



BOARD OF DIRECTORS
MEETING
March 5, 2025

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

Office of Contra Costa County
Supervisor John Gioia
Conference Room
11780 San Pablo Ave., Suite D
El Cerrito, CA 94530

Office of Santa Clara County
70 W Hedding St
1st Floor Conference Room
San Jose, CA 95110

San Mateo County
Board of Supervisors Offices
500 County Center, 5th Floor
Redwood City, CA 94063

Scott Haggerty Heritage House
4501 Pleasanton Ave.
Pleasanton, CA 94566

Pleasant Hill Office
2255 Contra Costa Blvd., Suite 202
Pleasant Hill, CA 94523

Sacramento Area Council of Governments
El Dorado Room
1415 L Street, Suite 300
Sacramento, CA 95814

Alameda County Board of Supervisors
District 3
Office of Supervisor Lena Tam
101 Callan Avenue, Suite #103
San Leandro, CA 94577

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.

Members of the public may participate remotely via Zoom at <https://bayareametro.zoom.us/j/84616546268>, or may join Zoom by phone by dialing (669) 900-6833 or (408) 638-0968. The Webinar ID for this meeting is: 846 1654 6268

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, MARCH 5, 2025

10:00 AM

Chairperson, Lynda Hopkins

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 - 19)

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 Board of Directors Special Meeting/Retreat of January 29, 2025

The Board will consider approving the Draft Minutes of the Board of Directors Special Meeting/Retreat of January 29, 2025.

5. Approval of the Draft Minutes of the Board of Directors Meeting of February 5, 2025

The Board will consider approving the Draft Minutes of the Board of Directors Meeting of February 5, 2025.

6. Board Communications Received from February 5, 2025, through March 4, 2025

A copy of communications directed to the Board of Directors received by the Air District from Board Communications received from February 5, 2025, through March 4, 2025, 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 January 2025

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 January 2025.

8. Personnel Out-of-State Business Travel Report for January 2025

In accordance with Section 1.1.3 of the Policy, the Board of Directors is hereby notified of Air District personnel who have traveled on out-of-state business. This report covers out-of-state business travel for the month of January 2025.

9. Amendments to Section 9.4 of the Administrative Code Regarding Procurement

The Board of Directors will consider adopting amendments to Section 9.4 of the Administrative Code regarding procurement. The Finance and Administration Committee recommended approval of these proposed amendments at its meeting on April 17, 2024.

10. Authorization to Execute a Memorandum of Understanding with the California Air Pollution Control Officers Association for the Prescribed Burn Reporting and Monitoring Support Program

The Board of Directors will consider authorizing the Executive Officer/APCO to execute a Memorandum of Understanding with the California Air Pollution Control Officers Association for the Prescribed Burn Reporting and Monitoring Support Program to provide reimbursement of up to \$60,873.06 for work completed under the Air District's Prescribed Burn Program. Funding is provided by the California Air Resources Board's California Climate Investments program.

11. Authorization to Execute Lease Amendments for Office, Shop, Lab, and Garage Space for Meteorology and Measurement Division in Richmond

The Board of Directors will consider authorizing the Executive Officer/APCO to execute amendments to the Air District's lease agreements with Wang Brothers Investments, LLC to be effective July 1, 2025, through June 30, 2026, which would result in an estimated cost of \$477,180, and to exercise two options to extend the lease agreement by six months, if needed.

12. Public Hearing to Adopt Determination of Effectiveness of Transportation Fund for Clean Air (TFCA) Project Expenditures for Fiscal Year (FY) 2023-2024 and Authorize Cost-Effectiveness Criteria for Air District-Sponsored Programs commencing FY 2025-2026

The Board of Directors will hold a public hearing to consider adopting a determination that the TFCA 60% Fund expenditures were effective in improving air quality in FY 2023-2024 and adopting cost-effectiveness criteria for Air District-sponsored programs commencing FY 2025-2026. The Policy, Grants, and Technology Committee recommended approval of this item at its meeting on February 26, 2025.

13. Financial Update for the Second Quarter of Fiscal Year (FY) 2024-2025, Ending December 31, 2024

The Board of Directors will receive the financial update for the second quarter of Fiscal Year (FY) 2024-2025, which ended December 31, 2024.

14. Fiscal Year 2024-2025 Second Quarter Reporting of Payments for Routine and Recurring Goods/Services Expenses and Contracts Executed under Delegated Authority

The Board of Directors will receive a report of vendor payments for routine and recurring essential services and contracts executed under delegated authority for the second quarter of Fiscal Year (FY) 2024-2025, which ended December 31, 2024.

15. Position Qualifications for Members of the Advisory Council

The Board of Directors will consider approving position qualifications to be used in selecting members for the Air District's Advisory Council, as required by Section 4.2 of the Administrative Code. Staff recommend that the Board approve the use of the statutory criteria in Health & Safety Code section 40262 as the Advisory Council position qualifications.

16. Report of the Stationary Source Special Committee Meeting of February 19, 2025

The Board of Directors will receive a report of the Stationary Source Special Committee meeting of February 19, 2025.

For the full Committee agenda packet and materials, click on the link below:
www.baaqmd.gov/bodagendas

17. Report of the Community Equity, Health, and Justice Special Committee Meeting of February 19, 2025

The Board of Directors will receive a report of the Community Equity, Health, and Justice Special Committee Meeting of February 19, 2025.

For the full Committee agenda packet and materials, click on the link below:
www.baaqmd.gov/bodagendas

18. Report of the Finance and Administration Special Committee Meeting of February 26, 2025

The Board of Directors will receive a report of the Finance and Administration Special Committee meeting of February 26, 2025.

For the full Committee agenda packet and materials, click on the link below:
www.baaqmd.gov/bodagendas

19. Report of the Policy, Grants, and Technology Special Committee Meeting of February 26, 2025

The Board of Directors will receive a report of the Policy, Grants, and Technology Special Committee Meeting of February 26, 2025.

For the full Committee agenda packet and materials, click on the link below:
www.baaqmd.gov/bodagendas

ACTION ITEM(S)

20. Consideration of Federal and State Legislation

The Board will consider adopting positions on pending state and federal legislative bills including, but not limited to, United States House of Representatives bill H.R.566 (Peters, Scott H. [D-CA-50]) and United States Senate bill S.147 (Bennet, Michael F. [D-CO]), and Assembly Bill (AB) 546 (Caloza) as recommended by the Policy, Grants, and Technology Committee at its meeting on February 26, 2025. This item will be presented by Alan Abbs, Legislative Officer.

Recommend the following positions on current Federal legislation:

- *Support H.R.566 (Peters, Scott H. [D-CA-50]) – Cleaner Air Spaces Act*
- *Support S.147 (Bennet, Michael F. [D-CO]) – Cleaner Air Spaces Act*

Recommend the following position(s) on current State legislation:

- *Support AB 546 (Caloza) – Health care coverage: portable HEPA purifiers and filters.*

INFORMATIONAL ITEM(S)

21. Overview of Air District Legal Division

The Board of Directors will consider and discuss an informational presentation on the work of the Air District's Legal Division in supporting the agency's mission and programs. This item will be presented by Alexander Crockett, General Counsel.

22. Update on United States Environmental Protection Agency's Initial Area Designations for the Federal Annual Fine Particulate Matter Standard

The Board of Directors will consider and discuss the annual PM_{2.5} National Ambient Air Quality Standard, implications of preliminary 2024 fine particulate matter data on the Bay Area's compliance with this new revised standard, and the next steps for the initial area designations. This item will be presented by Michael Flagg, Principal Air Quality Specialist, Meteorology and Measurements Division.

OTHER BUSINESS

23. 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.

24. 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)

25. Report of the Executive Officer/APCO

26. Chairperson's Report

27. Time and Place of Next Meeting

Wednesday, April 2, 2025, 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

28. Public Employee Appointment and Employment Pursuant to Government Code Section 54957(b)

Title: General Counsel

29. Conference with Labor Negotiators Pursuant to Government Code Section 54957.6

Conference with Labor Negotiators

Pursuant to Government Code Section 54957.6

Agency Designated Representatives:

Laura A. Izon, Atkinson, Andelson, Loya, Ruud & Romo

Hyacinth Hinojosa, Deputy Executive Officer of Finance and Administration

Lisa Baker, Director of Human Resources

Employee organization: BAAQMD Employees' Association

OPEN SESSION

30. 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

(415) 749-4941
FAX: (415) 928-8560
BAAQMD homepage:
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 to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District's Acting Non-Discrimination Coordinator, Diana Ruiz, at (415) 749-8840 or by email at druiz@baaqmd.gov.

**BAY AREA AIR DISTRICT
375 BEALE STREET, SAN FRANCISCO, CA 94105
FOR QUESTIONS PLEASE CALL (415) 749-4941**

**EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS**

MARCH 2025

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting	Wednesday	5	10:00 a.m.	1 st Floor Board Room
Advisory Council Meeting	Monday	10	10:00 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee	Wednesday	12	10:00 a.m.	1 st Floor, Yerba Buena Room
Board of Directors Community Equity, Health, and Justice Committee	Wednesday	12	1:00 p.m.	1 st Floor, Yerba Buena Room
Board of Directors Policy, Grants, and Technology Committee	Wednesday	19	10:00 a.m.	1 st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	19	1:00 p.m.	1 st Floor Board Room
Board of Directors Community Advisory Council Meeting	Thursday	20	6:00 p.m.	Trans Pacific Center California State University East Bay Oakland Professional Development & Conference Center 1000 Broadway, Suite 109 Grand Lake Conference Room Oakland CA 94607

JMB 2/28/25 – 9:12 a.m.

G/Board/Executive Office/Moncal

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Approval of the Draft Minutes of the Board of Directors Special
Meeting/Retreat of January 29, 2025

RECOMMENDED ACTION

Approve the Draft Minutes of the Board of Directors Special Meeting/Retreat of
January 29, 2025.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the Draft Minutes of the Board of
Directors Special Meeting/Retreat of January 29, 2025.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

ATTACHMENT(S):

1. Draft Minutes of the Board of Directors Special Meeting and Retreat of January 29, 2025

Bay Area Air Quality Management District
Board of Directors Special Meeting and Retreat

Wednesday, January 29, 2025

Cal State University Maritime Academy
200 Maritime Academy Drive
The Market Place, 2nd Floor, Compass Room
Vallejo, CA 94590

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

CALL TO ORDER

1. **Opening Comments:** Board of Directors (Board) Chairperson, Davina Hurt, called the meeting to order at 10:05 a.m.

Roll Call:

Present, In-Person (Cal State University Maritime Academy, 200 Maritime Academy Drive, The Market Place, 2nd Floor, Compass Room, Vallejo, CA 94590): Chairperson Davina Hurt; Vice Chair Hopkins; and Directors Dionne Adams, Monica Brown, Ken Carlson, Joelle Gallagher, John Gioia, Juan González III, David Haubert, Sergio Lopez, Ray Mueller, Gabe Quinto, Mark Salinas, Lena Tam, Vicki Veenker, Shamann Walton, and Steve Young.

Absent: Directors Margaret Abe-Koga, Brian Barnacle, Brian Colbert, Noelia Corzo, Tyrone Jue, and Otto Lee.

2. **WELCOME AND OPENING REMARKS**

Chair Hurt welcomed attendees, including members of the public, stakeholders, Air District staff, and Board members, to the Board's Annual Retreat.

- I. **MORNING SESSION**

3. **INDIGENOUS LAND ACKNOWLEDGMENT**

Chair Hurt acknowledged the unceded ancestral homeland of the Patwin people, the original inhabitants of the land on which the Board Retreat was held.

4. **COMMUNITY WELCOME**

LaDonna Williams, Programs Director of All Positives Possible, was asked to formally welcome attendees to the City of Vallejo. A short video that captured the activities, challenges, and successes of Vallejo activists' was shown.

