,432	(136)	(1.80)
Pension Benefits	86,048	109,602	109,602	105,547	(4,055)	(3.70)
FICA Replacement Benefits	2,869	7,962	7,962	12,381	4,419	55.50
Group Insurance Benefits	40,006	72,311	72,311	75,859	3,548	4.91
Transportation Subsidy	631	5,594	5,594	3,494	(2,100)	(37.54)
Workers' Compensation	1,055	1,930	1,930	1,660	(270)	(13.99)
Discretionary Contribution		41,402	41,402	32,943	(8,459)	(20.43)
<b>Total Personnel Expenditures</b>	531,825	808,065	808,065	788,048	(20,017)	(2.48)
<b>Services &amp; Supplies Expenditures</b>						
Travel	2,825					
Professional Services	873,529	1,338,000	2,751,356	1,538,000	(1,213,356)	(44.10)
<b>Total Services &amp; Supplies Expenditures</b>	876,354	1,338,000	2,751,356	1,538,000	(1,213,356)	(44.10)
<b>Capital Expenditures</b>						
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>	236,794	363,630	363,630	354,622	(9,008)	(2.48)
<b>Total Expenditures</b>	1,644,973	2,509,695	3,923,051	2,680,670	(1,242,381)	(31.67)

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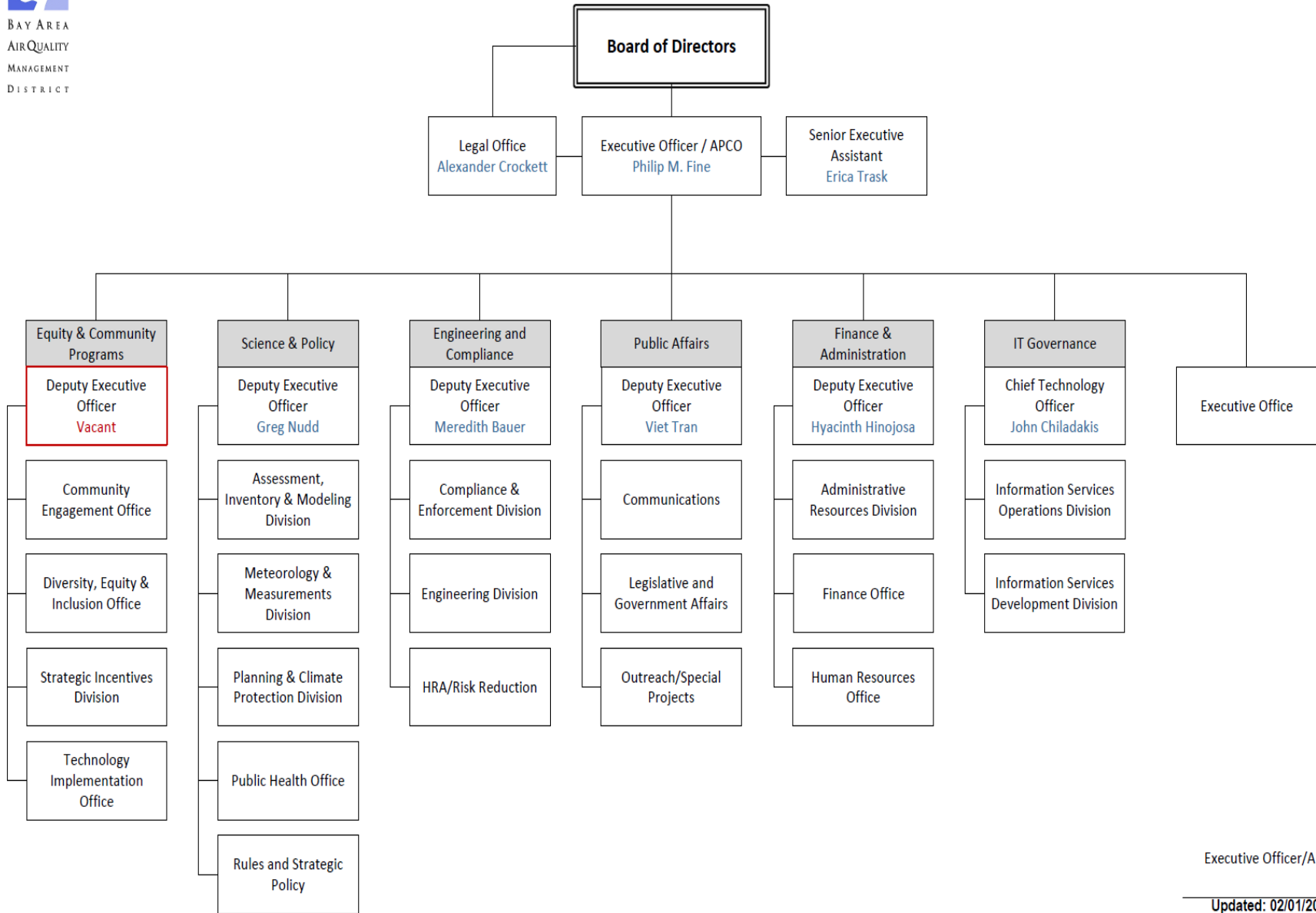
# Appendices

# APPENDIX A



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## Bay Area Air Quality Management District Organizational Chart



Executive Officer/APCO

Updated: 02/01/2024

## APPENDIX B

### SELECTED LEGAL REQUIREMENTS

The following highlights selected major legal requirements regarding the use and collection of funds that are considered when developing and reviewing the Air District's budget:

1. Federal law requires that the Air District collect fees from affected facilities to fund the implementation of Title V of the Federal Clean Air Act (42 U.S.C. Section 7401, et seq. and implementing regulations in 40 CFR Parts 60 and 70). Implementation of Title V includes all activities involved in the review, issuance, and enforcement of Title V Permits. "Affected facilities" include all major stationary sources as defined in the Federal Clean Air Act.
2. Revenue received by the Air District pursuant to *California Health and Safety Code* Section 44220, et seq. (Transportation Fund for Clean Air (TFCA)) may only be used to fund approved projects, and certain expenditures incurred for administration of the TFCA program, including audits. The expenditures for the administration of TFCA grants are contained in the Transportation Fund for Clean Air Administration.
3. Permit fee revenue may only be used to fund activities associated with the permitting, monitoring, and enforcement of regulations affecting permitted stationary sources. Past audits of District activities have shown that the Air District's programs meet this test.
4. Funding from several sources, including grants, is restricted, and thus may only be used to fund certain activities. Air District accounts are periodically audited to ensure that such funds are used appropriately.
5. *California Health and Safety Code* Section 40131(a)(3) requires that two public hearings be held regarding the adoption of the District budget. The first hearing is for the exclusive purpose of reviewing the budget and providing the public with the opportunity to comment upon the proposed budget. This hearing must be separate from the hearing at which the District adopts its budget. The adoption hearing may not be held any sooner than two weeks after the first hearing. Thirty (30) days public notice must be given before the first public hearing.
6. The Maintenance of Effort (MOE) level refers to a Federal EPA Section 105 grant condition. This condition states that, "No agency shall receive any grant under this section during any fiscal year when its expenditures of non-Federal funds for recurrent expenditures for air pollution control programs will be less than its expenditures were for such programs during the preceding fiscal year unless the Administrator, after notice and opportunity for public hearing, determines that a reduction in expenditures is attributable to a non-selective reduction in the expenditures in the programs of all Executive branch agencies of the applicable unit of Government." Depending on the expenditures reported on the Federal Status Report (FSR) at the conclusion of the federal FYE 2023, receipt of the Federal grant funds for FYE 2024 could be delayed or jeopardized because of this MOE requirement.

## APPENDIX C

### GENERAL FUND RESERVES AND LIABILITIES

	FY 2022-23 Audited	FY 2023-2024 Projected	FY 2024-2025 Projected
<b>Beginning Reserve Balance</b>	<b>86,449,575</b>	<b>93,930,423</b>	<b>84,685,523</b>
Operating Transfer in	11,428,386		
Fund Balance Adjustments	(3,947,538)	(3,970,000)	
Use of Reserves for Budget	_____	(5,274,900)	(9,693,058)
<b>Ending Reserve Balance</b>	<b>93,930,423</b>	<b>84,685,523</b>	<b>74,992,465</b>
<b>Unassigned (Reserve Designations)*</b>			
AB617 Staffing Contingency	7,679,746	7,700,000	9,000,000
Community Benefits	3,000,000	3,000,000	3,000,000
Economic Contingency**	25,500,741	26,490,000	36,191,000
Incident Monitoring Program		1,000,000	1,000,000
Outside Counsel Litigation Support	1,880,000	4,655,000	2,000,000
Limited-Term Contract Employee (LTCE) Staffing		1,000,000	1,800,000
Pandemic Contingency	4,000,000	2,000,000	
Richmond Improvements (HQE)	5,000,000	5,000,000	1,000,000
Spare the Air Program		1,075,000	
Schedule X	6,109,736	6,109,736	6,109,736
Technology Implementation Office	3,350,000	3,350,000	2,850,000
Wildfire Mitigation	1,000,000	1,000,000	1,000,000
Woodsmoke Program (SID)	479,914	479,914	479,914
	<b>\$58,000,137</b>	<b>\$62,859,650</b>	<b>\$64,430,650</b>
<b>Unassigned (Available Reserve Balance)</b>	<b>35,930,286</b>	<b>21,825,873</b>	<b>10,561,815</b>
* Reserve Designations are subject to change at Board's discretion.			
** Policy changed from 20% to a range of 25-35% beginning in FY 2025. FY 2025 reflects the 25% minimum amount.			
<b>ESTIMATED OUTSTANDING LIABILITIES</b>			
CalPERS Pension Retirement			113,223,345
Other Post Employment Benefit Plan			6,283,387
Certificate of Participation Notes			26,230,000
<b>TOTAL</b>			<b>145,736,732</b>

## APPENDIX C

### GENERAL FUND RESERVES AND LIABILITIES

APPENDIX C depicts the actual unrestricted reserves amount at the end of FY 2023, as well as the projected amount for FY 2024 and FY 2025. For FY 2024, a recommendation of \$5.3 million transfer from General Fund reserves to be used for capital projects/equipment and other one-time costs. For FY 2025, a recommendation of \$9.7 million transfer from General Fund Reserves, of which \$2.9 million is a short-term investment in staffing to address operational needs in several divisions. The remaining \$6.8 million is to be used for capital projects/equipment and other one-time costs. To remain fiscally prudent, the Air District established an economic contingency reserve policy (percentage of General Fund operating expense) to ensure the stability of services for a period of time and the ability to set aside funds for anticipated projects and future obligations. Over the years, staff recommends reserve designations to be set aside for a specific purpose. The following is a brief description summarizing designated categories as shown in the table on the previous page. Any designated and undesignated funds are subject to change at the Board of Director's discretion.

- **AB617 Staffing Contingency** was established in FY 2022 to allow staffing continuity for the AB617 program.
- **Community Benefits** was established in FY 2022 to provide community benefits.
- **Economic Contingency** was established in FY 2008 at the request of the Board for unplanned expenditures and/or unanticipated loss in revenues. In FY 2016, the Board approved a 20% reserve policy as a funding target. In FY 2024, the board amended the reserve policy to 25-35%.
- **Outside Counsel Litigation Support** was established in FY 2023 to address potential litigations.
- **Incident Monitoring Program** was established in FY 2024 to increase capacity to characterize air quality impacts from large incidents at facilities.
- **Limited Term Staffing Contingency** was established in FY 2024 to support temporary staffing for unanticipated project work.
- **Pandemic Contingency** was established in FY 2022 to address potential operating revenue shortfall due to the COVID-19 pandemic.
- **Pension Liability** was established in FY 2018 to reduce future rate increases to pension benefits over time.
- **Richmond Improvements (HDE)** was established in FY 2023 to continue office space improvements.
- **Schedule X** was implemented in FY 2017 to establish and operate refinery-related community air monitoring systems.
- **Spare the Air Program** was established in FY 2024 to allow for continued operations in the event of unanticipated single year shortfall in the Spare the Air Program.
- **Technology Implementation Office** was established in FY 2019 to fund projects using a revolving loan arrangement to leverage funding.
- **Wildfire Mitigation** was established in FY 2022 to fund the wildfire air quality response program.
- **Woodsmoke Program** was established in FY 2018 to support funding changeout of residential heating woodburning devices.
- **Undesignated Reserves** is any remaining reserves not designated. These funds can be designated at any time.