NOTED PRESENT: Director Mueller was noted present at 10:13 a.m.; Director Gallagher was noted present at 10:19 a.m.; and Director Lopez was noted present at 10:32 a.m.

At this time, Chair Hurt made the following announcements:

- On January 7, 2025, the Sonoma County Board of Supervisors reappointed Supervisor Lynda Hopkins to the Air District's Board for a new term from January 6, 2025 to January 6, 2029.
- On January 9, 2025, the Contra Costa County Mayors' Conference appointed Pittsburg Vice Mayor, Dionne Adams, to the Air District's Board for a term from January 9, 2025 to January 9, 2027.
- On January 7, 2025, the Solano County Board of Supervisors appointed Supervisor Monica Brown to the Air District's Board for a term from January 7, 2025 to January 7, 2029.
- On January 14, 2025, the Marin County Board of Supervisors appointed Supervisor Brian Colbert to the Air District's Board for a term from January 14, 2025 to January 14, 2029.
- On January 14, 2025, the Alameda County Board of Supervisors appointed Supervisor Lena Tam to the Air District's Board for a term from January 14, 2025 to January 14, 2029.

5. **REPORT OF THE EXECUTIVE OFFICER / AIR POLLUTION CONTROL OFFICER (APCO) (OUT OF ORDER, ITEM 11)**

Dr. Philip M. Fine, Executive Officer/APCO, announced that the Air District has undergone a name and logo change, both of which were launched on January 21, 2025. This was done in an attempt to modernize the Air District's image and strengthen the Air District's connection to its communities. A detailed explanation for the rebranding can be found [here](#).

6. **FINANCE CLIMATE INNOVATIONS (ITEM 5)**

A. Overview of Climate Tech Finance

Areana Flores, Senior Staff Specialist, and Tamara Kohne, Supervising Staff Specialist, from the Air District's Technology Implementation Office, gave the staff presentation *Overview of Climate Tech Finance Program*, including: outline; Climate Tech Finance program; what is climate tech and examples; driving forces behind climate tech; program overview; program impact; case studies; marketing; and opportunities.

B. Panel Discussion 1 – Driving Climate Innovation: The Role of Capital and Government Action in a Sustainable Transition

This panel consisted of the following individuals: Derrick Tang, Deputy Director of Venture Capital at California Infrastructure and Economic Development Bank

(IBank); Elias Van Sickle, Cofounder of Switch Maritime; Emily Abraham, Director of Legislative and Community Affairs at San Francisco Chamber of Commerce; George McDaniel, Chief Climate Tech Finance/Nor-Cal Financial Development Corporation; and Lauren Faber O'Connor, Partner/Lowercarbon Capital.

The panel discussed the ways in which climate tech is driving the transition to a sustainable economy, highlighting investment trends, opportunities, challenges in the sector, the role of public and private financing, innovative funding mechanisms like loan guarantees, and the strategies needed to scale impactful technologies.

NOTED PRESENT: Director González was noted present at 10:53 a.m., and Director Haubert was noted present at 11:04 a.m.

C. Board Question and Answer Session

The Board, panelists, and staff discussed sources of monies that the Air District has invested into the Climate Tech Finance program; the manner in which Air District staff that work on this program are funded in the Air District's budget and whether increasing staff for this program would impact other regulatory areas of work that are already behind; whether the Bay Area Clean Air Foundation is tied to this program; whether ocean-going vessels (harbor craft) will eventually be fueled by hydrogen; whether petroleum-free asphalt is already on the market; how much climate tech financing relies on federal dollars; the role of government in capital allocation; risk mitigation; whether the Air District is exploring or prioritizing investments in adaptation that can have synergistic co-benefits (versus focusing on greenhouse gases (GHG) and woodsmoke mitigation measures); the hope for long-term viability of this program; Canada's patent filings related to climate change mitigation and adaptation technologies; the hope for progressive changes in the demographics regarding entrepreneur representation; public sector procurement; concerns about whether the Air District allocates taxpayer dollars for innovation initiatives, and whether the Air District is using fees from permitted facilities to support this program; the manner in which the Air District is involved with the program's loan guarantee process; concerns about whether the Air District should be sanctioning new climate technologies, even if the technologies provide general social benefits; and potential jobs that can be created by advancing these technologies, and whether the Air District can expedite deployment to market.

D. Public Comment

Public comments were given by Patrick Messac; Sarah Chen-Small, Communities for a Better Environment; Kathy Kerridge, Benicia resident; and Dr. Kerby Lynch.

The Board recessed at 12:37 p.m. and resumed the meeting at 12:47 p.m.

7. PUBLIC COMMENT ON NON-AGENDA MATTERS (ITEM 9)

Public comments were given by Lonnie Mason, First Generation Environmental Health & Economic Development; Janniece Murray, All Positives Possible; Yvonne Williams; Mark Williams, Jr., Environmental Justice League; Mark Williams, Sr., Environmental Justice League; Francisco Orellana, Environmental Justice League; Camika Robinson, Environmental Justice League; Rob Reason, Touro University; Liat Meitzenheimer, Fresh Air Vallejo; Louis Michael, Vallejo resident; Ashleigh Cofield, Vallejo resident; Celina Perez, First Chance Vallejo; Josh Sonnonfeld, Blue Green Alliance; JeAnn McDougald, Black Women Organized for Political Action; Mondrell Butler, Pittsburg resident; Jared Butler, Pittsburg resident; Josaih Butler, Pittsburg resident; Michael Randall, Pittsburg resident; Latressa Wilson-Alford, Black Women Organized for Political Action; Kadeem Cypress, Vallejo resident; and P. Anthony Thomas, Vallejo resident.

II. AFTERNOON SESSION

8. SHARING A JUST TRANSITION (ITEM 6)

A. Introduction to a Just Transition

Arsenio Mataka, Deputy Executive Officer of Equity and Community Programs, gave the staff presentation *Ensuring an Equitable Just Transition for Frontline Communities and Workers*, including: Just Transition and the Path to Clean Air.

B. Panel Discussion 2 – Ensuring an Equitable Just Transition for Frontline Communities and Workers

This panel consisted of the following individuals: Dr. Mijin Cha, Assistant Professor of Environmental Studies Department at UC Santa Cruz; Marisol Cantú, educator and Co-Lead of the Richmond Area Path to Clean Air Community Steering Committee; Christine Cordero, Co-Executive Director for Asian Pacific Environmental Network (APEN); Nick Plurkowski, President of United Steelworkers Local 5; and Tim Carmichael, President and CEO of the California Council for Environmental and Economic Balance (CEEB).

The panel discussed what it means to achieve a Just Transition from a fossil fuel dependent society to a clean, renewable energy future, focusing on lessons learned, critical partnerships needed, and the challenges and opportunities that lie ahead.

C. Board Question and Answer Session

The Board, panelists, and staff discussed the work of the Green Empowerment Zone, which provides cities participating in the Northern Waterfront Economic Development Initiative with incentives to create sustainable, green economy jobs to replace those being lost at four Bay Area oil refineries in Contra Costa County; equity concerns regarding the financial impacts of transitioning to decarbonization; the need for continuous public education about anticipated compliance requirements; the importance of involving union workers into this conversation so as to reduce the potential impact to their jobs (what are the

types of jobs that they currently have and what trainings will they need to make the transition as smooth as possible); appreciation for the report published by the Contra Costa Refinery Transition Partnership entitled “California Contra Costa Refinery Transition Partnership Report and Policy Recommendations”; what Just Transition looks like to environmental justice (EJ) communities; challenges that result from varying definitions of ‘Just Transition’ by different entities; the belief that current industrial jobs should not be eliminated until it is known what the new jobs will be needed; the hope that jurisdictions and agencies that receive funding spend those funds in new ways to accommodate Just Transition; the importance of building trust between opposing stakeholders; and the importance of building economic impact studies into the Air District’s work.

D. Public Comment

Public comments were given by Chuck Leonard, Plumbers & Steamfitters Local Union 342.

The Board recessed at 2:59 p.m. and resumed the meeting at 3:13 p.m.

9. COMMUNITY INVESTMENTS (ITEM 7)

A. Community Investments Office

Mr. Mataka gave the staff presentation *Community Investments*, including: background; alignment with the Air District’s 2024-2029 Strategic Plan; Community Investments Office; and Community Investments Office actions from January to May 2025.

B. Panel Discussion 3 – Investing in Community Wellness and Prosperity

This panel consisted of the following individuals: Chynell Freeman, Resilient Community Associate Planner, for Transformative Climate Communities; Daniel Saver, Deputy Executive Director of Housing and Energy for the Metropolitan Transportation Commission; Doria Robinson, Executive Director of Urban Tilth; and Juan Reynoso, Program Officer for the California Wellness Foundation.

The panel discussed funding programs from the philanthropic, non-profit, and government sectors targeting underserved communities, and shared best practices and lessons learned in funding and implementing effective initiatives to promote equity and healthy communities.

C. Board Questions and Answer Session

The Board, panelists, and staff discussed the desire to see the acceleration of Valero Refining Company penalty funds returned to the local community to finance projects that will reduce air pollution exposure and mitigate air pollution impacts in areas surrounding the Benicia refinery; the request for a map to show where the incidents have occurred within the entire Air District’s jurisdiction; whether there are case studies that best inform how to engage with community

(which methods are most effective); and (to the panel) how often grants seem to be awarded to local government agencies.

D. Public Comments

Public comments were given by Robert Brown; Xóchitl Cortez, Frontline Catalysts; Dr. Kerby Lynch; and Patrick Messac.

III. OTHER BUSINESS

10. CLOSING REMARKS AND OTHER BUSINESS (ITEM 8)

Chair Hurts thanked those who contributed to developing and preparing this event.

11. BOARD MEMBER COMMENTS (ITEM 10)

Director Veenker asked the Air District to agendize the Climate Tech Finance program's fee sharing agreement with California Infrastructure and Economic Development Bank at a future Board meeting.

12. CHAIRPERSON'S REPORT

In addition to wishing everyone a happy Lunar New Year, Chair Hurt reported that on February 4, 2025, she will be participating in a panel discussion hosted by KALW Radio's Climate reporter, Mary Catherine O'Connor, regarding climate action in an uncertain environment.

13. TIME AND PLACE OF NEXT MEETING

Wednesday, February 5, 2025, 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.

14. ADJOURNMENT

The meeting was adjourned at 4:22 p.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Approval of the Draft Minutes of the Board of Directors Meeting of
February 5, 2025

RECOMMENDED ACTION

Approve the Draft Minutes of the Board of Directors Meeting of February 5, 2025.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the Draft Minutes of the Board of Directors Meeting of February 5, 2025.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

ATTACHMENT(S):

1. Draft Minutes of the Board of Directors Meeting of February 5, 2025

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

Board of Directors Regular Meeting
Wednesday, February 5, 2025

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

CALL TO ORDER

1. **Opening Comments:** Board of Directors (Board) Chairperson, Davina Hurt, called the meeting to order at 10:06 a.m.

Roll Call:

Present, In-Person (Bay Area Metro Center, 375 Beale Street, 1st Floor Board Room, San Francisco, CA, 94105): Chairperson Davina Hurt; Vice Chairperson Lynda Hopkins; and Directors Dionne Adams, Monica Brown, Ken Carlson, Brian Colbert, Joelle Gallagher, Juan González III, David Haubert, Tyrone Jue, Sergio Lopez, Gabe Quinto, Mark Salinas, Lena Tam, Vicki Veenker, Shamann Walton, and Steve Young.

Present, In-Person (Santa Rosa Junior College Campus Doyle Library, Room 141, 1501 Mendocino Ave., Santa Rosa, CA, 95401): Director Brian Barnacle.

Present, In-Person (Intellectual Property Law Group, LLC Office, 1871 The Alameda Suite 250, San Jose, CA 95126): Directors Margaret Abe-Koga and Otto Lee.

Present, In-Person (Office of Contra Costa County Supervisor John Gioia, Conference Room, 11780 San Pablo Ave., Suite D, El Cerrito, CA 94530): Director John Gioia.

Present, In-Person (San Mateo County Board of Supervisors Offices, 500 County Center - 5th Floor, Redwood City, CA 94063): Directors Noelia Corzo and Ray Mueller.

Absent: None.

2. **PLEDGE OF ALLEGIANCE**

3. **SPECIAL ORDERS OF THE DAY**

Chair Hurt welcomed the following new employees: Bradley Cole, Manager in the Rules and Strategic Policy Division; Miranda Iglesias, Manager in the Communications Office; Joseph Palmer, Principal Air Quality Specialist in the Compliance and Enforcement Division; Clara Sanchez, Executive Assistant I in the Executive Office; and Pretika Singh, Accounting Assistant II in the Finance Office.

Vice Chair Hopkins presented Chair Hurt with a proclamation, recognizing her years of service on the Air District's Board of Directors and special attention to environmental justice (EJ).

NOTED PRESENT: Director Corzo was noted present at 10:09 a.m.

CONSENT CALENDAR (ITEMS 4 – 15)

- 4. Approval of the Draft Minutes of the Board of Directors Meeting of December 4, 2024
- 5. Approval of the Draft Minutes of the Board of Directors Special Meeting of December 11, 2024
- 6. Board Communications Received from December 12, 2024 through February 4, 2025
- 7. Personnel Out-of-State Business Travel Report for November and December 2024
- 8. Notices of Violations Issued and Settlements in Excess of \$10,000 in the Months of November and December 2024
- 9. Authorization to Accept Grant Program Revenues from the United States Environmental Protection Agency for Air Monitoring Instrumentation and to Procure Equipment Using Those Funds
[Click here to view approved Board Resolution No. 2025-01](#)
- 10. Authorization to Amend the Master Services Agreement with Communities for a Better Environment to Continue Support for the Development of a Community Emissions Reduction Plan for East Oakland
- 11. Authorization to Execute a Grant Agreement with the West Oakland Environmental Indicators Project to Continue the Implementation of the Community Emissions Reduction Plan (CERP) for West Oakland
- 12. Authorization to Execute Software Development and Maintenance Contracts
- 13. Report of the Community Equity, Health, and Justice Committee Meeting of December 11, 2024
- 14. Report of the Finance and Administration Committee Special Meeting of December 18, 2024
- 15. Report of the Policy, Grants, and Technology Committee Meeting of December 18, 2024

Public Comments

Regarding Items 10 and 11, public comments were given by Mark Williams, Environmental Justice League (EJL); Yvonne Eashman, ELJ; Mark Williams, Sr., ELJ; Rowena Newsom, Oakland resident; Michael Randall; and Lacyia Johnson.

Board Comments

None.

Board Action

Director González made a motion, seconded by Director Salinas, to **approve** Consent Calendar Items 4-15, inclusive; and the motion **carried** by the following vote of the Board:

- AYES: Abe-Koga, Adams, Barnacle, Brown, Carlson, Colbert, Corzo, Gallagher, Gioia, González, Haubert, Hopkins, Hurt, Jue, Lee, Mueller, Quinto, Salinas, Veenker, Walton, Young.
- NOES: None.
- ABSTAIN: Tam.
- ABSENT: Lopez.

ACTION ITEMS

16. 2025 LEGISLATIVE PLATFORM AND LEGISLATIVE ACTIVITIES

Alan Abbs, Legislative Officer, gave the staff presentation *2025 Legislative Platform and Legislative Activities*, including: requested action; outline; abbreviations; overview of Air District Legislative Platform; State Budget; state legislation; federal legislation and regulatory authority; key dates and deadlines; proposed legislative activities; and recap of requested action.

NOTED PRESENT: Director Lopez was noted present at 10:51 a.m.

Public Comments

No requests received.

Board Comments

Regarding a bill that would expedite permitting and installations of heat pump space and water heaters, including contractor certifications, consolidated permitting, and restrictions on homeowners' associations' architectural prohibitions, the Board and staff discussed the following: potential requirements regarding contractor certification and consolidated permitting, and the suggestion of creating a standardized contractor certification and permitting program among all the municipalities in the Air District's jurisdiction.

Regarding a bill that would provide that the California Air Resources Board (CARB) Board members representing air districts receive the same level of compensation as other Governor-appointed voting CARB board members, the Board and staff discussed the following: opposition to this proposal; whether alternative stipend amounts were considered, and the reasons for resistance to the proposition; and whether the option of paying only the CARB Board members who serve on a city council and not the CARB members who serve on a county board of supervisors was proposed.

The Board and staff also discussed whether there are proposed bills regarding hydrogen or solar projects that previously died in previous legislative sessions that are being revived; concern of potential claw backs on funding that was already allocated for greening low-income homes and electric vehicle infrastructure; given the Presidential administration change, whether the Air District has the authority to support decarbonization initiatives and join legal initiatives in response to potential rollbacks; reauthorization of the State's Cap and Trade program and its interplay with Assembly Bill 617 (2017); the request that a second discussion regarding the 2025 Presidential election and federal policy impacts be agendized at a future Board meeting; the need to work with local governments to retain Inflation Reduction Act funding; and the suggestion that the Air District combining legislative efforts with the League of California Cities and California State Association of Counties.

Board Action

Director González made a motion, seconded by Director Quinto, to **adopt** the proposed 2025 Legislative Platform; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Adams, Barnacle, Brown, Carlson, Colbert, Corzo, Gallagher, Gioia, González, Haubert, Hopkins, Hurt, Jue, Lee, Lopez, Mueller, Quinto, Salinas, Tam, Veenker, Walton, Young.
NOES: None.
ABSTAIN: None.
ABSENT: None.

Director González made a motion, seconded by Director Carlson, to **adopt** the position of PROPOSE CO-SPONSOR for an assembly bill regarding the speed reduction of ocean-going vessels (formerly known as “Protecting Blue Whales and Blue Skies”); and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Adams, Barnacle, Brown, Carlson, Colbert, Corzo, Gallagher, Gioia, González, Haubert, Hopkins, Hurt, Jue, Lee, Lopez, Mueller, Quinto, Salinas, Tam, Veenker, Walton, Young.
NOES: None.
ABSTAIN: None.
ABSENT: None.

Director Veenker made a motion, seconded by Director Quinto, to **adopt** the position of CO-SPONSOR for a bill that would expedite permitting and installations of heat pump space and water heaters, including contractor certifications, consolidated permitting, and restrictions on homeowners’ associations’ architectural prohibitions; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Adams, Brown, Carlson, Colbert, Corzo, Gallagher, Gioia, González, Haubert, Hopkins, Hurt, Jue, Lee, Lopez, Mueller, Quinto, Salinas, Tam, Veenker, Young.
NOES: None.
ABSTAIN: Barnacle.
ABSENT: Walton.

Director Carlson made a motion, seconded by Director Quinto, to **adopt** the position of SUPPORT for a bill that would provide that the California Air Resources Board (CARB) Board members representing air districts receive the same level of compensation as other Governor-appointed voting CARB board members; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Adams, Barnacle, Brown, Carlson, Colbert, Corzo, Gallagher, Gioia, González, Haubert, Hurt, Jue, Lee, Lopez, Quinto, Salinas, Tam, Veenker, Young.
NOES: Mueller.
ABSTAIN: Hopkins.
ABSENT: Walton.

INFORMATIONAL ITEMS

17. COMMUNITY ADVISORY COUNCIL’S (CAC) ENVIRONMENTAL JUSTICE – A CALL TO ACTION: CHARTING A NEW COURSE TOWARDS ENVIRONMENTAL JUSTICE AT THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT

The Committee discussed the Community Advisory Council’s *A Call to Action: Charting a New Course Towards Environmental Justice at the Bay Area Air Quality Management District*, a document that

builds on the CAC's nine EJ Priorities and collaborative sessions with the Air District to co-develop EJ strategies and actions in response to EJ community needs.

Vernice Miller-Travis of The Metropolitan Group (MG), and Co-Chair of the CAC's EJ Policy Ad Hoc Committee, Latasha Washington, gave the presentation *Community Advisory Council's Environmental Justice Call to Action*, including: EJ Policy Ad Hoc Committee members from 2022 to 2024; key milestones in the Air District's EJ Action Planning; coordination and alignment with the Air District's Strategic Plan; CAC EJ priorities and *A Call to Action*; reflections on process from EJ Policy Ad Hoc members; *A Call to Action* Table of Contents; acknowledgement of Board Chair Davina Hurt; and next steps.

Public Comments

Public comments were given by Mark Williams, ETL; Yvonne Eashman, ETL; Rowena Newsom, Oakland resident; Mark Williams, Sr., ETL; Jared Butler; Josaih Butler; Gary Hughes, biofuelwatch; Stacy Richardson; Michael Randall; and Francisco Orellana, Oakland resident

Board Comments

The Board and staff discussed the desire to see policy change that would allow for empty space in communities that would ensure that housing is not close to sources of pollution; the desire for balance between economic activity and public safety; the target audiences that the CAC hopes will read this document; the manner in which the Air District is staff operationalizing and implementing the strategies in this document; appreciation for Chair Hurt, Ms. Miller-Travis, and Air District staff who developed this document; and the importance of Priority #3 (Integrate EJ Consideration in the Air District's Core Functions).

Board Action

No action taken.

18. PUBLIC COMMENT ON NON-AGENDA MATTERS (OUT OF ORDER, ITEM 19)

Public comments were given by Brandon Matson, Martinez Refining Company (MRC); Alicia Gadde, Healthy Martinez: A Refinery Accountability Group; Heidi Taylor; and Rochele Henderson, an Air District Employee who provided comments in her personal capacity.

CLOSED SESSION (12:48 p.m.)

19. CONFERENCE WITH LEGAL COUNSEL RE EXISTING LITIGATION (GOVERNMENT CODE SECTIONS 54956.9(a) AND (d)(1)) (ITEM 24)

Pursuant to Government Code Sections 54956.9(a) and (d)(1), the Board of Directors met in Closed Session with Legal Counsel to discuss the following cases:

The Athletics Investment Group, LLC v. Bay Area Air Quality Management District et al., Alameda County Superior Court Case No. 22CV010930;

Stephen (Rex) Sanders v. Bay Area Air Quality Management District, Northern District of California Case No. 23-cv-04416-RFL;

Terri Levels v. Bay Area Air Quality Management District, Northern District of California Case No. 23-cv-04432-RFL;

Lewis Letang v. Bay Area Air Quality Management District, Northern District of California Case No. 24-cv-01316-RFL;

Rochele Henderson v. Bay Area Air Quality Management District, Northern District of California Case No. 24-cv-01460-RFL;

Veronica Eady v. Bay Area Air Quality Management District, Northern District of California Case No. 24-cv-07000-RFL; and

Vanessa Johnson v. Bay Area Air Quality Management District, Northern District of California Case No. 24-cv-06276-RFL.

Reportable Action: Alexander Crockett, General Counsel, had nothing to report.

20. **CONFERENCE WITH LEGAL COUNSEL RE ANTICIPATED LITIGATION (GOVERNMENT CODE SECTIONS 54956.9(a) AND (d)(2)) (ITEM 25)**

Pursuant to Government Code Sections 54956.9(a) and (d)(2), the Board of Directors met in Closed Session with Legal Counsel to discuss significant exposure to litigation: Four cases.

Reportable Action: Mr. Crockett had nothing to report.

21. **PUBLIC EMPLOYEE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1) (ITEM 26)**

Title: Executive Officer/Air Pollution Control Officer (APCO)

Reportable Action: Chair Hurt had nothing to report.