Appendix C also includes a list of the Air District's Outstanding Liabilities:

- **Pension Retirement** – The Air District provides a retirement pension benefit plan through California Public Employee Retirement System (CalPERS). As of 2023 valuation of the plan, that Air District's unfunded liability for the plan was \$113 million.



- **Other Post-Employment Benefits** – The Air District provides continuation of medical, dental, vision and life insurance coverage to its retired employees through California Employers Retirement Benefit Trust (CERBT). As of the 2023 valuation of the plan, that Air District’s unfunded liability for the plan is \$ 6 million.
- **Certificate of Participation Notes (COP)** – The Air District issued COPs to finance its headquarters at 375 Beale. As of June 2023, the estimated principal and interest outstanding were \$26 million.

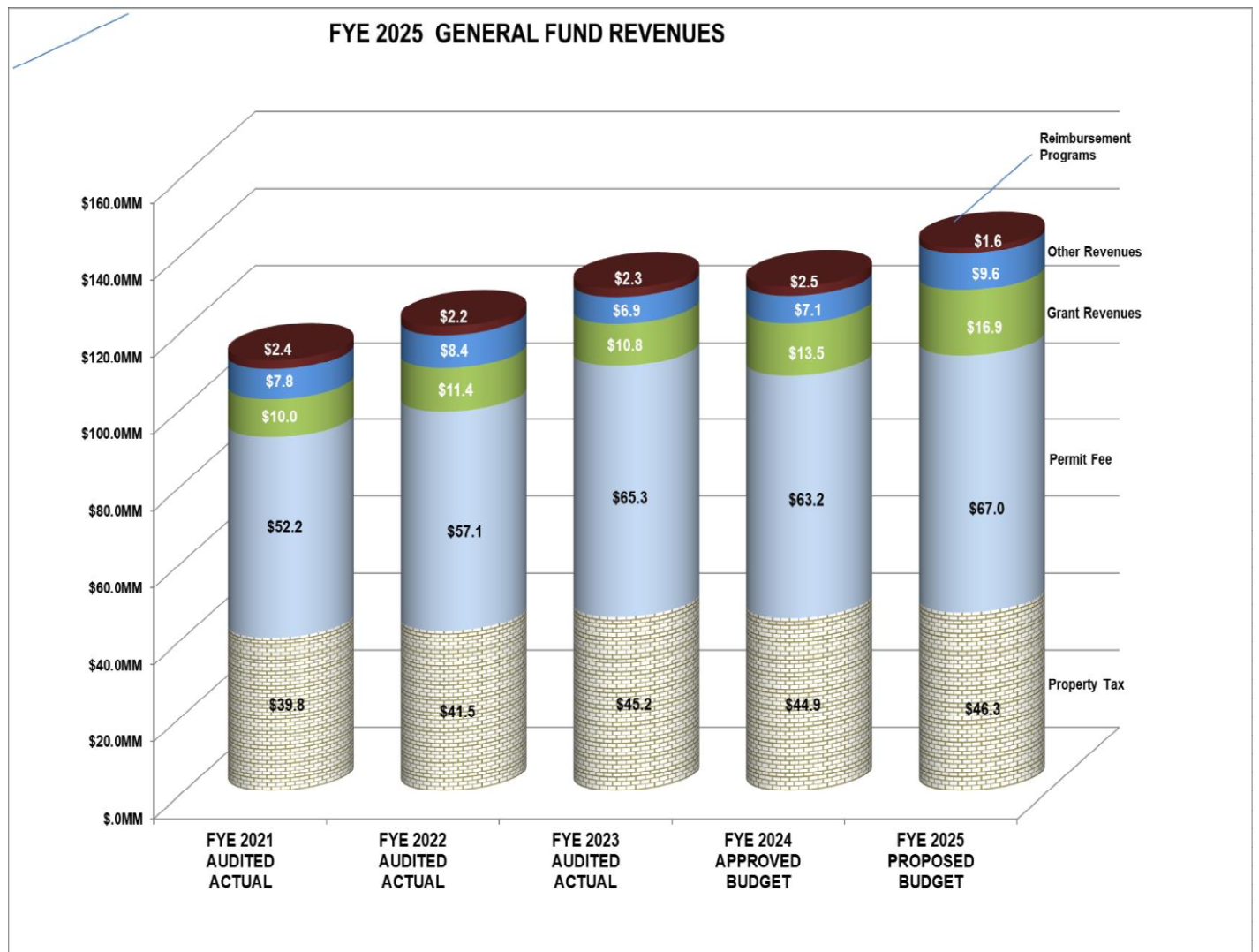
# APPENDIX D

## Figure 1

### General Fund Revenue Trends

Figure 1 below graphically displays the trends in the sources of actual revenues used to fund actual expenditures each year from FYE 2021 through FYE 2023 along with the approved and proposed budget for FYE 2024 and FYE 2025, respectively.

As seen from Figure 1, permit fees are the Air District's largest source of revenue. Actual permit revenues fluctuate from FYE 2021 through FYE 2023 because of fee increases to each individual fee schedule based on the cost recovery policy and new fees implemented during this period. In FYE 2025 projected permit revenues are expected to have 6% increase. Actual property tax revenues maintained an increasing trend over the past three years attributed to multiple factors such as the annual statutory increases limited to 3 percent, changes in ownership and new constructions in the Bay Area. This revenue source is expected to continue to increase in FYE 2025. Other General Fund sources of revenue have experienced small fluctuations over the years.

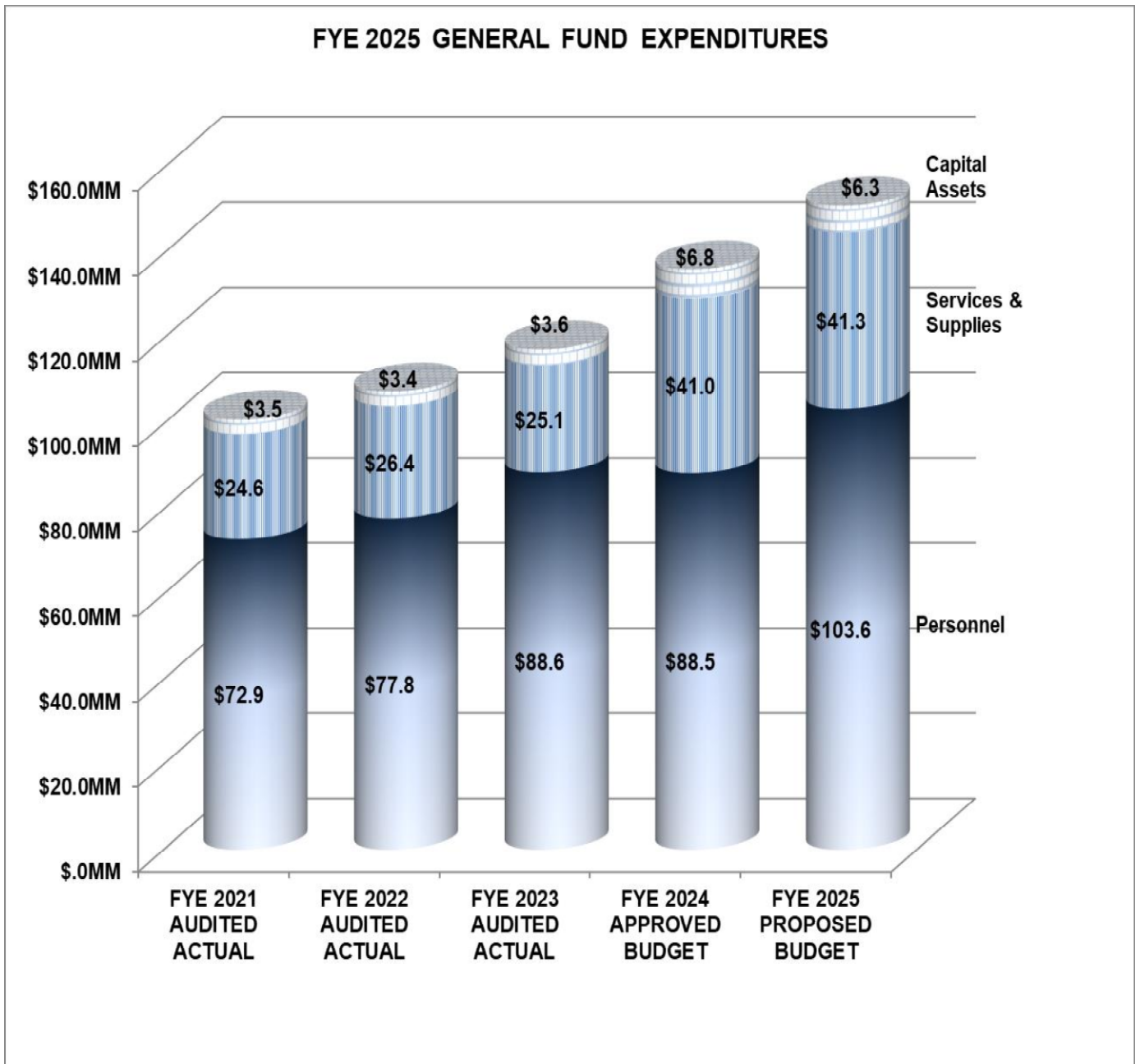


# APPENDIX E

## Figure 2

### General Fund Expenditure Trends

Below Figure 2 shows the trends in actual expenditures from FYE 2021 through FYE 2023 along with the approved and proposed expenditure budgets for FYE 2024 and FYE 2025, respectively. From FYE 2021 through FYE 2025, the total General Fund has risen at an average rate of 8.38% per year from \$101 million to \$151.2 million due to increased Personnel Costs, Services, and Capital Programs expenditures. The FYE 2025 General Fund Proposed Budget shows a projected \$14.9 million increase in expenditures over FYE 2024. This increase is mainly due to Salaries and benefits, capital expenditures, and services and supplies increased in FYE 2025.



## APPENDIX F

### General Fund 5 Year Projection

Five Year General Fund Financial Forecast	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
REVENUE	Budget	Projected	Projected	Projected	Projected
Property Tax	\$46,306,873	\$48,159,148	\$50,085,514	\$52,088,935	\$54,172,492
Permits/Fees	\$66,980,182	\$73,195,145	\$80,345,698	\$89,343,845	\$99,734,006
Grant Revenues	\$8,517,210	\$3,397,207	\$5,006,779	\$5,056,847	\$5,107,415
AB617 Funding	\$11,985,752	\$11,300,000	\$9,000,000	\$9,000,000	\$9,000,000
Other Revenue	\$9,555,620	\$9,611,176	\$9,667,288	\$9,723,961	\$9,781,200
Transfer from Special Funds	\$1,414,855	\$1,443,153	\$1,472,016	\$1,501,456	\$1,531,486
<b>TOTAL REVENUE</b>	<b>\$144,760,493</b>	<b>\$147,105,830</b>	<b>\$155,577,295</b>	<b>\$166,715,043</b>	<b>\$179,326,600</b>
(Use of) Transfer to Reserves	(\$9,693,058)	(\$3,494,027)	\$175,491	\$4,977,259	\$11,230,319
<b>EXPENDITURES</b>					
Personnel Expenditures	\$103,606,450	\$109,574,261	\$113,555,696	\$119,054,755	\$124,559,591
Services and Supplies	\$43,652,176	\$37,369,086	\$38,116,468	\$38,878,797	\$39,656,373
Capital Expenditures	\$7,194,925	\$3,656,509	\$3,729,640	\$3,804,232	\$3,880,317
<b>TOTAL EXPENDITURE</b>	<b>\$154,453,550</b>	<b>\$150,599,856</b>	<b>\$155,401,804</b>	<b>\$161,737,784</b>	<b>\$168,096,281</b>
<b>General Fund Reserves</b>					
Beginning Balance	\$84,685,523	\$74,992,465	\$71,498,439	\$71,673,930	\$76,651,189
(Use of) Transfer to Reserves	(\$9,693,058)	(\$3,494,027)	\$175,491	\$4,977,259	\$11,230,319
<b>Ending Balance</b>	<b>\$74,992,465</b>	<b>\$71,498,439</b>	<b>\$71,673,930</b>	<b>\$76,651,189</b>	<b>\$87,881,508</b>
<b>25% Minimum Reserve Policy</b>	<b>\$36,191,000</b>	<b>\$36,777,000</b>	<b>\$38,851,000</b>	<b>\$40,435,000</b>	<b>\$42,025,000</b>

## APPENDIX F

### Figure 3 and Budget Assumptions

#### Revenue Assumptions

- a. **Property Tax** shows increases across the Bay Area much higher than the 2% average increase given the real estate prices in the housing markets. The five-year forecast assumes revenues will increase by 4% annually to adjust for inflationary growth.
- b. **Permit Fee** revenues are expected to increase by approximately 8-10% during the forecast period to recover more of its permit-related costs. These increases are expected to cover proposed staffing increases as the Air District continues to address staffing needs for core programs associated with permit related activities. The Air District's Cost Recovery policy, which allows the Air District to increase its fee schedule to recover costs for permit related activities. The current cost recovery level is above 80% and remains stable in 2025 and 2026 and drops slightly in 2026 and 2027 as the cost of the new positions in the proposed budget are recognized to all its eligible regulation fee schedule. In 2028 and 2029, cost recovery level is projected to stabilize as the permit revenue begins to increase to support these new positions.
- c. **Grant Revenues** are expected to drop significantly in 2026 to reflect adjustment of one-time grant funding and remain stable through 2029.
- d. **Assembly Bill 617** funding of approximately \$11.0 million from the State for the year 2025 and 2026 to account for the additional \$2M extra one-time funding and drops back to the annual \$9.0 million through year 2029.
- e. **Other Revenues** mainly account for Penalties, State Subvention, and interest income. These revenues are expected to remain stable through the year 2029.