After the closed session, Mr. Crockett also reported out from the Closed Session on Agenda Item 23 from the December 4, 2024 Board of Directors meeting.

In that item, the Board considered pending litigation in the case of *State of California et al. v. United States Postal Service et al.*, Northern District of California case no. 3:22-cv-02583. The Board voted in Closed Session to join the State of California and other co-plaintiffs to the extent that the plaintiffs group decided to dismiss the case. This vote was not reported out at the time pursuant to Brown Act Section 54957.1(a)(3), which provides that conditional authorization to resolve a lawsuit in this manner is not reported until the resolution becomes final. The plaintiffs group has finally dismissed that case, so Mr. Crockett reported the vote on joining the dismissal as taken in the December 4, 2024 meeting.

The vote was as follows: In Favor were: Directors Carlson, Gallagher, Gioia, Hannigan, Jue, Lopez, Rice, Salinas, Veenker, Walton, and Young, and Vice Chair Hopkins and Chair Hurt. There were no votes against and no abstentions.

OPEN SESSION (2:33 p.m.)

ACTION ITEM

22. APPROVAL OF AN AMENDMENT TO THE EMPLOYMENT AGREEMENT FOR EXECUTIVE OFFICER/APCO (ITEM 27)

During Item 26, in Closed Session, the Board of Directors considered approving an amendment to the Employment Agreement for the Executive Officer/APCO.

During Open Session, Director González made a motion, seconded by Director Quinto, to **approve** a salary increase of 5% for a new salary of \$421,386.53 per year, in connection with a performance evaluation of Dr. Philip M. Fine, effective February 1, 2025, with all provisions of the Employment Agreement remaining the same; and the motion **carried** by the following vote of the Board:

AYES: Adams, Carlson, Colbert, Corzo, Gallagher, Gioia, González, Haubert, Hopkins, Hurt, Jue, Lopez, Quinto, Salinas, Tam, Veenker, Young.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Barnacle, Brown, Lee, Mueller, Walton.

23. UPDATE ON UNITED STATES ENVIRONMENTAL PROTECTION AGENCY'S INITIAL AREA DESIGNATIONS FOR THE FEDERAL ANNUAL FINE PARTICULATE MATTER (PM) STANDARD (ITEM 18)

Chair Hurt continued this item until March 5, 2025.

OTHER BUSINESS

24. BOARD MEMBER COMMENTS (ITEM 20)

- Regarding the February 1, 2025, fire at the Martinez Refining Company, Director Jue acknowledged representation from MRC at the Board meeting (see Item 19 above) and appreciated their straightforwardness. He urged MRC to engage with the public and try to rebuild public trust.
- Also regarding the February 1, 2025, fire at MRC, Director Young expressed concerns about when he inquired himself with the Air District on the first day of the fire, and requested a report from the Air District on the incident.
- As he was not present during Item 3, Director Lopez used this time to thank Chair Hurt for her service to the Air District.
- Director Carlson thanked Dr. Fine for explaining how the Air District responds to air quality incidents and expressed his desire for improved communication between the Air District and first responders so that the public is given consistent information.
- Chair Hurt suggested that the Air District creates a webpage dedicated to air quality incidents in real-time, making it more prominent and easier to find than the Air District's current practice. She also thanked MRC for coming forward during Item 19, and urged them to mimic the Air District's engagement with the EJ community.
- Director Gioia explained that the Contra Costa County Health Department evaluates and issues advisories as to when the community should shelter in place during/after an air quality incident. He added that the County's Industrial Safety Ordinance/Community Warning System Ad Hoc Committee will oversee the investigation of the MRC fire.

25. REPORT OF THE EXECUTIVE OFFICER/ APCO (ITEM 21)

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

- This past weekend, the Air District, along with Contra Costa Fire, Martinez Fire, Contra Costa County Hazmat, and Contra Costa County Health, responded to a large fire at MRC. The incident also included flaring and an overflow at a containment pond caused by water from fire-fighting efforts.
- The public notification tool, which was launched last spring, was used to send timely email and text alerts, as well as post updates on social media and the website to ensure the community was promptly informed.
- The Air District coordinated closely with Contra Costa County Health and refinery representatives throughout the incident.
- Fenceline monitors detected elevated H₂S on Saturday between 4-5pm but Air District monitors in Martinez and elsewhere remained very low. Measurements of criteria pollutants such as PM_{2.5}, NO₂, SO₂, and CO all remained within health-based standards. We have collected samples for toxics, which are being analyzed by our lab.
- Currently, we have issued 2 Notices of Violation to MRC for public nuisance, excessive smoke and soot fallout.
- We are continuing to investigate, and additional violations are possible.
- We appreciate the partnership with other local agencies – we each have a different but important role to play.

Board Comments

Vice Chair Hopkins repeated Chair Hurt's previous request for a separate website for air quality incidents.

26. CHAIRPERSON'S REPORT (ITEM 22)

Chair Hurt made the following announcements:

- Happy Black History Month
- Welcome to the new Board Members (to the Air District's headquarters for the first time) (Adams, Brown, Colbert, Tam.)
- On January 14, 2025, the Alameda County Board of Supervisors reappointed Director Haubert to the Air District's Board, for another 4-year term ending April 13, 2029.
- On February 4, 2025, San Francisco Mayor, Daniel Lurie, appointed himself to the Air District's Board, and appointed Tyrone Jue to serve as his Deputy, both for a term from February 4, 2025 to February 4, 2027.
- On January 14, 2025, the San Francisco County Board of Supervisors reappointed Director Walton to the Air District's Board, for another 4-year term, from January 28, 2025 to February 1, 2029.
- On February 4, 2025, she participated in a panel discussion hosted by KALW Radio's Climate reporter, Mary Catherine O'Connor, regarding climate action in an uncertain environment.
- On February 4, 2025, she spoke at an Atmosphere and Energy Seminar Series at Stanford University regarding Particulate Matter_{2.5}, directed at the School of Engineering & Doerr School of Sustainability
- Board members who wish to revise their committee assignments have until March 1, 2025 to let her know
- She passed the gavel to Vice Chair Hopkins at this time.

27. **TIME AND PLACE OF NEXT MEETING (ITEM 23)**

Wednesday, March 5, 2025, 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.

28. **ADJOURNMENT**

The meeting was adjourned at 2:58 p.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Board Communications Received from February 5, 2025, through March 4,
2025

RECOMMENDED ACTION

No action requested at this time.

BACKGROUND

None.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from Board Communications received from February 5, 2025, through March 4, 2025, 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: Justine Buenaflor
Reviewed by: Vanessa Johnson

ATTACHMENT(S):

None

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Notices of Violations Issued and Settlements in Excess of \$10,000 in the
Month of January 2025

RECOMMENDED ACTION

None; informational item only, no action is requested at this time.

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 penalties collected are recorded in the Air District's General Fund. A portion of the penalty funds may be expended in accordance with the Community Benefits Penalty Funds Policy adopted by the Board of Directors on May 1, 2024.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Alexander G. Crockett

ATTACHMENT(S):

1. NOVs Issued and Settlements in Excess of \$10,000 - Jan 2025

NOTICES OF VIOLATIONS ISSUED

The following Notice(s) of Violation(s) were issued in January 2025:

Alameda						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
7-Eleven #32734	C0138	Livermore	A62109A	1/6/25	8-7-302.3	Gas Dispensing Facility Violation
Berkeley Millwork & Furniture Co.	B2691	Oakland	A63864A	1/27/25	2-1-307	Permit Requirement/Condition Violation
Chino's Customs	S768998	Oakland	A61902A	1/23/25	2-1-301	No Authority to Construct and No Permit to Operate
Chino's Customs	S768998	Oakland	A61902B	1/23/25	2-1-302	No Authority to Construct and No Permit to Operate
East Bay Municipal Utility District	A0591	Oakland	A63863A	1/17/25	2-6-307	Title V Permit Requirement/Condition Violation
Golden Gas	C9693	Oakland	A62706A	1/23/25	2-1-302	No Permit to Operate
Lam Research Corporation - Fremont Campus	A3152	Fremont	A64757A	1/9/25	2-1-301	No Authority to Construct
Schnitzer Steel Products Company	A0208	Oakland	A62627A	1/17/25	2-1-307	Permit Requirement/Condition Violation
Siteline Builders	S764081	Napa	A63371A	1/8/25	11-2-401.5	Asbestos Violation
Turk Island Solid Waste Disposal Site	A3256	Union City	A64353A	1/28/25	2-1-307	Permit Requirement/Condition Violation
Turk Island Solid Waste Disposal Site	A3256	Union City	A64353B	1/28/25	8-34-301.1	Landfill Violation

Contra Costa						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
7- Eleven Inc. #37994	D0386	Pinole	A62448A	1/7/25	8-7-301.5	Gas Dispensing Facility Violation
C & H Sugar Company, Inc.	B1911	Crockett	A62695A	1/6/25	2-1-301	No Authority to Construct and No Permit to Operate
C & H Sugar Company, Inc.	B1911	Crockett	A62695B	1/6/25	2-1-302	No Authority to Construct and No Permit to Operate
Chevron Products Company	A0010	Richmond	A62537A	1/2/25	2-1-307	Permit Requirement/Condition Violation
Chevron Products Company	A0010	Richmond	A62538A	1/2/25	2-1-307	Permit Requirement/Condition Violation
Chevron Products Company	A0010	Richmond	A62539A	1/2/25	2-1-307	Permit Requirement/Condition Violation
Chevron Products Company	A0010	Richmond	A62540A	1/2/25	8-10-501	Refinery Unit Depressurization Violation
Chevron Products Company	A0010	Richmond	A62541A	1/2/25	9-9-301.2	Turbine NOx or CO Violation
Chevron Products Company	A0010	Richmond	A62542A	1/2/25	2-1-307	Permit Requirement/Condition Violation
Chevron Products Company	A0010	Richmond	A62543A	1/10/25	2-1-307	Permit Requirement/Condition Violation
Chevron Products Company	A0010	Richmond	A62960A	1/6/25	2-6-307	Title V Permit Requirement/Condition Violation
Chevron Products Company	A0010	Richmond	A62961A	1/14/25	2-6-307	Title V Permit Requirement/Condition Violation
Chevron Products Company	A0010	Richmond	A63117A	1/6/25	2-1-307	Permit Requirement/Condition Violation
Eisen Environmental &	S768972	Martinez	A62705A	1/22/25	11-2-401.5	Asbestos Violation

Construction Services						
Martinez Refining Company LLC	A0011	Martinez	A64816A	1/27/25	1-522.4	Continuous Emissions Monitor Violation
Pacific Gas & Electric Co.	A0541	Concord	A60773A	1/21/25	10	Code of Federal Regulation Violation
Pacific Gas & Electric Co.	A0541	Concord	A60773B	1/21/25	10	Code of Federal Regulation Violation
Pacific Gas & Electric Co.	A0541	Concord	A60774A	1/21/25	10	Code of Federal Regulation Violation
Roberto Huerta	S768628	Richmond	A63243A	1/9/25	6-3-301	Fireplace Wood Smoke Violation

San Mateo						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
8000 Marina Boulevard	S725647	Brisbane	A60979A	1/29/25	2-1-307	Permit Requirement/Condition Violation
Browning-Ferris Industries of CA Inc.	A2266	Half Moon Bay	A60980A	1/21/25	8-34-303	Landfill Violation
Goliath Construction	S768650	South San Francisco	A64161A	1/15/25	11-2-401.5	Asbestos Violation
Goliath Construction	S768650	South San Francisco	A64161B	1/15/25	11-2-303.8	Asbestos Violation
Peninsula Demolition Inc.	S768584	San Carlos	A64157A	1/14/25	11-2-401.5	Asbestos Violation

Santa Clara						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
ARCO Facility #02082 - Capitol Petroleum	C7629	Santa Clara	A64159A	1/14/25	2-1-302	No Permit to Operate

ARCO Facility #02082 - Capitol Petroleum	C7629	Santa Clara	A64159B	1/14/25	2-1-307	Permit Requirement/Condition Violation
Caliber Collision Center	A9382	San Jose	A63343A	1/13/25	2-1-307	Permit Requirement/Condition Violation
CT Senter Road Station	C9886	San Jose	A64832A	1/6/25	2-1-307	Permit Requirement/Condition Violation
Hadad Petroleum, Inc.	S763347	Sunnyvale	A62935A	1/6/25	8-7-301.5	Gas Dispensing Facility Violation
Hadad Petroleum, Inc.	S763347	Sunnyvale	A62935B	1/6/25	8-7-301.6	Gas Dispensing Facility Violation
Hadad Petroleum, Inc.	S763347	Sunnyvale	A62935C	1/6/25	8-7-302.3	Gas Dispensing Facility Violation
Hadad Petroleum, Inc.	S763347	Sunnyvale	A62935D	1/6/25	2-1-307	Permit Requirement/Condition Violation
Intehbilt	S769309	San Jose	A64164A	1/30/25	11-2-401.3	Asbestos Violation
International Disposal Corp. of CA	A9013	Milpitas	A61901A	1/16/25	8-34-301.1	Landfill Violation
Mobil	D0357	Santa Clara	A64163A	1/16/25	2-1-307	Permit Requirement/Condition Violation
Platinum Inc.	D0529	Santa Clara	A64160A	1/14/25	2-1-307	Permit Requirement/Condition Violation
RebuildGreen	S768586	Palo Alto	A64158A	1/14/25	11-2-401.5	Asbestos Violation
Santa Clara Valley Water District	S769160	San Jose	A64836A	1/27/25	11-2-401.5	Asbestos Violation
Santa Clara Valley Water District	S769160	San Jose	A64837A	1/23/25	11-2-401.5	Asbestos Violation
SFD	S768630	Milpitas	A63242A	1/9/25	6-3-301	Fireplace Wood Smoke Violation
Shell SS#68206	C0511	San Jose	A64833A	1/7/25	8-7-301.5	Gas Dispensing Facility Violation

Valero Sunnyvale	D0467	Sunnyvale	A64162A	1/15/25	2-1-307	Permit Requirement/Condition Violation
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Solano						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Broadway Exxon	C9572	Vallejo	A62449A	1/15/25	8-7-302.1	Gas Dispensing Facility Violation
Broadway Exxon	C9572	Vallejo	A62449B	1/15/25	8-7-308	Gas Dispensing Facility Violation
Broadway Exxon	C9572	Vallejo	A62452A	1/30/25	8-7-302	Gas Dispensing Facility Violation
Broadway Exxon	C9572	Vallejo	A62452B	1/30/25	8-7-306	Gas Dispensing Facility Violation
Valero Gas & Food	C9229	Vallejo	A63370A	1/8/25	2-1-307	Permit Requirement/Condition Violation
Valero Refining Company - California	B2626	Benicia	A61864A	1/17/25	2-6-307	Title V Permit Requirement/Condition Violation
Valero Refining Company - California	B2626	Benicia	A61865A	1/17/25	2-6-307	Title V Permit Requirement/Condition Violation
Valero Refining Company - California	B2626	Benicia	A61866A	1/17/25	2-6-307	Title V Permit Requirement/Condition Violation
Valero Refining Company - California	B2626	Benicia	A61866B	1/17/25	1-523.3	Parametric Monitor Violation
Valero Refining Company - California	B2626	Benicia	A61867A	1/17/25	2-6-307	Title V Permit Requirement/Condition Violation
Valero Refining Company - California	B2626	Benicia	A61868A	1/17/25	2-6-307	Title V Permit Requirement/Condition Violation

Valero Refining Company - California	B2626	Benicia	A61869A	1/17/25	2-6-307	Title V Permit Requirement/Condition Violation
Valero Refining Company - California	B2626	Benicia	A61870A	1/17/25	2-6-307	Title V Permit Requirement/Condition Violation

Sonoma						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Santa Rosa Water - Laguna Treatment Plant	A1403	Santa Rosa	A62387A	1/29/25	2-6-307	Title V Permit Requirement/Condition Violation
Santa Rosa Water - Laguna Treatment Plant	A1403	Santa Rosa	A62388A	1/29/25	2-6-307	Title V Permit Requirement/Condition Violation
Santa Rosa Water - Laguna Treatment Plant	A1403	Santa Rosa	A62389A	1/29/25	2-6-307	Title V Permit Requirement/Condition Violation
Santa Rosa Water - Laguna Treatment Plant	A1403	Santa Rosa	A62390A	1/29/25	2-6-307	Title V Permit Requirement/Condition Violation

Company Address Outside of the Bay Area						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
7 Eleven	S768626	Irving	A61908A	1/14/25	8-7-302	Gas Dispensing Facility Violation
BLH Construction Company	S769164	Los Angeles	A64835A	1/22/25	11-2-401.5	Asbestos Violation

Chevron / Ken Dharm	S769314	Sacramento	A63372A	1/30/25	8-7-302	Gas Dispensing Facility Violation
Quality Choice Construction	S769012	Henderson	A62450A	1/23/25	11-2-401.3	Asbestos Violation
TRMC Retail LLC	FA383	Dallas	A63369A	1/6/25	8-7-301.5	Gas Dispensing Facility Violation

SETTLEMENTS FOR \$10,000 OR MORE REACHED

There were 2 settlements for \$10,000 or more completed in January 2025.

- 1) On January 19, 2025, the Air District reached a settlement with the Keller Canyon Landfill Company for \$84,000, regarding the allegations contained in the following 9 Notices of Violations:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A60854A	12/12/22	10/9/22	2-6-307	Title V Requirement/Condition Violation
A60855A	12/12/22	10/13/22	2-6-307	Title V Requirement/Condition Violation
A60856A	12/6/22	11/2/22	2-6-307	Title V Requirement/Condition Violation
A60857A	12/6/22	11/3/22	2-6-307	Title V Requirement/Condition Violation
A61292A	9/26/22	9/7/22	2-6-307	Title V Requirement/Condition Violation
A61300A	11/23/22	9/25/22	2-6-307	Title V Requirement/Condition Violation
A61301A	11/29/22	9/26/22	2-6-307	Title V Requirement/Condition Violation
A61302A	11/29/22	9/28/22	2-6-307	Title V Requirement/Condition Violation
A62205A	8/10/23	5/16/23	8-34-303	Landfill Violation

- 2) On January 23, 2025, the Air District reached a settlement with the City of Calistoga for \$20,000, regarding the allegations contained in the following 1 Notice of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A60709A	8/23/21	1/1/20	2-1-302	No Authority to Construct and No Permit to Operate
A60709B	8/23/21	1/1/20	2-1-301	No Authority to Construct and No Permit to Operate

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Personnel Out-of-State Business Travel Report for January 2025

RECOMMENDED ACTION

No action required; informational item only.

BACKGROUND

Section 1.1.3 of the Air District's Employee Travel and Business Expense Policy (Policy) requires notification to the Board of Directors of Air District personnel who have traveled on out-of-state business. The monthly out-of-state business travel report is presented at the first regular Board meeting following travel completion.

DISCUSSION

In accordance with Section 1.1.3 of the Policy, the Board of Directors is hereby notified of Air District personnel who have traveled on out-of-state business. This report covers out-of-state business travel for the month of January 2025.

The following out-of-state business travel activities occurred in the month of January 2025:

American Meteorological Society Annual Meeting, New Orleans, LA, January 12-16, 2025 attendees:

- Daniel Alrick, Principal Air & Meteorological Monitoring Specialist
- Charles Knoderer, Manager, Meteorology & Measurement

National Association of Clean Air Agencies Winter Board Retreat, Scottsdale, AZ, January 21-23, 2025 attendee:

- Philip M. Fine, Executive Officer/APCO

BUDGET CONSIDERATION/FINANCIAL IMPACT

All associated business travel-related costs are covered by the respective division's Fiscal Year Ending 2025 Budget

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Michelle Hutson
Reviewed by: Stephanie Osaze

ATTACHMENT(S):

None

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Amendments to Section 9.4 of the Administrative Code Regarding
Procurement

RECOMMENDED ACTION

Recommend that the Board adopt the attached proposed amendments to Section 9.4 of the Administrative Code regarding Procurements.

Under Section 1.3 of the Administrative Code, amendments to the Code may be adopted by the Board of Directors after review and recommendation by the Finance and Administration Committee. The Finance and Administration Committee recommended approval of these proposed amendments at its meeting on April 17, 2024.

BACKGROUND

Over the last two years, the Air District has been engaged in continuous improvement efforts aimed at guiding and enhancing the agency's administrative functions. These efforts have included adoption of a new Administrative Code, which took effect on January 1, 2024, as well as a suite of related policies.

As part of these administrative improvement efforts, the Air District retained Mission Consulting, a public procurement consultant, to make recommendations regarding procurement best practices and operational efficiencies in administering agency procurements. Mission Consulting's Assessment and Corrective Action Plan is attached hereto for reference.

DISCUSSION

One of Mission Consulting's recommendations concerned a provision in the Air District's procurement policy regarding routine and recurring contract renewals for essential goods and services that support ongoing operations, such as utilities. The procurement policy exempted these contract renewals from the requirements for approval by the Board of Directors, given their routine and recurring nature. In lieu of Board approval, the policy simply required such renewals to be reported to the Board. Mission Consulting recommended codifying this provision from the procurement policy in the Administrative Code itself. (See Detailed Findings & Recommendations, Administrative Code Recommendation #3.)

The attached proposed amendments make this change, revising Section 9.4 of the Administrative Code, regarding Procurements, to add a new subsection (e) authorizing the APCO to execute renewal contracts for select recurring standard services without further approval by the Board of Directors, provided the initial procurement was authorized under then-applicable provisions of the Administrative Code, including the use of appropriate required competitive processes. These select recurring services are limited to utilities and other core services specifically identified in the procurement policy and procedures and for which the Board of Directors has provided pre-approval given their essential and recurring nature.

To ensure transparency and accountability, all vendor payments made for these routine and occurring essential services under exempt contract renewals are publicly reported to the Board of Directors with the quarterly financial report. The proposed amendments to Section 9.4 include an explicit requirement to continue this practice.

The proposed amendments also make certain clarifying amendments to Section 9.4, providing minor updates to language surrounding delegation of authority pertaining to contracts and contract amendments.

While Finance and Administration Committee recommended approval of these revisions at its meeting on April 17, 2024, Board of Directors approval was inadvertently overlooked. The proposed amendments are being submitted now for approval by the full Board as recommended by the Finance and Administration Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Maricela Martinez

Reviewed by: Hyacinth Hinojosa

ATTACHMENT(S):

1. Procurement Assessment Corrective Action Plan
2. Proposed Revised Administrative Code Section 9.4

ASSESSMENT & CORRECTIVE ACTION PLAN

BAAQMD PROCUREMENT

December 2023

Background

The Bay Area Air Quality Management District (Air District) engaged Mission Consulting LLC to assess and improve its procurement code, policies, and procedures. This Assessment and Corrective Action Plan represents the first phase of the project, aimed at identifying and prioritizing opportunities for improvement. These findings and recommendations will serve as a roadmap for short- and long-term change.

This assessment consisted of the following key activities:

- > Interviews with key staff in the Administrative Resources Division (ARD) and several internal customers to understand current operations and future needs.
- > Review of existing documents, policies, procedures, and practices as well as the systems used to support them.
- > Comparison of current practices to local, state, and federal requirements, as well as best practices and other agency policies to identify opportunities for improvement.
- > Presentation of resulting findings and recommendations to the Air District for review and prioritization resulting in a plan for implementation.