#### Expenditure Assumptions

- a. **Personnel** costs are projected to increase for the five-year period with projected annual general wage adjustment, a slight increase in health premiums, and an additional nineteen (19) positions are projected in year 2025 to address growing demands on core programs: taking staffing levels of 472 to 491 positions for the next 5 years. The projection assumes a 7% vacancy rate in 2025 declining by 1% in year 2026 remains stable at 6% through year 2029. These projections could change if staffing levels increase during the forecast period.
- b. **Retirement Pension** costs are rising due to the discount rate returns by CalPERS and escalating unfunded liability payments. The forecast assumes implementation of the Air District's approved policy to make \$1 million in discretionary payments to CalPERS to reduce the unfunded actuarial liability (UAL).
- c. **Other Post-Employment Benefits (OPEB)** for retiree medical benefits are projected to remain above the 90% funding level for the forecast period. If this assumption holds, the \$4.0 million in discretionary funding will shift towards the CalPERS Pension Plan to reduce the UAL.
- d. **Services and Supplies** are projected to decline by approximately 10% in 2026 to adjust for one-time costs. The overall costs are projected to increase in the year 2027, assuming only an inflationary increase of approximately 2-3% for the five-year forecast.
- e. **Capital Expenditures** assumes ongoing capital equipment and one-time funding in FYE 2025 to pay for equipment purchases and information technology improvements, etc. FYE 2026-2029 assumes normal capital equipment replacement only with an inflationary increase.

**General Fund Reserves** are used to fund one-time costs, and to cover temporary revenue shortfalls. The Air District's plan to use approximately \$9.7 million in reserves for 2025 for lab equipment, and information technology improvements and as a short-term investment to increase staffing levels to address programmatic needs, until these costs is covered by future increases to property tax revenues and permit revenues. The forecast projects use of reserves in the year 2025 and 2026 to cover the temporary revenue shortfall. Based on current assumptions, reserves are expected to stay above the minimum policy level through the year 2029 due to a healthy reserve balance. Approximately \$57 million in reserves have been designated. Please see Appendix C for a detailed list of proposed designations.

## APPENDIX G - FTE FY25

### FYE 2025 Proposed Full-Time Equivalent (FTE) Positions

**Table 1:** The positions listed in Table 1, below, constitute the entirety of authorized permanent full-time positions and division assignments at the designated classifications for Fiscal Year Ending (FYE) 2024 as shown in the first column. The second column FYE 24 AMEND authorized staffing as presented below includes the staffing changes approved by the Board at its December 20, 2023 meeting. The FYE 25 column represents proposed changes to the designated classifications and/or division assignments (if any) which is reflected in the “difference” column. The total proposed staffing for FYE 2025 includes 19 additional FTEs bringing the total to 491 FTEs.

Division	Position Classification	Salary Range ID	FYE 24 ORIG	FYE 24 AMEND	FYE 25 PROPOSED	DIFF
<b>Administrative Resources</b>						
	Director/Officer	156	1	1	1	
	Facilities Maintenance Worker	108	1	1	1	
	Manager	148	2	2	2	
	Senior Executive Assistant	134	1	1	1	
	Senior Staff Specialist	138		1	1	
<b>FY25 Proposed</b>	Staff Specialist I/II	130/134			1	+1
	Staff Specialist I/II	130/134	6	7	7	
	Supervising Staff Specialist	142	3	1	1	
	Principal Staff Specialist	142				
<b>Administrative Resources Total</b>			<b>14</b>	<b>14</b>	<b>15</b>	<b>+1</b>
<b>Assessment, Inventory &amp; Modeling</b>						
	Advanced Projects Advisor	144	2	2	2	
	Air Quality Engineer I/II	132/136	2	2	2	
	Air Quality Meteorologist I/II	131/135	1	1	1	
	Atmospheric Modeler	140	1	1	1	
	Director/Officer	156	1	1	1	
	Manager	148	2	2	2	
	Principal Air Quality Engineer	144	3	3	3	
	Research Analyst	130	1	1	1	
	Senior Advanced Projects Advisor	148	2	2	2	
	Senior Air Quality Engineer	140	1	1	1	
	Senior Atmospheric Modeler	144	1	1	1	
	Statistician	137	1	1	1	
<b>Assessment, Inventory &amp; Modeling Total</b>			<b>18</b>	<b>18</b>	<b>18</b>	
<b>Communications</b>						
	Assistant Staff Specialist I/II	122/126	2	2	2	
	Director/Officer	156	1	1	1	
<b>FY25 Proposed</b>	Manager	148			1	+1
	Manager	148	1	1	1	
	Public Information Officer I/II	130/134	5	5	5	
FYE Reclass/Transfer	Staff Specialist I/II	130/134			1	1
	Senior Public Information Officer	138	1	1	1	
<b>Communications Total</b>			<b>10</b>	<b>10</b>	<b>12</b>	<b>+2</b>
<b>Community Engagement</b>						
	Administrative Assistant I/II	114/118	1	1	1	
	Assistant Manager	147	1	1	1	
	Assistant Staff Specialist I/II	122/126	1	1	1	
	Director/Officer	156	1	1	1	
	Manager	148	2	2	2	
	Public Information Officer I/II	130/134	1	1	1	
	Senior Air Quality Engineer	140	1	1	1	
	Senior Staff Specialist	138	5	5	5	
	Staff Specialist I/II	130/134	4	4	4	
<b>Community Engagement Total</b>			<b>17</b>	<b>17</b>	<b>17</b>	
<b>Compliance &amp; Enforcement</b>						
	Administrative Assistant I/II	114/118	2	2	2	
	Air Quality Engineer I/II	132/136	1	1	1	
<b>FY25 Proposed</b>	Air Quality Specialist I/II	130/134			5	+5
	Air Quality Specialist I/II	130/134	44	44	44	
	Air Quality Technician I/II	122/126	6	6	6	
	Assistant Air Quality Specialist I/II	122/126	2	2	2	
	Director/Officer	156	1	1	1	
	Manager	148	5	5	5	

**APPENDIX G - FTE FY25**

Division	Position Classification	Salary Range ID	FYE 24 ORIG	FYE 24 AMEND	FYE 25 PROPOSED	DIFF
	Principal Air Quality Specialist	142	1	2	2	
	Radio/Telephone Operator	113	4	4	4	
	Senior Advanced Projects Advisor	148	1	1	1	
	Senior Air Quality Engineer	140	3	3	3	
	Senior Air Quality Specialist	138	11	11	11	
	Senior Air Quality Technician	130	2	2	2	
	Supervising Air Quality Specialist	142	10	10	10	
<b>Compliance &amp; Enforcement Total</b>			<b>93</b>	<b>94</b>	<b>99</b>	<b>+5</b>
<b>Diversity, Equity &amp; Inclusion</b>						
	Director/Officer	156		1	1	
FY25 Reclass	Manager	148	1	1		-1
FY25 Reclass	Supervising Staff Specialist	142			1	1
	Senior Staff Specialist	138		1	1	
	Staff Specialist I/II	130/134	1	1	1	
<b>Diversity, Equity &amp; Inclusion Total</b>			<b>2</b>	<b>4</b>	<b>4</b>	
<b>Engineering</b>						
	Administrative Assistant I/II	114/118	4	4	4	
	Air Quality Engineer I/II	132/136	21	21	21	
	Air Quality Permit Technician I/II	122/126	2	2	2	
	Air Quality Specialist I/II	130/134	3	4	4	
	Air Quality Technician I/II	122/126	5	5	5	
	Assistant Manager	147	1	1	1	
	Director/Officer	156	1	1	1	
	Manager	148	5	5	5	
	Principal Air Quality Engineer	144	4	5	5	
<b>FY25 Proposed</b>	Principal Air Quality Engineer	144			1	+1
	Senior Advanced Projects Advisor	148	1	1	1	
<b>FY25 Proposed</b>	Senior Air Quality Engineer	140			4	+4
	Senior Air Quality Engineer	140	9	9	9	
	Senior Air Quality Technician	130	2	1	1	
	Supervising Air Quality Engineer	144	12	12	12	
	Supervising Air Quality Specialist	142	1	1	1	
	Supervising Systems Analyst	139	1	1	1	
	Toxicologist	144	1	1	1	
<b>Engineering Total</b>			<b>73</b>	<b>74</b>	<b>79</b>	<b>+5</b>
<b>Enterprise Technology Solutions</b>						
FY25 Reclass	Assistant Manager	147	4	4	3	-1
FY25 Reclass	Manager	148			1	1
	Director/Officer	156	1	1	1	
<b>FY25 Proposed</b>	Systems Analyst	135			1	+1
	Supervising Systems Analyst	139	1	1	1	
	Systems Analyst	135	1	1	1	
	Web Master	135	1	1	1	
<b>Enterprise Technology Solutions Total</b>			<b>8</b>	<b>8</b>	<b>9</b>	<b>+1</b>
<b>Executive</b>						
	Administrative Assistant I/II	114/118	1	1	1	
	Air Quality Technician I/II	122/126	1			
FY25 Transfer	Assistant Staff Specialist I/II	122/126		1		-1
FY25 Reclass/transfer	Assistant Manager	147	1	1		-1
	Clerk of the Boards	132	1	1	1	
	Deputy Air Pollution Control Officer	160	2	2	2	
	Deputy Executive Officer	169	5	5	5	
FY25 Transfer	Director/Officer	156	4	2	1	-1
FY25 reclass	Executive Assistant I/II	128/132	2	2	3	1
	Executive Officer/Air Pollution Control Officer	Contract	1	1	1	
FY25 Transfer	Manager	148	3	3	2	-1
	Principal Environmental Planner	142	1	1	1	
	Senior Advanced Projects Advisor	148	2	3	3	
FY25 reclass	Senior Executive Assistant	134	3	4	3	-1
<b>Executive Total</b>			<b>27</b>	<b>27</b>	<b>23</b>	<b>-4</b>
<b>External Affairs</b>						
FY25 Transfer	Director/Officer	156			1	1
FY25 Transfer	Assistant Staff Specialist I/II	122/126			1	1