Assessment Findings

The assessment of the Air District's procurement function found a number of deficiencies and opportunities for improvement. Each of the findings in this report pertain to one or more foundational principles that guide good policy (e.g., clarity, consistency, efficiency, effectiveness) and good public procurement (e.g., competition, integrity, fairness, controls, compliance). In practice, these objectives can often be at odds, and the Air District will be required to balance them when crafting its new policies and procedures. Fortunately, as a special district, the Air District has significant discretion over many aspects of its procurement policy and procedures.

Overview of Findings

Below is a high-level list of the general assessment findings, followed by more detailed findings and recommendations to improve existing code, policy, and procedures.

- > The development, implementation, and maintenance of a mature procurement function will require additional Business Office staff and the development of more subject matter expertise.
- > There is a need for increased thresholds for delegated approval authority and reporting, but they must be combined with clearer policies and procedures to ensure proper controls and oversight.
- > The decentralized procurement environment has limited the role of the ARD and requires clearer processes, guidance, and templates to ensure division staff are knowledgeable, compliant, and implementing best practices.
- > According to internal stakeholders, in addition to clearer direction, the most significant need was a process that provided quick access to needed goods and services without sacrificing good procurement practices.

- > The absence of stated procurement principles combined with vague terminology and requirements make it confusing for Air District divisions and the ARD supporting them to act confidently and consistently.
- > The Air District procures a wide variety of goods and services that are subject to different requirements, solicitation types, and agreement terms, which will require the development of new resources and knowledge to ensure compliance.
- > There is a need for increased procurement planning and cross-organizational communication to support a more efficient and effective procurement function.
- > As new guidance and materials are developed, the Air District needs to create and maintain a centralized and accessible repository and establish a process to ensure continuous improvement and meet organizational needs.
- > Current ways of tracking procurements can be improved with better coding and systems, which will support improved procurement reporting, management, and oversight.
- > Air District retains significant discretion over aspects of its procurement policy and procedures, which should allow it to tailor policies and procedures to its needs and adjust based on new information.

Detailed Findings & Recommendations

Air District Administrative Code, Section 9.4

1. The recent increase to APCO’s contracting authority to \$200,000 is welcome, reasonable, and should remain. The prior thresholds were set low, not reflecting the increased costs of goods and services, and restricting agency action on procurements by requiring Board approval. The APCO’s delegation of approval authority to the DEO and divisions may similarly be increased as long as it remains in compliance with new policies and procedures.
2. The thresholds for amendment approval and reporting can be more closely aligned with those of new contracts to ensure the same oversight and controls for contracts of the same dollar amount. In addition, reporting can be triggered by a percentage changed amount, reflecting the need to ensure that contracts are staying in scope, related to the original bid criteria, and not circumventing competitive procurement rules.
3. Any exemption from the Board of Directors’ approval must be included in the code and should still be bound by other procurement requirements, as reasonably possible. As currently written, the exemptions appear broad and unrestricted. In addition, language may be added to allow for certain specific and limited contracts that support ongoing operations (e.g., utilities) to continue without further approval, if needed. We recommend that this language be included in the Board of Directors’ original approval language for a given good or service in the future, and such approval will still need to be time bound.

Air District Purchasing Policy & Procedure Manual

4. The term “purchasing” should be replaced with “procurement” throughout the code, policy, and procedure, to reflect the larger strategic, financial, and procedural components of the Air District’s acquisition of goods and services more accurately.

5. The policy should be reorganized to consolidate redundant sections, track the procurement process, and shift the details of “how” to separate documents and resources focused on procedures. The current policy is organized in a way that is difficult to follow and gets into significant detail in some but not all sections that are often more appropriately set at the operational level.
6. Complete the policy with sections that address Air District procurement authority, policy creation and modification, and more fully defined roles and responsibilities. The current policy is silent on many of these aspects that can help provide clarity for staff responsible for implementation and maintenance. The procurement process requires involvement of many parts of the organization.
7. Policies can be enhanced by reference to procurement principles in addition to defining agency requirements in specific circumstances. The addition of foundational principles (e.g., competition, fairness, operational success) can justify its policies and procedures, and guide Air District interpretation and action when faced with new circumstances. These will help direct divisions and empower the ARD to advise on practices that are in the Air District’s best interests given the details of a specific scenario.
8. The 36-month look-back period for determining approval and reporting requirements appears unnecessarily complicated and not the only method to promote competition. The interim policy dealt with concerns of repeat contracts with the same vendors by requiring a calculation of prior contracts over a three-year period. In addition to confusing agency staff, this calculation was not easy given existing systems, and its goal of increasing oversight and competition could be better achieved through policies prohibiting contract splitting, increasing requirements for competitive bidding, and better defining processes for amendments and options.
9. Add a conflict-of-interest policy that addresses personal and organizational conflict of interest as well as requirements regarding gifts and FPPC reporting. This is a best practice that supports the integrity of the agency’s competitive process in addition to meeting state and federal requirements. Currently, staff are unaware of conflict-of-interest and reporting requirements, which should be extended to those involved in procurement decisions.
10. The Air District may consider centralizing some cross-divisional procurements in the future, but it will require additional staff resources and changes to the current decentralized process. Given the specialized nature of many Air District purchases, the current decentralized approach will remain necessary, but requires improved standardization and training to ensure each division is operating in the best interest of the organization. We recommend a change like this takes place after new policies and procedures are implemented.
11. Develop more detailed procedures addressing the many steps, staff, and considerations involved in Air District procurement. Currently, the procurement steps are at a relatively high level and provide little guidance to the staff performing the work. This has made it difficult for the Air District to establish clear and standard ways of conducting business.
12. Additional resources, guidance, and knowledge must be developed for certain types of procurements that are subject to additional or different requirements. This includes procurements using federal funds, public works and architecture and engineering, and real property leases and purchases. Currently, these requirements are not well understood by division and ARD staff.
13. Additional resources, guidance, and knowledge must be developed for other types of non-standard agreements that may or may not result in the exchange of funds for goods and services. This

includes inter-agency agreements, grants, MOUs, Interagency Agreements, sponsorships, leases, etc. For each type, the Air District should have model agreement language prepared and provide clear guidance as to when certain agreements apply.

14. Create standard conventions for maintaining procurement files, including establishing a records retention schedule, to ensure divisions and ARD are documenting their actions and can refer to prior agreements for reference and oversight. Currently, there is no standard guidance or central repository maintained.
15. Additional guidance, rules, and limitations need to be developed regarding contract amendments, renewals, and option years. Contract records show that a significant percentage of activity are contract amendments and renewals, and there are no stated limits on the frequency and value of amendments and renewals, making it ripe for abuse and potentially in conflict with the principles of competitive procurement.
16. Assign specific legal staff to assist divisions and ARD with procurement questions and the development of standard agreement terms. Currently, legal staff address procurement questions on an ad hoc basis that does not allow the development of deep expertise in public contracting and the needs of the Air District.
17. Develop policies, procedures, and resources to guide proposal evaluation, selection, and protest processes. Currently, these aspects of the process are unclear or unaddressed, leading to variation across the organization.
18. Revise the credit card policy to provide more specificity on issuance, approvals, thresholds, allowable purchases, etc. Additional sections or separate policies and procedures need to be developed for other charge cards, such as fuel cards and Home Depot cards held by divisions. The Finance Division will need to develop detailed procedures given their central role in these purchases.
19. Establish guidance on when contracts may be required for high-value or complex purchases of goods. Currently, the Air District does not require written contracts for any goods purchases, which can help clearly define terms, conditions, and expectations.
20. Consider increasing the use of leveraged procurement agreements (LPAs) that can offer the agency streamlined access to goods and services that have been competitively acquired by other public agencies. Currently, these are rarely used and are likely unknown by many division staff when determining procurement strategies and methods.
21. Provide additional guidance to when various solicitation types are required or most beneficial to the Air District. Currently, different solicitation types are mentioned but no guidance or explanation is provided to the division staff tasked with making decisions on procurement approach and strategy.
22. Develop detailed guidance and resources to support Air District creation and use of bench contracts and blanket purchase orders. Currently, these approaches are not well defined, though they stand to be valuable tools that meet division need for easy access to qualified contractors when the goods and services are known, but the timing and quantity of need is uncertain.
23. Preference programs need further definition to comply with state requirements and meet the Air District's goals of supporting its regional business community. This may be an aspect of the

procurement process that can be further developed once other changes are successfully implemented and may take additional research into what other area agencies are doing.

24. Create a glossary of procurement terms to help Air District staff understand the definitions of key terms, roles and responsibilities. Currently, the terminology is inconsistent and can be confusing to those responsible for adhering to the requirements. Where possible, the Air District can adopt terms and definitions used elsewhere by peer, state, and federal agencies.
25. Explore alternatives to the existing systems (JDE and Access database) that do not meet the needs of staff, are unreliable, and lack the ability to track and report relevant information to the oversight of procurements. This is outside of the scope of this effort, but relevant to the procurement function and implementation of new policy and procedures.
26. Establish a process for improved procurement planning and communication. The decentralized nature of the current process often results in the ARD being unaware of upcoming procurement activities, a sense of last-second urgency, and failure to take advantage of cross-divisional planning.

Business Office Organization

27. The development, implementation, and maintenance of a mature procurement function will require additional Business Office staff and the development of additional subject matter expertise. Currently, most procurement decisions are made independently within each division and the Business Office staff’s work is often focused on processing. In the absence of more detailed standardized policies and procedures, this decentralized environment has contributed to the findings above, and there is a need for more centralized expertise in procurement that can help all divisions with strategy and compliance. Though the recent hiring of a Business Office Manager is a good first step, the Air District should consider at least one additional staff member with roles based on the Manager’s assessment of needs.

Corrective Action Plan

The recommendations for improvement were reviewed with Air District staff to determine which to prioritize based on need, impact, resources, and dependencies. The following plan outlines the order in which the Air District may implement changes and, for those to be immediately addressed, provide additional details on approach and timing. This includes identifying those activities requiring the assistance of Mission Consulting in the development of new administrative code, policy, and procedures. It is recommended that a phased implementation approach will best allow the Air District to adapt to new changes, develop supporting resources, and adjust based on lessons learned.

Diagram 1. Proposed Implementation Phases



Phase 1 – Immediate Action to Ensure Clarity and Compliance

The immediate priority of the ARD is to establish a revised procurement policy and processes that provide clear guidance to the Air District’s divisions and Business Office in support of operations and in compliance with local, state, and federal requirements. These improvements may be undertaken during the first quarter of 2024, led by Mission Consulting working closely with ARD staff, and reviewed by internal stakeholders and executive management. The resulting revised Administrative Code and Procurement Policy may be adopted by the Board of Directors as the supporting detailed procedures and resources are being developed by the ARD, Legal, and Finance as part of Phase 2.

Table 1. Phase 1 Recommendations

<ol style="list-style-type: none"> 1. Maintain increases to approval and reporting thresholds 2. Align amendment thresholds more closely to those of new contracts 3. Better define some aspects of exemptions to Board of Directors approval 4. Use “procurement” terminology to better reflect the strategic importance of this function 5. Reorganize policy and procedure to improve clarity and ownership 6. Better define procurement authority and roles and responsibilities 7. Commit to specific procurement principles that guide Air District practices 8. Replace 36-month look-back period with clearer total cost method of contract valuation 9. Add conflict-of-interest policies and broaden application to those involved in procurement 15. Develop additional rules governing contract amendments, renewals, and options 17. Develop policies and procedures defining the contract protest process 19. Establish guidance on when contracts are required for purchasing goods 21. Provide additional guidance for when certain solicitation types are requires or most appropriate 22. Develop detailed guidance for the creation and use of bench contracts and blanket POs 24. Create glossary of procurement terms (ongoing)

Phase 2 – Next Steps to Develop Resources and Adopt Best Practices

The second priority of the ARD is to develop detailed steps and supporting materials and take additional action to adopt best practices. In many instances, the development of supporting guidance and resources can overlap with Phase 1, but many of these will need to be created and implemented over time and require collaboration between the ARD and other program and support divisions. Given the extent of these resources, it is reasonable to expect this phase could take a year, at which point it would shift to a process of ongoing improvement and management.