## APPENDIX G - FTE FY25

Division	Position Classification	Salary Range ID	FYE 24 ORIG	FYE 24 AMEND	FYE 25 PROPOSED	DIFF
FY25 Transfer	Manager	148			1	
<b>External Affairs Total</b>					<b>3</b>	<b>3</b>
<b>Finance Office</b>						
FY25 Reclass	Accountant I/II	130/134	6	6	5	-1
FY25 Reclass	Accounting Assistant I/II	122/126	3	3	4	1
	Director/Officer	156	1	1	1	
	Fiscal Services Supervisor	142	1	1	1	
	Manager	148	3	3	3	
	Senior Payroll Analyst	138	1	1	1	
	Senior Staff Specialist	138	1	1	1	
	Staff Specialist I/II	130/134	1	1	1	
	Supervising Staff Specialist	142	1			
	Systems Analyst	135	1			
	Principal Human Resources Analyst	142		1	1	
<b>Finance Office Total</b>			<b>19</b>	<b>18</b>	<b>18</b>	
<b>Human Resources Office</b>						
	Director/Officer	156	1	1	1	
<b>FY25 Proposed</b>	Human Resources Technician II	122/126			1	+1
	Human Resources Analyst I/II	130/134	1	1	1	
	Manager	148	2	2	2	
FY25 Reclass	Principal Human Resources Analyst	142	1		1	1
FY25 Reclass	Senior Human Resources Analyst	138	5	5	4	-1
<b>Human Resources Office Total</b>			<b>10</b>	<b>9</b>	<b>10</b>	<b>+1</b>
<b>Information Service Operations</b>						
	Air Quality Specialist I/II	130/134	1	1	1	
	Assistant Air Quality Specialist I/II	122/126	1	1	1	
<b>FY25 Proposed</b>	Assistant Staff Specialist I/II	122/126			1	+1
	Assistant Manager	147	1	1	1	
	Director/Officer	156	1	1	1	
	Manager	148	3	3	3	
	Programmer Analyst I/II	127/131	1	1	1	
	Supervising Systems Analyst	139	2	2	2	
	Supervising Staff Specialist	139		1	1	
FY25 Reclass	Principal Cybersecurity Analyst	142			1	1
FY25 Reclass	Principal System Analyst	142		1		-1
	Systems Analyst	135	3	3	3	
<b>Information Service Operations Total</b>			<b>13</b>	<b>15</b>	<b>16</b>	<b>1</b>
<b>General Counsel</b>						
<b>FY25 Proposed</b>	Assistant Counsel I/II				1	+1
	Assistant Counsel I/II	149/153	8	8	8	
	Counsel	Contract	1	1	1	
	Legal Office Services Specialist	124	1	1	1	
	Senior Assistant Counsel	157	2	2	2	
	Staff Specialist I/II	130/134	4	4	4	
<b>General Counsel Total</b>			<b>16</b>	<b>16</b>	<b>17</b>	<b>+1</b>
<b>Legislative</b>						
	Director/Officer	156	1	1	1	
	Staff Specialist I	130/134	1	1	1	
<b>Legislative Total</b>			<b>2</b>	<b>2</b>	<b>2</b>	
<b>Meteorology &amp; Measurement</b>						
	Advanced Projects Advisor	144	1	1	1	
	Air Quality Engineer I/II	132/136	3	3	3	
	Air Quality Laboratory Technician I/II	122/126	1	1	1	
	Air Quality Meteorologist I/II	131/135	2	2	2	
FY25 Reclass	Air Quality Chemist I/II	130/134			1	1
	Air Quality Specialist I/II	130/134	15	14	14	
	Assistant Air Quality Specialist I/II	122/126	4	5	5	
FY25 Reclass	Assistant Manager	147	2	2	1	-1
	Assistant Staff Specialist I/II	122/126	3	3	3	
	Director/Officer	156	1	1	1	
FY25 Reclass	Manager	148	5	5	6	1
	Principal Air & Meteorological Monitoring Specialist	143	1	1	1	

## APPENDIX G - FTE FY25

Division	Position Classification	Salary Range ID	FYE 24 ORIG	FYE 24 AMEND	FYE 25 PROPOSED	DIFF
	Principal Air Quality Chemist	142	3	3	3	
	Principal Air Quality Engineer	144	1	1	1	
	Principal Air Quality Meteorologist	143	1	1	1	
	Principal Air Quality Specialist	142	5	6	6	
FY25 Reclass	Senior Air Quality Chemist	138	2	2	1	-1
	Senior Air Quality Engineer	140	2	2	2	
FY25 Proposed	Senior Air Quality Specialist	138			1	+1
	Senior Air Quality Specialist	138	10	10	10	
	Staff Specialist I/II	130/134	1	1	1	
	Supervising Air Quality Engineer	144	1	1	1	
	Supervising Air Quality Specialist	142	4	4	4	
	Systems Analyst	135	2	2	2	
<b>Meteorology &amp; Measurement Total</b>			<b>70</b>	<b>71</b>	<b>72</b>	<b>+1</b>
<b>Planning &amp; Climate Protection</b>						
	Administrative Assistant I/II	114/118				
	Advanced Projects Advisor	144	1	1	1	
	Assistant Manager	147	2	2	2	
	Assistant Staff Specialist II	126	1	1	1	
	Director/Officer	156	1	1	1	
	Environmental Planner I/II	130/134	3	3	3	
	Manager	148	2	2	2	
	Principal Environmental Planner	142	2	3	3	
	Senior Advanced Projects Advisor	148	1	1	1	
	Senior Air Quality Engineer	140	1	1	1	
	Senior Air Quality Specialist	138	1	1	1	
	Senior Environmental Planner	138	4	4	4	
	Senior Policy Advisor	148	1	1	1	
<b>Planning &amp; Climate Protection Total</b>			<b>20</b>	<b>21</b>	<b>21</b>	
<b>Rules</b>						
	Assistant Manager	147	1	1	1	
	Director/Officer	156	1	1	1	
FY25 Proposed	Manager	148			1	+1
	Manager	148	1	1	1	
FY25 Reclass	Senior Air Quality Engineer	140	5	5	4	-1
FY25 Reclass	Principal Air Quality Specialist	142			1	1
	Senior Air Quality Specialist	138	3	3	3	
<b>Rules Total</b>			<b>11</b>	<b>11</b>	<b>12</b>	<b>+1</b>
<b>Strategic Incentives</b>						
	Administrative Assistant I/II	114/118	1	1	1	
	Assistant Staff Specialist I/II	122/126	4	6	6	
	Director/Officer	156	1	1	1	
	Manager	148	4	4	4	
FY25 Proposed	Senior Staff Specialist	138			1	+1
	Senior Staff Specialist	138	5	5	5	
	Staff Specialist I/II	130/134	12	10	10	
	Principal Staff Specialist	142	1	1	1	
	Supervising Staff Specialist	142	4	4	4	
<b>Strategic Incentives Total</b>			<b>31</b>	<b>32</b>	<b>33</b>	<b>+1</b>
<b>Technology Implementation</b>						
	Assistant Staff Specialist I/II	122/126	2	2	2	
	Director/Officer	156	1	1	1	
	Manager	148	1	1	1	
	Senior Staff Specialist	138	2	2	2	
	Staff Specialist I/II	130/134	4	4	4	
	Supervising Staff Specialist	142	1	1	1	
<b>Technology Implementation Total</b>			<b>11</b>	<b>11</b>	<b>11</b>	
<b>Grand Total</b>			<b>465</b>	<b>472</b>	<b>491</b>	<b>+19</b>

## FYE 2025 Proposed Limited Term Contract Employee (LTCE) Positions

**Table 2:** The positions listed in Table 2, below, constitute the entirety of limited term contract employee positions and division assignments at the designated classifications presented during fiscal year 2024 as shown in the FYE 24 AMEND column. The FYE 25 column represents proposed changes to the designated classifications and/or division assignments (if any) which is reflected in the “difference” column. The total proposed LTCE positions for next fiscal year includes 6 additional positions as shown in FYE 25 proposed column.

Division	Position Classification	Salary Range ID	FYE 24 ORG	FYE 24 AMEND	FYE 25 PROPOSED	Difference
<b>Community Engagement</b>						
	Staff Specialist I/II	130/134		2	2	-
<b>Community Engagement Total</b>			-	2	2	-
<b>Information Service Operations</b>						
<b>FY25 Proposed</b>	Systems Analyst	135	-	-	1	1
<b>Information Service Operations Total</b>			-	-	1	+1
<b>Meteorology &amp; Measurement</b>						
<b>FY25 Proposed</b>	Air Quality Specialist I/II	130/134	-	-	1	1
<b>FY25 Proposed</b>	Senior Air Quality Specialist	138	-	-	1	1
<b>Meteorology &amp; Measurement Total</b>			-	-	2	+2
<b>Planning &amp; Climate Protection</b>						
	Environmental Planner	134		1	1	-
	Senior Environmental Planner	138		2	2	-
<b>Planning &amp; Climate Protection Total</b>			-	3	3	-
<b>Rules</b>						
	Air Quality Specialist	130/134	-	2	2	-
<b>Rules Total</b>			-	2	2	-
<b>Technology Implementation</b>						
<b>FY25 Proposed</b>	Assistant Staff Specialist I/II	122/126	-	-	1	1
<b>FY25 Proposed</b>	Staff Specialist I/II	130/134	-	-	2	2
<b>Technology Implementation Total</b>			-	-	3	+3
<b>Strategic Incentives</b>						
	Principal Staff Specialist	142	-	1	1	-
<b>Strategic Incentives Total</b>			-	1	1	-
<b>Grand Total</b>			-	8	14	+6

# APPENDIX H

## Definitions

**AB 434 (Assembly Bill 434)** – This enacted bill resulted in *California Health and Safety Code* Section 44241 which authorizes the District to levy a fee on motor vehicles registered in the District. The revenue must be used to fund specified programs aimed at the reduction of air pollution from motor vehicles. The bill allows the District to allocate not more than five percent (5%) of the fees distributed for administrative costs. See TFCA (Transportation Fund for Clean Air).

**AB 617 (Assembly Bill 617)** This enacted bill requires the state board to develop a uniform statewide system of annually reporting of emissions of criteria air pollutants and toxic air contaminants for use by certain categories of stationary sources.

**AB 923 (Assembly Bill 923)** – This enacted bill allows an additional \$2 surcharge on Motor Vehicle Registration fees for MSIF (Mobile Source Incentive Fund).

**AHM (Acutely Hazardous Material)** – Those materials that have been defined as such by either State or Federal regulations as being hazardous to human health.

**AIRS (Aerometric Information Retrieval System)** – Computerized information system as delineated by the EPA (Environmental Protection Agency).

**APCO – Air Pollution Control Officer** – Appointed by the Board of Directors.

**Appropriation** – A legal authorization to incur obligations and to make expenditures for specific purposes.

**Association of Bay Area Governments (ABAG)** – Regional agency covering the nine counties of the Bay Area, responsible for population projections, various services for local agencies, and co-lead agency for federal air quality planning.

**A&WMA (Air & Waste Management Association)** – The international nonprofit organization of regulatory, business, academic and research communities for air and waste management professionals.

**BACT (Best Available Control Technology)** – The lowest achievable emission rate to be applied to new and modified stationary sources pursuant to the District's New Source Review permitting program.

**Board** – Board of Directors and also Hearing Board. The Board of Directors is the governing body of the District. The Hearing Board is appointed by the Board of Directors. (See Programs 121 and 122).

**California Clean Air Act 1988** – Statutory scheme to reduce air pollution from stationary and mobile sources as set forth in *California Health and Safety Code* Section 39600 et seq.

**CAPCOA (California Air Pollution Control Officers Association)** – Organization comprised of local air pollution control officials; human resource and fiscal staff are also members.

**Capital Expenditures** – An amount spent to acquire land, building, equipment, vehicles etc. in order to increase capacity or efficiency by the District for more than 1 year. Such purchases are capitalized or depreciated over the useful life, except for land.

**Carl Moyer Program** – Provides grants to public and private entities to reduce emissions of oxides of nitrogen, reactive organic gases and particulate matter from existing heavy-duty engines by either replacing or retrofitting them.

**CARB or ARB (California Air Resources Board)** – The State agency responsible for setting California Ambient Air Quality Standards (CAAQS) and motor vehicle emission standards, and for overseeing implementation of the California Clean Air Act.

**CEC (California Energy Commission)** – The state agency responsible for energy policy and planning.

**CEMS – (Continuous Emissions Monitoring Systems)** – Technology that allows the District to measure certain emissions on a continuous basis.

**CEQA (California Environmental Quality Act)** – State law that requires public agencies to analyze environmental impacts of proposed projects and plans. (*California Public Resources Code* Section 21000 et seq.)

**CFC (Chlorofluorocarbon)** – Any of a group of compounds that contain carbon, chlorine, fluorine and sometimes hydrogen and are used as refrigerants, cleaning solvents, and aerosol propellants and in the manufacture of plastic foams.

**Clean Air Act Amendments of 1990** – Revisions to the Federal legislation governing air quality planning and control programs to meet National ambient air quality standards.

**CMA (Congestion Management Agency)** – Countywide agency responsible for preparing and implementing congestion management programs.

**CMAQ – (Congestion Mitigation and Air Quality)** - The District receives funding under this grant to fund the Spare the Air campaign.

**Contractual Services** – Services rendered to a government by private firms, individuals, or other governmental agencies.

**COLA (Cost of Living Adjustment)** – An adjustment to salaries based on the increased cost of living as defined by the percent change in the U.S. Department of Labor's Consumer Price Index.