Table 2. Phase 2 Recommendations

<ol style="list-style-type: none"> 11. Further develop procedures detailing steps to be taken by staff to ensure compliance with policies 12. Develop additional resources, guidance, and knowledge for specialized procurement types 13. Develop additional resources, guidance, and knowledge for MOUs, grants, and sponsorships 14. Create standard conventions for maintaining procurement files 18. Develop policies and procedures establishing greater controls over credit and charge card use 26. Establish a process for improved procurement planning and communication 27. Add staff resources and develop subject matter expertise in the Business Office

Phase 3 – Future Considerations

Once the core components of the Air District’s procurement function are in place, it will be in an ideal position to consider additional systemic changes and special projects. In each instance, it is expected that the Air District will need to further evaluate the change, assess alternatives, and consider additional financial and staff resources to implement and sustain. As a result, each individual effort would have its

own timeframe. In some instances, the Air District may find that one of these recommendations should be prioritized and can move it up in its schedule.

Table 3. Phase 3 Recommendations

10. Consider centralizing the some common cross-divisional procurements
16. Assign legal staff to assist and be knowledgeable in public contracting
20. Increasing awareness and use of leveraged procurement agreements
23. Establish preference programs to support local, small, and minority businesses
25. Explore alternatives to existing systems supporting procurement management

Implementation Approach

For each of the recommendations, we suggest a standard approach to implementation though the details for each may change based on the content and stakeholders involved. For the Phase 1 recommendations focused on ensuring the clarity and compliance of Air District Administrative Code and Policy, Mission Consulting will take the lead on performing research and drafting terms in collaboration with Air District staff. For Phases 2 and 3, it is expected that Air District staff will be assigned these activities as projects, and take the lead on developing, vetting, and implementing any new resources and changes.

1. Define audience and objective of the resource(s) to be developed. In many cases, these resources will be used by ARD staff and division staff responsible for procurement planning and execution. Ideally, resources are organized to follow the order of the process workflow, identify roles and responsibilities, and are supplemented with forms and templates that support staff in adhering to requirements. Templates for solicitations and agreements should be vetted by Legal and other key stakeholders to ensure they are accurate and to minimize the time needed to review and approve final drafts.
2. Involve key stakeholders in the process to improve resource content and effectiveness. For these documents to be successful, they need to be clear and answer staff needs. Meetings and document review by key stakeholders can help ensure this is the case. The process and approvals for making changes should be outlined in the documents themselves. In addition to approval, leadership will need to show a commitment to the change for divisions to adopt them in the long-term.
3. Communicate changes and make materials available via centralized repository. In preparation for new resources or changes being implemented, ensure there is a process for communicating the changes, the reasons for them, and the expected impact on the process. In some instances, additional guidance will be needed during regular division meetings or training for impacted staff, especially if impacting division staff. The most recent versions of the materials should be made available in a centralized repository, such as a dedicated intranet site.
4. Implement process for regular review and improvement of policies, procedures, and materials. To ensure these resources and the policies and processes they reflect are up to date, relevant, best meet the needs of the organization, and comply with requirements, the ARD should implement a process for periodically reviewing and updating its materials. We recommend that ARD and divisions perform lessons learned for many of its procurements and set a time each year to propose and make any needed improvements. For areas in which there is a need for

subject matter expertise, it would benefit ARD to have staff assigned to tracking changes and trends in that area (e.g., federal, bench contracts, public works, etc.).

Proposed Amendment to Section 9.4 of the Administrative Code

Administrative Code, Section 9.4 - Procurement and Contracting

- a) The APCO shall develop for approval by the Board of Directors a Procurement Policy establishing procedures for competitive bidding, awarding, administering, and executing contracts for goods and services, leases, and other similar contractual agreements (collectively referred to herein as “contracts”). The APCO may further delegate its authority as defined in the Procurement Policy and Procedures.
- b) The APCO may execute contracts in an amount that does not exceed two hundred thousand dollars (\$200,000) as specified in the Procurement Policy. The APCO shall report such contracts to the Board of Directors if they exceed one hundred thousand dollars (\$100,000). Contracts in excess of two hundred thousand dollars (\$200,000) must receive prior approval by the Board of Directors. The APCO may bring any contract before the Board of Directors for approval if they deem it in the best interest of the Air District.
- c) The APCO may execute amendments to contracts if (1) the amount of a contract as amended does not exceed two hundred thousand dollars (\$200,000), or (2) if the contract had previously been approved by the Board of Directors, the cumulative amount of any amendments does not exceed the previously approved amount by more than two hundred thousand dollars (\$200,000) or 25%. All other amendments must be approved by the Board of Directors. The APCO shall report to the Board of Directors any amendments that (1) cause the amount of a contract as amended to exceed one hundred thousand dollars (\$100,000), or (2) cause the amount of a contract already exceeding one hundred thousand dollars (\$100,000) to increase by more than 25%. The APCO may bring any contract amendment before the Board of Directors for approval if they deem it in the best interest of the Air District.
- d) Notwithstanding any limitations in this Section 9.4, the APCO may execute contracts for goods and services without prior approval by the Board of Directors in the event of a declared state of emergency that causes a need to immediately procure such goods or services to make repairs, to safeguard the lives or property of residents within the Air District jurisdiction or Air District employees or property, or to otherwise protect public health or welfare as a result of extraordinary conditions created by war, epidemic, weather, fire, flood, earthquake or other catastrophe, or the breakdown of any plant, equipment, structure, or public work. The APCO may execute such a contract in an expeditious manner to the extent necessary to respond to the emergency; however, if the emergency permits, the APCO shall obtain the approval of the Chairperson of the Board of Directors. The

APCO shall report to the Board of Directors on the execution of the contract as soon as practicably possible.

- e) Notwithstanding any limitations in this Section 9.4, the APCO may execute renewal contracts for select recurring standard services without approval by the Board of Directors, including those exceeding two hundred thousand dollars (\$200,000), provided the initial procurement was authorized under then-applicable provisions of the Administrative Code, including the use of appropriate required competitive processes. These select recurring services are limited to utilities and other core services specifically identified in the Procurement Policy and for which the Board of Directors has provided pre-approval given their essential and recurring nature.

For all such contracts, recurring payments shall be reported to the Board of Directors in the quarterly Financial Report. The provisions of this paragraph apply to qualifying renewals of existing contracts only. Approval by the Board of Directors is required for all new contracts if the goods or services are initially anticipated to be greater than two hundred thousand dollars (\$200,000), as calculated pursuant to the Procurement Policy.

- f) In circumstances where a contract is required to be executed independently from the APCO, and no other Air District employee can appropriately execute the contract due to legal, confidentiality, or personnel reasons, or because other extenuating circumstances exist, the Chairperson of the Board of Directors may execute the contract on behalf of the Air District, with notification to the Board of Directors, if the amount of the contract does not exceed two hundred thousand dollars (\$200,000). Such contracts in excess of two hundred thousand dollars (\$200,000) must be approved by the Board of Directors. In approving such contracts, the Board of Directors shall authorize and direct the Chairperson, the Vice-Chairperson, or another member of the Board of Directors to execute the contract on behalf of the Air District. In entering into contracts under this subsection 9.4(e), the Chairperson and the Board of Directors shall endeavor to follow the Procurement Policy to the extent practicable.
- g) The General Counsel may execute contracts for outside legal services as provided for in Section 8.2(b).

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Authorization to Execute a Memorandum of Understanding with the
California Air Pollution Control Officers Association for the Prescribed Burn
Reporting and Monitoring Support Program

RECOMMENDED ACTION

Authorize the Executive Officer/APCO to execute a Memorandum of Understanding (MOU) with the California Air Pollution Control Officers Association (CAPCOA) for the Prescribed Burn Reporting and Monitoring Support Program.

BACKGROUND

Since 2019, the Bay Area Air District (Air District) has participated in the California Air Pollution Control Officers Association's (CAPCOA's) Prescribed Burn Reporting and Monitoring Support Program. This grant program provides reimbursement funds to the Air District for work completed under the Air District's Prescribed Burn Program. This work includes, but is not limited to, evaluating and approving prescribed burn smoke management plans, utilizing the Prescribed Fire Information Reporting System (PFIRS), coordinating with project sponsors (e.g., fire agencies, public land managers, and private landowners), providing forecasting services, and reporting to stakeholders.

The reimbursement funds the Air District receives under this grant program are provided by way of an MOU between the Air District and CAPCOA. The Air District has executed four prior MOUs with CAPCOA with a total grant amount of \$242,809.19.

DISCUSSION

To continue participation in this Program, the Air District must execute a fifth MOU with CAPCOA. This MOU would reimburse the Air District up to \$60,873.06 for costs associated with implementation of the Air District's Prescribed Burn Program, covering work completed between January 1, 2023, and June 30, 2026.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The MOU provides reimbursement funds for work completed under the Air District's Prescribed Burn Program. Funding is provided by the California Air Resources Board's California Climate Investments program.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Geraldina Grünbaum and Patrick Wenzinger
Reviewed by: Tracy Lee

ATTACHMENT(S):

1. Memorandum of Understanding between the California Air Pollution Control Officers Association and the Bay Area Air Quality Management District

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CALIFORNIA AIR POLLUTION CONTROL OFFICERS ASSOCIATION
AND THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

The California Air Pollution Control Officers Association (CAPCOA) and the Bay Area Air Quality Management District (“District”) hereby enter into this Memorandum of Understanding (“MOU”), which shall be effective after execution by both parties.

RECITALS

WHEREAS, on November 28, 2023, CAPCOA entered into an amended Grant Agreement G21-PBRM-02-2 with the California Air Resources Board (CARB) (the CARB/CAPCOA Grant Agreement) to administer state funds related to Prescribed Fire in California; and

WHEREAS, the CARB/CAPCOA Grant Agreement requires CAPCOA to administer the program through certain local air pollution control and air quality management districts; and

WHEREAS, the CARB/CAPCOA Grant Agreement requires the District to sign an MOU with CAPCOA agreeing to the reimbursable work tasks outlined below; and

WHEREAS, the District has affirmed its interest in participating in the Prescribed Burn Reporting and Monitoring Support Program.

NOW, THEREFORE, in consideration of the terms, conditions and covenants set forth herein, and for other good and valuable consideration, receipt of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

- A.** The Parties agree to comply with the requirements and conditions contained herein.
- B.** The Prescribed Burn Reporting and Monitoring Support Program is part of California Climate Investments, a statewide program that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment — particularly in disadvantaged communities.
 - 1. District agrees to acknowledge the California Climate Investments program whenever projects funded, in whole or in part by this MOU, are publicized in any news media, websites, brochures, publications, audiovisuals, or other types of promotional material. The

acknowledgement must read as follows: 'This publication (or project) was supported by the "California Climate Investments" (CCI) program.' Guidelines for the usage of the CCI logo can be found at www.arb.ca.gov/ccifundingguidelines.

2. The California Climate Investments logo and name serves to bring under a single brand the many investments whose funding comes from the Greenhouse Gas Emission Reduction Fund (GGRF). The logo represents a consolidated and coordinated initiative by the State to address climate change by reducing greenhouse gases, while also investing in disadvantaged communities and achieving many other co-benefits.