**DAPCO (Deputy Air Pollution Control Officer)** – Deputy Officer to the APCO.

**Environmental Justice** – The fair treatment of people of all races and incomes with respect to development, implementation, and enforcement of environmental laws, regulations, and policies. Fair treatment implies that no person or group of people should shoulder a disproportionate share of negative environmental and economic impacts resulting from the execution of environmental programs.

**EPA (Environmental Protection Agency)** – Federal agency that oversees air, water and waste management. An assistance grant is provided to various agencies in their efforts to reduce air pollution.

**EPA 103 Grant** – Provides funding for all aspects of operating the PM<sub>2.5</sub> fine particulate monitoring program as well as BioWatch, the National Air Toxic Trends Study (NATTS) Program and other supplemental study programs awarded by the EPA.

**EPA 105 Grant** – Grant pursuant to federal Clean Air Act Section 105.

**Fiscal Year** – A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization; July 1 through June 30 is the fiscal year for the District.

**FICA (Federal Insurance Corporation Act) Replacement Benefits** – In 1981, District employees elected to terminate participation in Social Security. FICA costs listed in the budget reflect the replacement benefit premiums paid in lieu of Social Security.

**Fixed Assets** – Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

**FTE (Full-time Equivalent Position)** – A position converted to the decimal equivalent of a full-time position based on 2,080 hours of work per year.

**Fund** – A fiscal entity with revenues and expenditures that are segregated for the purpose of carrying out a specific purpose or activity.

**Fund Reserves – Designated** – That portion of the fund reserve designated by the governing body to indicate tentative plans for financial resource utilization in a future period.

**Fund Reserves – Reserved** – That portion of the fund reserve obligated by the issuance of purchase orders or contracts (encumbrances), or otherwise obligated and unavailable to meet the District's operating expenditures.

**Fund Reserves – Undesignated** – That portion of the unreserved fund reserve that represents the accumulated surplus which, as specified in the *California Government Code*, is restricted to the following uses: to meet cash requirements before the proceeds from revenues are available, to meet emergency expenditures, and at the end of each fiscal year to meet current year operating or subsequent year budget deficits.

**Fund Reserves** – The equity accounts for the governmental fund types.

**Group Insurance Benefits** – benefits provided to BAAQMD employees, including medical, dental, vision, and life insurance as well as State Disability Insurance, Section 125 cafeteria plan, Long Term Care and Long Term Disability, Section 457 deferred compensation plan, and COBRA program.

**IRIS (Integrated Reporting Information System)** – The name of the District's database conversion project.

**MACT (Maximum Achievable Control Technology)** – EPA standards mandated by the 1990 amendments to the Federal Clean Air Act for control of toxic air contaminants.

**Metropolitan Transportation Commission (MTC)** – Bay Area regional agency responsible for transportation planning, financing and coordination; co-lead agency for Federal air quality planning.

**MSIF (Mobile Source Incentive Fund)** – The Air District’s grant program for allocating revenues from an additional motor vehicle registration fee surcharge for implementation of eligible projects.

**NOV (Notice of Violation)** – A written citation informing a facility, or individual, that it has violated a specific air quality regulation or rule.

**OVA (Organic Vapor Analyzer)** – Hand-held analyzer used to detect organic vapor leaks from valves and other chemical and refinery equipment.

**PERP (Portable Equipment Registration Program)** – a program established by CARB allowing the operation of portable equipment in any air district throughout the state without individual local district permits.

**PERS (Public Employees Retirement System)** – The retirement system contracted by the District to provide retirement benefits to employees

**Program Budget** – A budget that allocates financial resources to functions or activities of government, rather than to specific types of expenditure, or to specific departments.

**PSM (Process Safety Management)** – Federal OSHA regulation that requires industrial safety audits.

**Request for Proposals (RFP)** – A document requesting bids to provide specified services or supplies.

**RMPP (Risk Management and Prevention Plan)** – State Program that the District monitors to prevent accidental releases of hazardous materials.

**SIP (State Implementation Plan)** – Bay Area portion of California plan to attain and maintain national ambient air quality standards.

**State Subvention Revenue** – Pursuant to Part 2, Chapter 5 of the *California Health and Safety Code*, the California Air Resources Board must subvene and distribute funds to Districts engaged in the reduction of air contaminants. The distribution is based on a per-capita basis of population contained in the District.

**T-BACT (Toxic Best Available Control Technology)** – The lowest achievable emission rate for toxic air contaminants at new or modified stationary sources.

**TCM (Transportation Control Measure)** – A strategy to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for the purpose of reducing motor vehicle emissions.

**TFCA (Transportation Fund for Clean Air)** – The District’s grant program for allocating revenues from a motor vehicle registration fee surcharge to public agencies for implementation of eligible projects that reduce motor vehicle emissions.

**UNIX** – A computer operating system.

**UTM** – A coordinate system for geographical locations.

**Vehicle Buy Back** – The District’s sponsored incentive program for the scrapping of 1985 and older models funded under TFCA. The program will pay eligible owners \$650 to contract with a specific auto dismantler to have their vehicle dismantled.



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

AGENDA: 32

# Second Public Hearing to Consider Adoption of the Air District's Proposed Budget for Fiscal Year 2024-2025

Board of Directors Meeting  
June 5, 2024

Stephanie Osaze  
Director of Finance  
[sosaze@baaqmd.org](mailto:sosaze@baaqmd.org)

# Presentation Outcome



- Conduct second Public Hearing on the Fiscal Year 2024-2025 Air District Proposed Budget for public review and testimony.
- Adopt resolution to approved Fiscal Year Ending 2024-2025 Air District Proposed Budget and various budget related actions



# Presentation Outline



- Proposed Budget Summary
- Additional Budget information
- Recommendation

# Fiscal Year 2024-2025 Proposed Budget Summary



- \$ 291 million (M) Consolidated Budget, includes \$154 M General Fund Budget
- Use of Reserves includes:
  - \$6.8 M for one-time services and capital costs
  - \$2.9 M as initial staffing investment to support 19 Full-Time Equivalent (FTE), additional \$1 M from penalty assessment
- Continuation of Cost Recovery Policy (up to 15% where applicable)
- 4.5% General Wage Adjustment
- 7% Vacancy Savings
- \$5 M discretionary contributions to Prefund Pension Trust
- Authorize transfers from the Limited-Term Contract Employee (LTCE) Staffing reserve designation to fill limited-term positions

# Cost Containment Strategies



## Fiscal Controls

- Budgetary Controls & Monitoring
- Perform & Present Quarterly Budget Analysis

## Cost Savings/Efficiency

- Reduced long outstanding open purchase orders
- Decommissioned Legacy IT systems (IRIS/Databank)
- Changes in procurement practices (Re-bidding contracts)
- Hiring Limited Term Contract Employees
- Staffing Adjustments to improve operational needs
- Real Estate Consolidation
- Implementation of management audit recommendations

# Potential Actions to Address Budget Impact



- Assess the overall budget impacts (One-time or recurring)
- Update 5-year financial forecast & assumptions, if significant
  - Use of Reserves
  - Identify new revenue sources (i.e. grants)
  - Postponed non-essential expenditures
  - Deferred capital investments
  - Vacancies unfilled (Staff reduction through attrition)

# Summary of Budget Resolution Actions



- Carry forward encumbrances and appropriations
- Transfer unencumbered funds to undesignated reserves
- Approve reserve designations modifications and funding amounts
- Authorize budget transfers between specified accounts
- Authorize certain disposal of assets
- Approve salary schedule and benefit package
- Authorize transfer from LTCE Reserve Designation (up to \$1.8M)
- Approve funding to the Pension Prefund Trust (\$5M)
- Adopt the FY 2024-25 Proposed Budget (\$291M)

# Recommendation



Recommend the Board of Directors:

Adopt Resolution to approve the Fiscal Year 2024-25

Proposed Budget and related budget actions

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Wildfire Season Preview and Wildfire Programs

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

California has experienced some of the deadliest and most destructive wildfires in its history over the last several years. Studies show that climate change is not only causing higher temperatures and longer dry periods, but also lengthening the fire season and increasing the risk of wildfires throughout the state. Wildfires have the potential to destroy entire communities and burn everything in their path, producing a mixture of fine particulate matter and hazardous chemicals and compounds in the air we breathe. Wildfire smoke presents immediate impacts to local air quality and public health, and atmospheric conditions can quickly transport smoke to affect the air quality of an entire region and that of nearby states.

DISCUSSION

Air District staff will provide an update on the outlook for the 2024 wildfire season. The presentation will also include an overview of the Air District's role and actions during wildfire events, including monitoring, smoke forecasting, coordination with state and local agencies, and outreach to the public. Air District programs to reduce wildfire risk and exposure to smoke during wildfires will also be summarized.

Air District resources are available to help inform the public before and during wildfire events. These resources include:

- Wildfire Smoke Preparedness Tips are available to help people prepare their home and family for smoke events. [https://www.baaqmd.gov/~/\\_media/files/communications-and-outreach/wildfire-materials/wildfire-preparedness-tips-pdf.pdf?la=en](https://www.baaqmd.gov/~/_media/files/communications-and-outreach/wildfire-materials/wildfire-preparedness-tips-pdf.pdf?la=en)

- Guide to Air Quality Data Websites provides an overview of websites with air quality data, including information about the data sources, how the data can be used, and links to additional information <https://www.baaqmd.gov/~media/files/ab617-community-health/richmond/quarterly-report-documents/guide-to-air-quality-data-websites-pdf.pdf?la=en>

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Ranyee Chiang  
Reviewed by: Greg Nudd

#### ATTACHMENTS:

1. July 5, 2023 Board Wildfire Season Preview and Programs





BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

**AGENDA: 33**

# **Wildfire Season Preview and Wildfire Programs**

**Board of Directors Meeting  
June 5, 2024**

**Ranyee Chiang, Ph.D.  
Director, Meteorology &  
Measurement Division**

**[rchiang@baaqmd.gov](mailto:rchiang@baaqmd.gov)**

# Action Requested



- None – Informational Presentation

# Presentation Outline



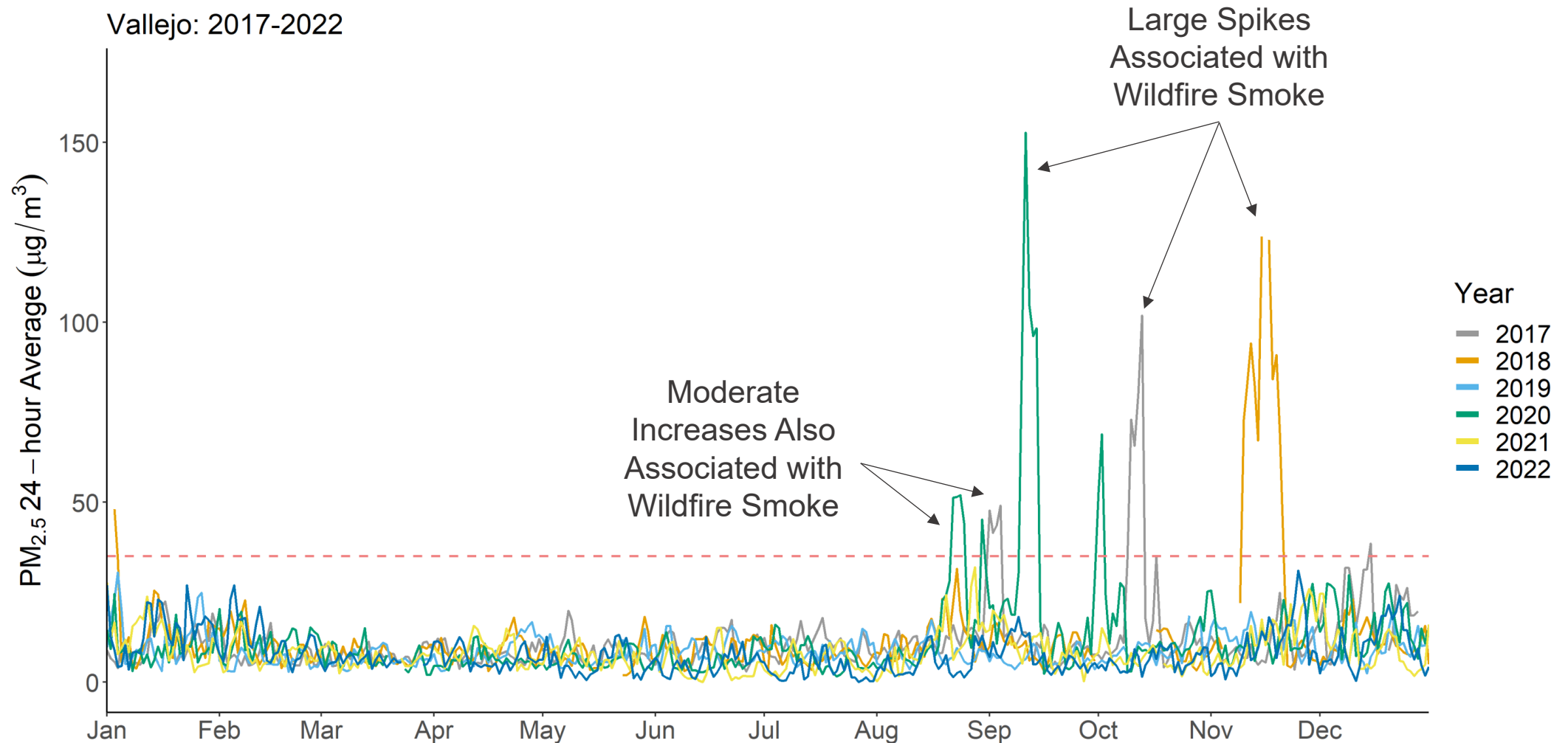
- Wildfire Impacts on Air Quality: Recent Trends
- 2024 Fire Season Outlook
- Air District Role During Wildfires
- Air District Programs for Wildfire Prevention and Mitigation of Impacts

# Wildfire Impacts on Air Quality



## PM<sub>2.5</sub> Daily Trends

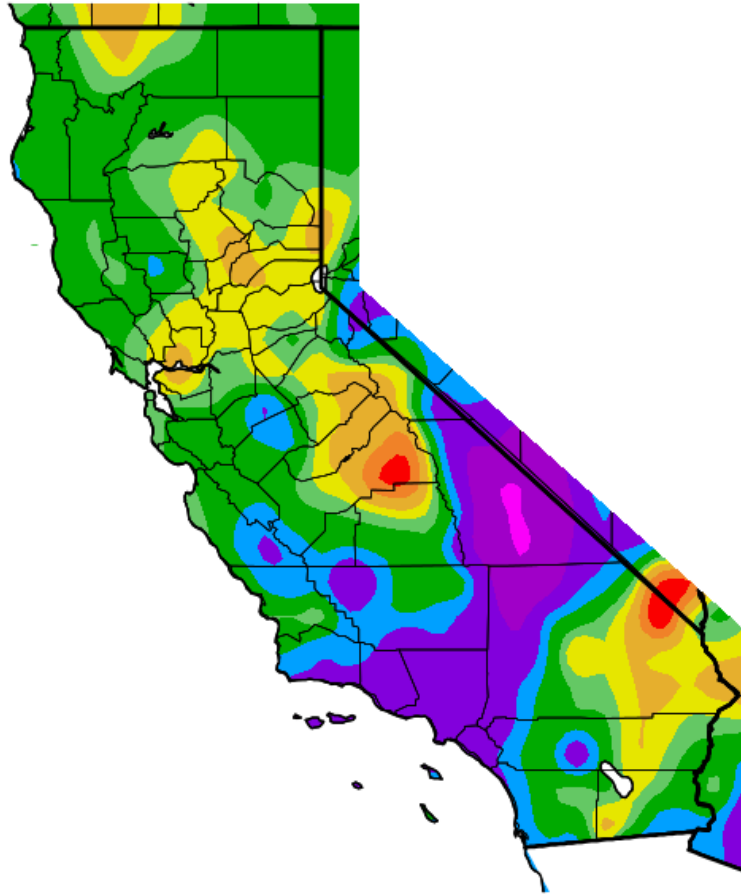
Vallejo: 2017-2022



# 2024 Fire Season Outlook



Percent of Average Precipitation (%)  
7/1/2023 – 5/5/2024



Generated 5/6/2024 at WRCC using provisional data.  
NOAA Regional Climate Centers

Normal to above-normal rainfall in the Bay Area (100% to 130% of July 1 to June 30 average, as of May 5, 2024) following a high rainfall year in 2022-23

Cool start to season because of increased onshore flow during May and June

High rainfall will lead to more potential fuel for fire (particularly grasses) during late summer and early fall.

# 2024 Fire Season Outlook



June - July



Northern California Geographic Coordination Center

“Below Normal” fire potential

August



“Normal” area-wide

Sep – Oct

Depends on severity of offshore wind events and when the next rainy season starts

# Air District Role During Wildfires

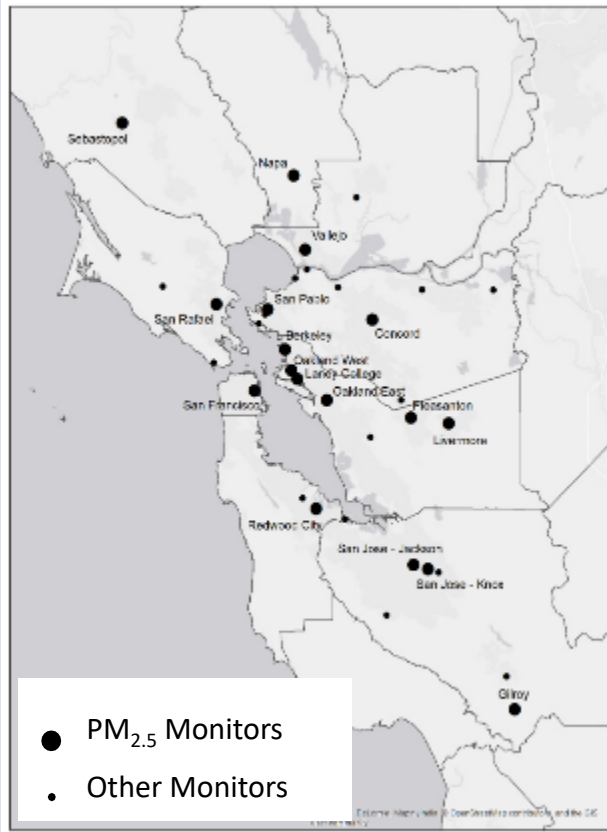


- Monitoring
- Forecasting
- Communications

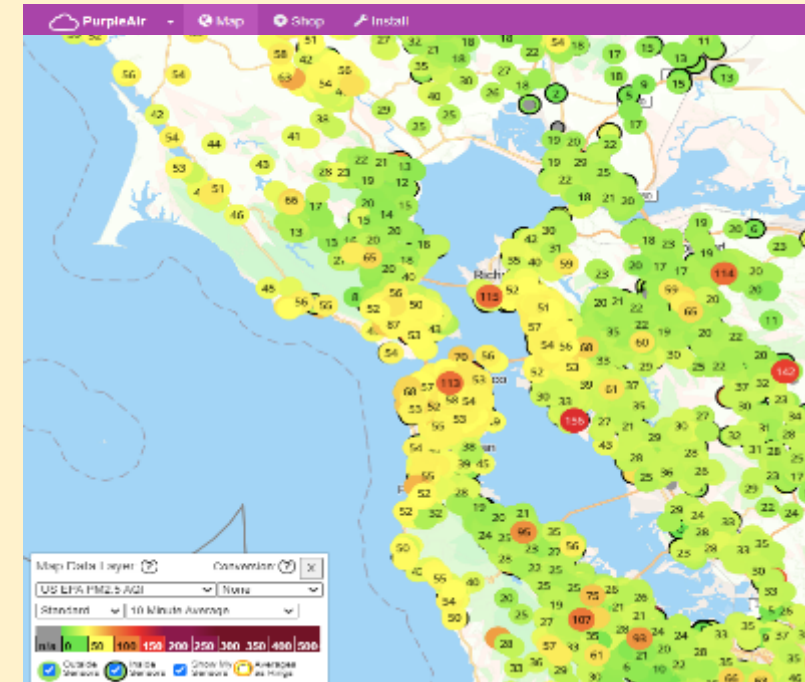


# Air Monitoring

## Air District Monitoring Network



## Air Sensors



Example: PurpleAir



# Air Quality Data Sites

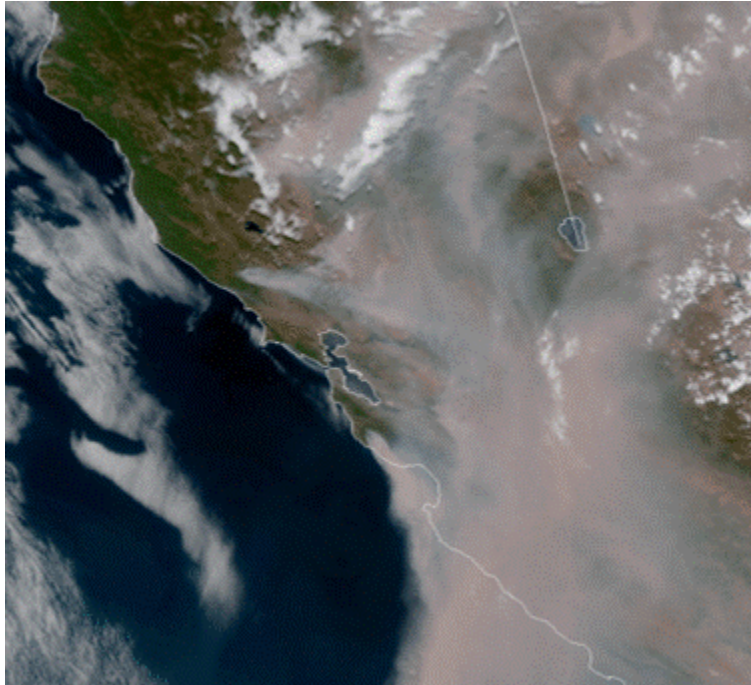


	<b>Air Quality Data Sites</b>	Accuracy & Quality Assurance	Sub-Hourly Air Quality	Hourly Air Quality	Block-by-Block Air Quality	Official AQI
	<b>Air District Website</b>	✓		✓		✓
	<b>PurpleAir</b>		✓	✓	✓	
	<b>Clarity OpenMap</b>			✓	✓	
	<b>AirNow</b>	✓		✓		✓
	<b>EPA Fire and Smoke Map</b> <i>(includes data from highly accurate Air District sites and less accurate low-cost sensors)</i>	✓		✓	✓	✓

# Air Quality Forecasting



**Air quality can change rapidly and varies from one location to another**



*August 19, 2020*

## How is a smoke forecast produced?

- Air quality data
- Weather and smoke models
- Satellite imagery and cameras
- Local geography and wind flow
- Marine layer depth

# US EPA's Updated Air Quality Index (AQI)



- Color-coded tool used to help inform the public about daily air quality and general health impacts
- EPA updated some of the breakpoints to reflect the change to the fine particulate matter (PM<sub>2.5</sub>) annual standard and the newest scientific information

AQI Value	Previous [ $\mu\text{g}/\text{m}^3$ ]	Current [ $\mu\text{g}/\text{m}^3$ ]
0, Good	0	0
50, Moderate	12	9
100, USG	35	35
150, Unhealthy	55	55
200, Very Unhealthy	150	125
300, Hazardous	250	225
500, Hazardous*	500	325

# Communications



- Significant Media Outreach & Response
- Social Media Wildfire Series & Meteorologist Video Updates
- Wildfire Safety Website, Infographics & Videos Series
- Messaging Coordination with Bay Area Health Officers & PIOs
- Major wildfire smoke incident email & text notifications



### DIY AIR CLEANER TO REDUCE WILDFIRE SMOKE INDOORS

MATERIALS	ASSEMBLY
<ul style="list-style-type: none"> <li>• Duct tape</li> <li>• 20"x20" air filter (MERV 13 rating)</li> <li>• 20"x20" box fan (certified fan with UL or ETL marking, 2012 model or newer)</li> </ul>	<ol style="list-style-type: none"> <li>1. Check the filter for the direction of air flow, marked on side of filter.</li> <li>2. Attach filter to back of box fan using duct tape to create a seal between fan and filter.</li> <li>3. Run fan for 30 minutes to 1 hour to filter air in a standard size room. Do not run for too long or overnight, as this may cause overheating. Do not leave unattended.</li> <li>4. Replace filters when dirty.</li> </ol>

View the "How to Make an Emergency DIY Air Filter" video.  
<https://www.youtube.com/watch?v=XSNHdiEMGbA>



# Communications – 2024 Wildfire Season



- In-Person & Zoom Press Conferences/Briefings
- Promote Clean Air Centers & new website
- Explore New Partnerships
- Informative & Timely Charts/  
Data Visualization
- Update Wildfire Preparedness Tips with ABAHO



## CREATE A CLEANER AIR SPACE

**STAYING INDOORS WITH WINDOWS AND DOORS CLOSED IS THE BEST WAY TO PROTECT YOUR HEALTH.**

**Weatherize your home in preparation for wildfires by sealing leaky windows and doors.**

**Avoid activities that create smoke or other particles indoors.**

**Upgrade to an HVAC system that allows for both heating and cooling and have the mechanism to switch to RECIRCULATE to prevent smoke from entering the space.**

**Choose a room that fits everyone and is comfortable to spend time in. Close windows and doors.**

**Purchase a non-ozone producing air purifier (HEPA) to create a cleaner air room or a MERV 13 or greater filter for your HVAC system.**

**During high heat and heavy smoke events, keep indoor air cool or run fans.**

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

# Wildfire Preparedness Tips



Weatherize your home in preparation for wildfires by replacing or refurbishing leaky windows and doors; use caulking to seal openings.



Consider purchasing a non-ozone producing air purifier (HEPA) to create a cleaner air room in your home or a MERV 13 or greater filter for your heating and cooling system.



Make a plan to go to a cleaner air location if you are unable to seal your home or if dense smoke occurs during hot weather.



Concerned individuals should consult their health care provider for personalized recommendations.



Identify locations in your community that have cleaner filtered air spaces, such as Clean Air Centers, indoor shopping malls, local libraries, cooling centers, civic centers, or local government buildings.

# Mask Messaging



**Staying indoors with windows and doors closed is the best way to protect your health, if temperatures allow.**



**Masks are not a substitute for staying indoors and must be fitted properly for best protection.**



**If unable to visit a cleaner air center or a cooling center, those that must be outside for extended periods of time may benefit from using a tight fitting N95 mask to reduce their exposure.**

# Air District Programs for Wildfire Prevention and Mitigation of Impacts



- Reducing wildfire risk
- Air filtration initiatives



# Reducing Wildfire Risk



## Open Burn Program (Prescribed Burning)

- Planned, controlled burning of vegetation to achieve natural resource management goals
- 2022 - present: ~2200 acres burned; 60 prescribed fires exempted from fees

## Wildfire Prevention Chipping Pilot Program, \$300k

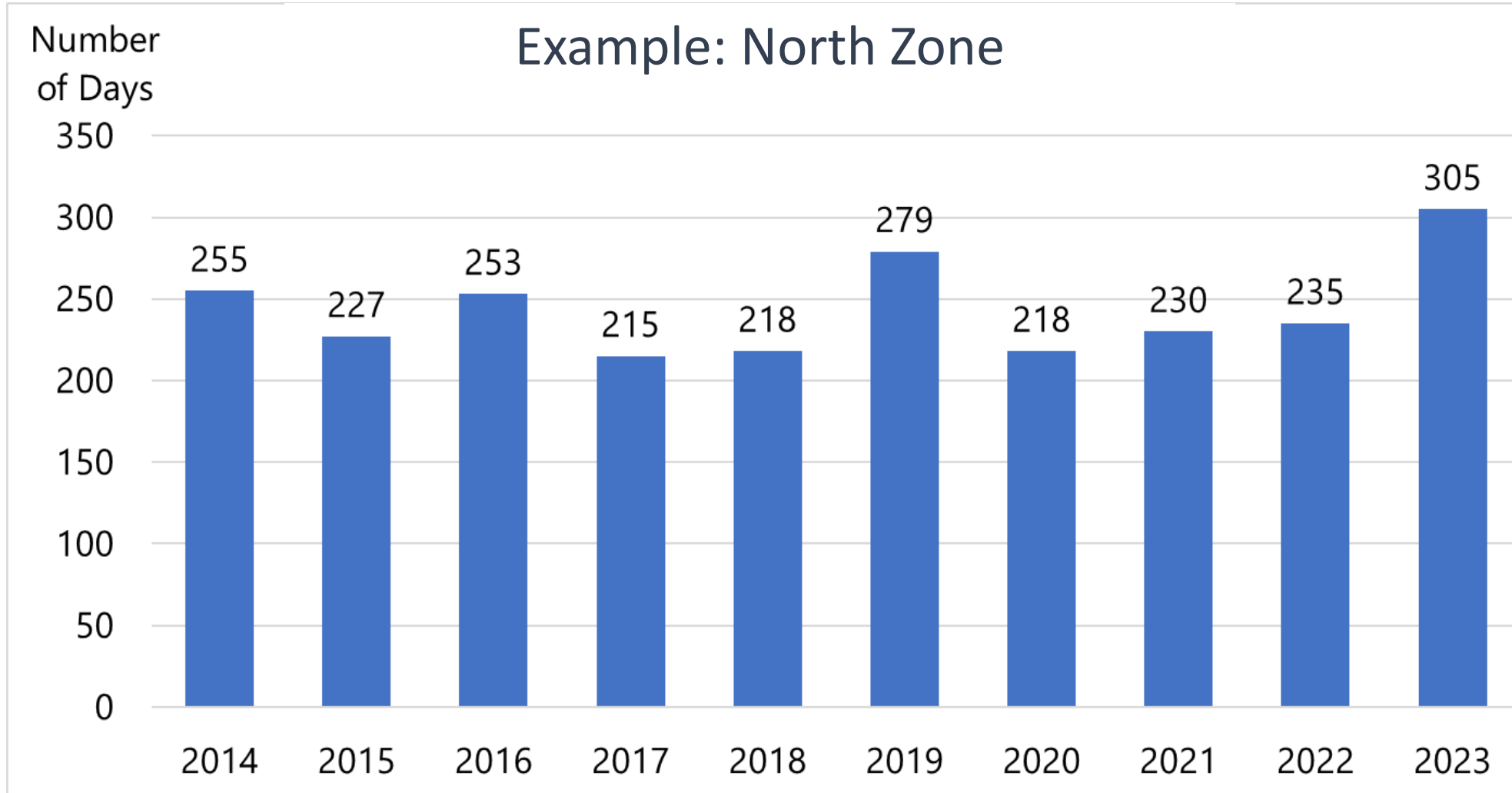
- Free chipping services to dispose of material that would otherwise be burned to help reduce fuel loads and wildfire risks
- 2022 - present: 25 jobs completed; ~\$118k remaining

# Summary of Smoke Management Plan Steps



- Land manager:
  - submits Smoke Management Plan 30 days in advance of the planned burn for Air District review and approval
  - secures burn permit from the local fire agency and/or CALFIRE
- Air District's forecasting services are available up to 96 hours (4 days) before a prospective burn day
- Final acreage/pile authorization is allocated by 8 am on the day of the burn

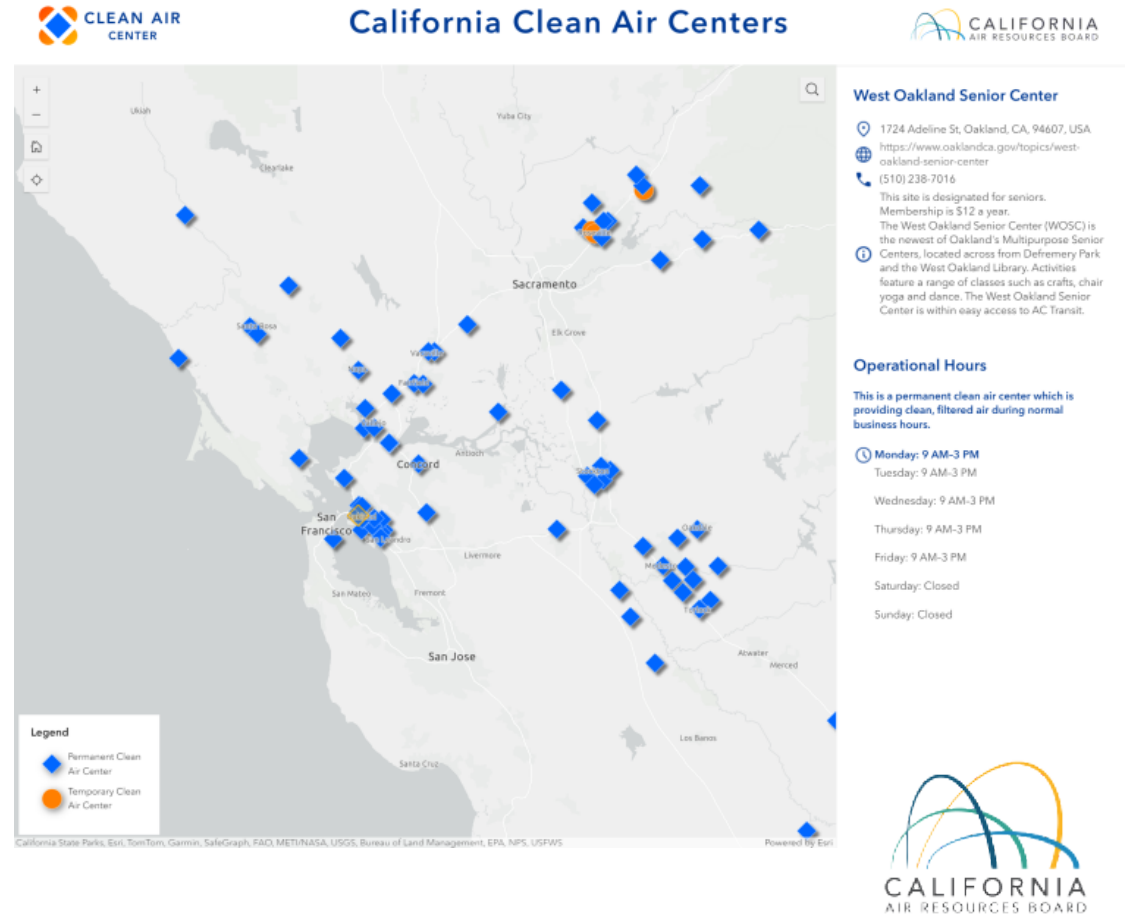
# Permissive Burns Days Per Year 2014-2023



# Clean Air Centers



- AB 836 (2019) - One time grant of \$3M from CARB to help create a network of publicly accessible facilities with high-efficiency air filtration systems for people who may not otherwise have access to clean air spaces during wildfire events.
- Status - Nearing completion of implementation phase with over 1,200 portable air cleaners delivered to 317 locations.
- Cities and Counties are responsible for operating and maintaining Clean Air Centers.
- CARB developing map of clean air centers across the state.



# Air Filtration Initiatives



- **Distributed 3600+ air filtration units and funded upgrades/maintenance to 16 school HVAC systems**
- **Types of locations:**
  - Evacuation centers, community centers, senior centers, schools, libraries, homes
- **In Partnership with:**
  - CARB, Counties, American Red Cross, Regional Asthma Management and Prevention Program, California Asthma Mitigation Partners, local health centers, James Cary Smith grantees and other Community Based Organizations
- Focus on AB 617 communities, overburdened communities, households with low-income, schools with high percentage of low-income students, clients with poorly controlled asthma





# Q & A

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Davina Hurt and Members  
of the Board of Directors

From: Philip M. Fine  
Executive Officer/APCO

Date: June 5, 2024

Re: Approval of an Amendment to the Employment Agreement for General Counsel

RECOMMENDED ACTION

Recommend the Board of Directors consider approving the attached amendment to the Employment Agreement for General Counsel increasing the salary by 5%.

BACKGROUND

Alexander G. Crockett, has served in the position as General Counsel since May 23, 2022. During the June 5, 2024, closed session for the District's Board of Directors, the Board provided the one-year employment performance review for General Counsel.

DISCUSSION

The Board will consider amending the employment contract for General Counsel by providing a 5% merit increase in salary consistent with General Counsel's employment agreement. The proposed amendment is included as Attachment 1.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. This salary is included in the 2024 and 2025 budgets under program 102.

Respectfully submitted,

Davina Hurt  
Board Chairperson

Prepared by: Hyacinth Hinojosa

ATTACHMENTS:

1. Crockett Employment Agreement District Counsel 2022-05-19
2. Crockett Amended Employment Agreement District Counsel 2023-06-11
3. Draft Amended Employment Agreement No 2. 2024-06-05 - BAAQMD General Counsel



**EMPLOYMENT AGREEMENT**

District Counsel

This Employment Agreement (“Agreement”) is made and entered into on this 19th day of May 2022, by and between the **Bay Area Air Quality Management District** (the “District”) and **Alexander Crockett** (“Employee”) for services to be performed by Employee in the position of District Counsel. District and Employee are collectively hereinafter referred to as “Parties.”

**NOW, THEREFORE**, in consideration of the mutual promises and covenants set forth herein, the Parties agree as follows:

1. **Term.**

The District hereby employs Employee as District Counsel of the District and Employee hereby accepts employment for a period of three (3) years commencing on May 23, 2022, and ending on May 22, 2025, subject to the limitations of this Agreement.

2. **Duties.**

District Counsel shall manage the legal affairs of the District under the general direction and authority of the District Board of Directors (“Board”), or the Chief Executive Officer of the District, as the Board in its discretion may elect. Typical responsibilities include those detailed in the class specification of “Counsel” attached hereto as Exhibit A. Employee understands and agrees that these responsibilities are illustrative only and that the District may add, subtract, or change them in its discretion. Employee shall devote himself on a full-time basis to fulfillment of his responsibilities and shall devote such time as may be reasonably necessary for satisfactory performance of his obligations under this Agreement. Employee shall undertake no other professional employment during the term of this Agreement.

3. **Work Product/Attorney-Client Privilege**

Employee agrees that all files, notes, documents, data, specifications, correspondence, drawings, reports and other material prepared by or furnished to Employee in connection with his District employment shall be and remain the sole and exclusive property of the District. Employee acknowledges and agrees to maintain the District’s attorney-client confidences during and after the termination of this Agreement, in accord with the California Rules of Professional Conduct.

4. **Compensation and Benefits.**

a. **Salary**

For services rendered pursuant to this Agreement the District shall pay Employee an annual base salary of \$291,750. Said salary shall be paid on the dates and in the manner consistent with the payroll procedures of the District.

b. **Cost of Living Adjustments**

Employee shall receive an automatic cost of living adjustment on each July 1 during the term of employment equal to the California Consumer Price Index for Urban Wage

Initialed District  -  
Initialed Employee  -

Earners and Clerical Workers as calculated for the prior calendar year (“Annual Average”) by the Department of Industrial Relations for the San Francisco Bay Area.

**c. Fringe Benefits**

Except as otherwise provided in this Agreement, and except for an automobile allowance not to be included, Employee shall receive such employee benefits, including but not limited to pension, health insurance, and vacation benefits, as are payable to that class of District employees designated non-represented District Executive Management Staff. Employee shall be entitled to carry forward his accrued but unused District leave balances (sick leave, vacation, etc.) which existed on the effective date of this Agreement.

**d. Life Insurance**

In addition to any life insurance benefit provided under Paragraph 4(c) above, the District shall, during the term of this Agreement, provide Employee a portable \$500,000 (five hundred thousand dollar) term life insurance policy, if Employee demonstrates such good health insurability as the insurer may require.

**e. Income Tax Liabilities**

Employee shall be responsible for all income tax liability assessed under law on account of his Compensation under this Agreement

**5. Annual Goals.**


Employee shall develop an annual statement of goals and objectives and a progress report for the District and shall present such goals at a regularly called meeting of the Board to be selected each year by the Board Chair in coordination with District Counsel.

**6. Annual Performance Evaluation.**

Employee shall receive a one-year performance evaluation where the District will consider a salary increase up to five percent (5%). A two-year performance evaluation will be conducted by the District where the District will consider another salary increase up to five percent (5%). The District may, in its sole discretion, use any professional assistance in establishing standards for performance assessment. Nothing in this section shall be construed to require District to grant Employee any pay increases based on the performance standards, if any, mentioned above nor to limit in any manner the discretion of District to grant or not pay increases. Nor shall anything in this Agreement be interpreted to require District to evaluate Employee solely upon the performance standards, nor to limit the discretion of the District to evaluate Employee as it deems necessary in the sole discretion of the District.


**7. Termination and Severance.**

a. Employee’s tenure as District Counsel under this Agreement is limited to the contractual term of three (3) years and Employee’s employment as District Counsel will terminate on May 22, 2025 unless the parties agree to extend this Agreement on or before that date.

Initialed District  \_  
Initialed Employee  \_

The Parties agree to meet and confer four (4) months prior to the termination date to discuss whether to extend this Agreement, and if so on what terms.

- b. Moreover, due to the duties of the position and nature of the services provided by Employee to District, the Employee serves at-will at the pleasure of the Board, and nothing herein shall prevent, limit, or otherwise interfere with the right of the Board to terminate Employee with or without cause. Except where the termination is for cause, the District will provide written notice thirty (30) days prior to the termination date. The District may, at its option, relieve Employee of his duties with pay during the notice period. Employee shall have no right to a termination hearing. Employee shall have no "return rights" to any position previously held at the District and shall not be entitled to employment in any other District position upon termination of employment pursuant to this Agreement.
- c. If Employee's employment is terminated, either through expiration of the contractual term pursuant to section 7(a) or through earlier termination by the District pursuant to section 7(b), the District and Employee shall treat such termination as a retirement from District service for purposes of pension, health insurance, and other retirement benefits, unless Employee elects in writing not to have such termination treated as a retirement.
- d. Notwithstanding any other provision of this Agreement, and as required by Government Code Sections 3511.2 and 53260, if Employee is terminated by the District while the Employee is still willing and able to perform the duties of District Counsel, the District agrees to pay Employee a lump sum payment as follows: a cash settlement equal to Employee's monthly Base Salary, as adjusted, multiplied by the number of months left on the unexpired term of the Agreement, up to a maximum of twelve (12) months. Payment of this cash settlement shall not affect any retirement or other post-employment benefits employee may be entitled to under this Agreement or otherwise.
- e. Any severance payment made by the District pursuant to this section shall be contingent on Employee executing and delivering to the District a release in substantially the same form as that attached hereto as Exhibit B.
- f. Notwithstanding section 7(d) above, the District shall not be obligated to pay, and shall not pay any amounts to Employee if Employee is terminated because of:
  - i. the conviction of felony or misdemeanor or plea of nolo contendere to a crime,
  - ii. the conviction of any felony or misdemeanor involving moral turpitude,
  - iii. the willful or persistent material breach of duties or inattention to duties,
  - iv. a violation of statute or law constituting misconduct in office, or
  - v. willful misconduct.
- g. The District shall not be obligated to pay Employee any severance amount under this Agreement if Employee voluntarily retires or resigns in writing prior to termination, or if

Initialed District    
Initialed Employee 

employee is terminated at expiration of this agreement. In the event Employee voluntarily retires or resigns, Employee shall provide advance written notice to the District of at least thirty (30) calendar days.

h. This Agreement shall be immediately terminated upon Employee’s death or legal incapacity by operation of Labor Code section 2920.

8. **Indemnification and Defense.**

District shall indemnify, defend, and hold Employee harmless from and against all demands, claims, suits, actions, and legal proceedings brought against Employee and arising out of events within the scope of Employee’s employment and performance of professional duties as District Counsel, except to the extent that Employee’s actions are the result of gross negligence or willful misconduct. Employee shall cooperate in good faith with the District with respect to defense of such claims, demands, or legal actions.

9. **Abuse of Office.**

Any salary provided Employee during an investigation shall be fully reimbursed if the Employee is convicted of a crime involving an abuse of her office or position, as set forth in Government Code sections 53243 and 53243.4, resulting from the investigation. Any funds for the legal criminal defense of the Employee provided by the District shall be fully reimbursed to the District if the Employee is convicted of an abuse of her office or position, as set forth in Government Code sections 53243.1 and 53243.4. Further, regardless of the term of this Agreement, if this Agreement is terminated, any cash settlement or severance related to the termination that the Employee receives from the District shall be fully reimbursed to the District if the Employee is convicted of a crime involving an abuse of her office or position, as set forth in Government Code sections 53243.2 and 53243.4.

10. **Severability.**

If any term of this Agreement is finally held or determined to be illegal or void by a court having jurisdiction over the District and Employee, the remainder of this Agreement shall remain in full force and effect unless the term or terms held to be illegal or void are wholly inseparable from the remaining provisions of the Agreement.

11. **Governing Law.**



This Agreement shall be governed by the laws of the State of California.

12. **Counterparts.**

This Agreement may be executed in multiple counterparts, each of which shall constitute an original, and all of which taken together shall constitute one and the same instrument.

13. **Entire Agreement.**

This Agreement is the entire agreement between the parties regarding District’s employment of Employee and supersedes all prior oral or written understandings. This Agreement cannot be modified except by a written amendment signed by both Parties.

Initialed District  \_  
Initialed Employee  \_

**IN WITNESS WHEREOF**, the Parties have executed this Agreement which shall be effective upon the commencement date specified in Section 1 herein.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

DocuSigned by:

*John Banters* \_\_\_\_\_

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John Banters, Chairperson  
Board of Directors

**EMPLOYEE**

DocuSigned by:

*Alexander Crockett* \_\_\_\_\_

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ALEXANDER CROCKETT

**AMENDMENT TO EMPLOYMENT AGREEMENT**

District Counsel

This Amendment To Employment Agreement (“Agreement”) is made and entered into on this 21<sup>st</sup> day of June, 2023, by and between the **Bay Area Air Quality Management District** (the “District”) and District Counsel **Alexander Crockett** (“Employee”).

**WHEREAS**, the District and Employee are parties to an Agreement setting forth the terms and conditions of Employee’s employment as District Counsel, dated May 19, 2022 (“Employment Agreement”);

**WHEREAS**, Employee has been employed as District Counsel pursuant to the Employment Agreement since May 23, 2022;

**WHEREAS**, the Employment Agreement provides that Employee shall receive a one-year performance evaluation whereby the District Board will consider a salary increase of up to five percent (5%);

**WHEREAS**, the District Board conducted a performance evaluation of Employee which included a closed session review on June 7, 2023; and

**WHEREAS**, the District desires to provide Employee a five percent (5%) salary increase consistent with the favorable performance evaluation and the provisions of the Employment Agreement.

**NOW, THEREFORE**, the District and Employee agree to modify the Employment Agreement as follows:

1. Employee’s annual base salary is increased five percent (5%) from Employee’s current yearly salary effective May 23, 2023. Section 4.a. of the Employment Agreement is hereby amended to reflect the new annual base salary of \$318,897.23 effective May 23, 2023.
2. All other provisions of Employee’s Employment Agreement remain in full force and effect without amendment.

**IN WITNESS WHEREOF**, the Parties have executed this Amendment to Employment Agreement which shall be effective upon the commencement date specified above.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**EMPLOYEE**

DocuSigned by:

*John Bauters*

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JOHN J. BAUTERS

Board Chair

DocuSigned by:

*Alexander Crockett*

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ALEXANDER CROCKETT

District Counsel

**AMENDMENT No. 2 TO EMPLOYMENT AGREEMENT**

District Counsel

This Amendment to Employment Agreement (“Agreement”) is made and entered into on this 5th day of June, 2024, by and between the **Bay Area Air Quality Management District** (the “District”) and District Counsel **Alexander Crockett** (“Employee”).

**WHEREAS**, the District and Employee are parties to an Agreement setting forth the terms and conditions of Employee’s employment as General Counsel, dated May 19, 2022 (“Employment Agreement”);

**WHEREAS**, Employee has been employed as General Counsel pursuant to the Employment Agreement since May 23, 2022;

**WHEREAS**, the Employment Agreement provides that Employee shall receive a one-year performance evaluation whereby the District Board will consider a salary increase of up to five percent (5%);

**WHEREAS**, the District Board conducted a performance evaluation of Employee which included a closed session review on June 5, 2024; and

**WHEREAS**, the District desires to provide Employee a five percent (5%) salary increase consistent with the favorable performance evaluation and the provisions of the Employment Agreement.

**NOW, THEREFORE**, the District and Employee agree to modify the Employment Agreement as follows:

1. Employee’s annual base salary is increased five percent (5%) from Employee’s current yearly salary effective May 23, 2023. Section 4.a. of the Employment Agreement is hereby amended to reflect the new annual base salary of \$355,937.13 effective May 23, 2024.
2. All other provisions of Employee’s Employment Agreement remain in full force and effect without amendment.

**IN WITNESS WHEREOF**, the Parties have executed this Amendment to Employment Agreement which shall be effective upon the commencement date specified above.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**EMPLOYEE**

\_\_\_\_\_  
Davina Hurt  
Board Chair

\_\_\_\_\_  
Alexander Crockett  
District Counsel