3. District agrees to acknowledge the California Air Resources Board (hereinafter referred to as CARB or the Board) as a funding source for the Prescribed Burn Reporting and Monitoring Support Program when publicized in any news media, websites, applications, brochures, publications, audiovisuals, or other types of promotional material. The District agrees to adhere to the Board's logo usage requirements in a manner directed by CARB. CARB logos shall be provided to the District by CARB Project Liaison.



4. The CARB logo is a visual representation of our air environment. The arcs represent; the different elements that make up air we breathe, the protection of our atmosphere and the efforts we take to protect the health of Californians, the collaboration of multiple stakeholders all moving in the same direction together, and innovation with the arcs all growing and changing.

C. The District agrees to abide by any applicable terms and commitments of the Prescribed Burn Reporting and Monitoring Support Program Grant Agreement between CAPCOA and CARB dated:6/6/2022 (G21-PBRM-02-01), and as amended by the CARB/CAPCOA Grant Agreement G21-PBRM-02-2 signed 11/28/2023.

D. The District shall be reimbursed up to \$60,873.06 for direct and indirect costs incurred in implementing the reimbursable work tasks identified in Appendix A of this MOU, with the exception of work task number 1. The deployment of air monitoring equipment in support of monitoring emissions from prescribed burn projects selected by CAPCOA may also be reimbursed out of a separate budget which CAPCOA has available to support air monitoring of prescribed burns. In addition, the District may be reimbursed by CAPCOA for direct and indirect costs incurred for training required by CAPCOA or CARB in support of the District's participation in the program. These costs may be reimbursed out of a separate budget which CAPCOA has available for training activities related to prescribed burning actions.

E. The District agrees to provide a quarterly progress report to CAPCOA which shall include: training conducted related to this program, public messaging efforts coordinated through this program with CAPCOA or other CAPCOA partners and the following information on prescribed burns (which is consistent with information required in Title 17 for the approval of Smoke Management Plans):

- a. Burns requested, burns permitted, acreage burned.
- b. Locations of burns (in latitude and longitude where available).
- c. Type(s) of fuels burned for each prescribed burn.
- d. Number and locations of prescribed burns monitored during the reporting period.

F. CAPCOA shall reimburse the District quarterly upon completion of the quarterly progress report and the submittal of a complete disbursement request which includes timesheets for staff time and invoices for travel expenses. Staff time will be reported at the fully burdened rate consistent with state and federal guidelines.

G. District agrees to the program elements outlined in Appendix A which outline reimbursable work tasks under this MOU.

H. District will coordinate with CAPCOA on public messaging related to prescribed burning and outreach regarding the benefits of prescribed burning versus extreme fire events.

I. District agrees to promote use of the Prescribed Fire Information Reporting System (PFIRS) by the air districts for prescribed burns.

J. The District agrees to indemnify, defend and hold harmless CAPCOA and its employees, agents, representatives against any and all liability, loss, and expense, including reasonable attorneys' fees, from any and all claims for injury or damages

arising out of the performance by the District or out of the operation of prescribed fire emission monitoring equipment.

K. The District and CAPCOA acknowledge the Project Milestones outlined in Appendix B.

L. Information or data that personally identifies an individual or individuals may be confidential in accordance with California Civil Code sections 1798, et seq. and other relevant State or Federal statutes and regulations, unless such information is a non-exempt public record in accordance with the California Public Records Act ("CPRA"). District shall safeguard all such information or data which comes into their possession under this MOU in perpetuity and shall not release or publish any such information or data unless required to do so pursuant to the CPRA or otherwise required to do so by a court of competent jurisdiction.

M. This MOU may be terminated by either party by giving a 30-day written notice to the other. The District shall submit a final invoice to CAPCOA for reimbursable costs incurred prior to the effective date of termination, and CAPCOA shall reimburse the District within 30 days of receipt of the final invoice.

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IN WITNESS WHEREOF, this MOU has been executed by the parties hereto by their authorized representatives.

Bay Area AIR QUALITY MANAGEMENT
DISTRICT

CALIFORNIA AIR POLLUTION
CONTROL OFFICERS ASSOCIATION

Philip M. Fine, Executive Officer

Tung Le, Executive Director

Date

Date

Appendix A: Reimbursable Expenses

1. District will coordinate with CAPCOA on an appropriate number of prescribed burns to monitor during the grant period, and will attend training that CAPCOA will be coordinating on the use and deployment of air monitoring equipment. **Funding for burns that are monitored is available on a reimbursable basis from CAPCOA.**
2. District will coordinate with CARB and CAPCOA on public messaging and outreach regarding the benefits of prescribed burning versus extreme fire events.
3. District agrees to utilize the Prescribed Fire Information Reporting System (PFIRS) for all prescribed burns in their jurisdiction where feasible. CARB will provide one-on-one training to the District on the use of PFIRS upon request. In addition, CAPCOA will be coordinating regional, group training sessions on the use of PFIRS.
4. District will coordinate with CAPCOA on any additional training needs to facilitate an optimized prescribed fire monitoring and smoke management program in their jurisdiction.
5. District will coordinate with CAPCOA to ensure that all prescribed burn projects in their jurisdiction larger than 10 acres in size or estimated to produce more than one ton of particulate matter, have a smoke management plan as required by 17 CCR Section 80160.
6. District will keep records of each prescribed burn in their jurisdiction, or access this information from PFIRS, and provide this information quarterly to the CAPCOA coordinator for collection and preparation of a comprehensive quarterly progress report to be submitted to CARB. This information shall include the following:
 - a. Burns requested, burns permitted, acreage burned.
 - b. Locations of burns (in latitude and longitude where this information exists).
 - c. Type(s) of fuels burned for each prescribed burn.
 - d. Number and locations of prescribed burns monitored during the reporting period.
7. District will coordinate with CAPCOA on the preparation of a comprehensive, draft Final Report and Final Report covering the entire grant period.
8. Reimbursement documentation and process will be coordinated between CAPCOA and District and will include tracking of hourly tasks assigned against this project and the project elements outlined in Appendix A.

Appendix B: Project Schedule

Work Task	Timeline
Participate in a kickoff meeting for this grant.	TBD
Coordinate with CAPCOA on the submission of comprehensive quarterly reports describing progress made during the quarter in meeting the objectives of this grant.	Quarterly
Coordinate with CAPCOA on available training for the Prescribed Fire Information System (PFIRS), monitor deployment, and smoke modeling. Ensure that all personnel participating in the program are familiar with the procedures for each.	As needed
For a number of prescribed burns to be determined by CAPCOA, obtain monitoring equipment from the nearest regional cache of equipment, deploy the monitors, ensure valid data are being reported during the burn, and collect the equipment at the end of each burn for return to the nearest regional cache.	Ongoing
Utilize PFIRS for all prescribed burns within the grantee's jurisdiction where feasible.	Ongoing
Coordinate with CAPCOA on the preparation of a draft final report and final report.	June 30, 2026 (final report)

GRANT AGREEMENT COVER SHEET

GRANT NUMBER G21-PBRM-02-4-2
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NAME OF GRANT PROGRAM Prescribed Burn Reporting and Monitoring Support Program	
GRANTEE NAME California Air Pollution Control Officers Association	
TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER 77-0058264	TOTAL GRANT AMOUNT NOT TO EXCEED \$1,433,600.00 \$2,300,400.00
START DATE: 06/1/2022	END DATE: 06/30/2025 2026


This legally binding Grant Agreement, including this cover sheet and Exhibits attached hereto and incorporated by reference herein, is made and executed between the State of California, California Air Resources Board (CARB) and California Air Pollution Control Officers Association (the "Grantee").

Sample Exhibits (TBD)

- Exhibit A – Grant Agreement Provisions
- Exhibit A, Attachment 1 – Scope of Work Tasks and Project Elements
- Exhibit B – Work Statement
- Exhibit B, Attachment 1 – Budget Summary
- Exhibit B, Attachment 2 – Project Schedule

The purpose of Amendment 2 is to extend the Grant Agreement end date, decrease funds from FY22/23, add funds from FY21/22 & FY 23/24, and make other minor changes to Exhibit A and B. This Agreement is of no force or effect until signed by both parties. Grantee shall not commence performance until it receives written approval from CARB.

The undersigned certify under penalty of perjury that they are duly authorized to bind the parties to this Grant Agreement.

STATE AGENCY NAME California Air Resources Board		GRANTEE'S NAME (PRINT OR TYPE) California Air Pollution Control Officers Association	
SIGNATURE OF ARB'S AUTHORIZED SIGNATORY: <i>Alice Kindarara</i>		SIGNATURE OF GRANTEE (AS AUTHORIZED IN RESOLUTION, LETTER OF COMMITMENT, OR LETTER OF DESIGNATION) 	
TITLE Branch Chief	DATE 11/28/2023	TITLE Executive Director	DATE 11/27/2023
STATE AGENCY ADDRESS 1001 I Street, Sacramento, CA 95814		GRANTEE'S ADDRESS (INCLUDE STREET, CITY, STATE AND ZIP CODE) 1107 Ninth Street, Suite 801 Sacramento, CA 95814	

CERTIFICATION OF FUNDING				
AMOUNT ENCUMBERED BY THIS AGREEMENT	PROGRAM	PROJECT	ACTIVITY	
\$941,800.00	FY 21/22: 3510000L32 FY 22/23: 3510000L32 FY 23/24: 3510000L32			
PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT	FUND TITLE			FUND NO.
\$1,433,600.00	General Fund			0001 0001 0001
TOTAL AMOUNT ENCUMBERED TO DATE	(OPTIONAL USE)	CHAPTER	STATUTE	
\$2,300,400.00	FY 21/22: \$716,800.00 FY 22/23: \$716,800.00 FY 23/24: \$941,800.00	FY 21/22: 69 FY 22/23: 249 FY 23/24: 38	2021/ SB129 2022/ AB179 2023/ AB102	
APPR REF	ACCOUNT/ALT ACCOUNT	REPORTING STRUCTURE	SERVICE LOCATION	FISCAL YEAR (ENY)
101	5432000	39007100	50017	2021/22
101	5432000	39007100	50017	2022/23
101	5432000	39007100	50017	2023/24

EXHIBIT A

Grant Agreement Provisions

- A.** The parties agree to comply with the requirements and conditions contained herein.
1. Grantee agrees to acknowledge the California Air Resources Board (hereinafter referred to as CARB) as a funding source for the Prescribed Burn Reporting and Monitoring Support Program when publicized in any news media, websites, applications, brochures, publications, audiovisuals, or other types of promotional material. The Grantee agrees to adhere to the Board's logo usage requirements in a manner directed by CARB. CARB logos shall be provided to the Grantee by CARB Project Liaison.



2. The CARB logo is a visual representation of our air environment. The arcs represent; the different elements that make up air we breathe, the protection of our atmosphere and the efforts we take to protect the health of Californians, the collaboration of multiple stakeholders all moving in the same direction together, and innovation with the arcs all growing and changing.

B. GRANT AGREEMENT SUMMARY AND AMENDMENTS (IF APPLICABLE)

Project Title: Prescribed Burn Reporting and Monitoring Support Program

Grant Funding Amount: ~~\$1,433,600~~ **\$2,300,400**

This grant is intended to provide resources to the California Air Pollution Control Officers Association for overall coordination of an enhanced smoke management program with California's air pollution control and air quality management districts (hereinafter referred to as Air Districts.) This includes coordination of enhanced reporting of prescribed fire activity in their respective jurisdictions through increased use of CARB's Prescribed Fire Information Reporting System (PFIRS), coordination of increased air monitoring of prescribed fires, coordination of improved public outreach regarding prescribed burning, and administering reimbursement budgets for district training, large district participation in the enhanced smoke management program, and prescribed fires monitored.

1. Grant Amendment Two (Effective upon execution of this Grant Agreement)

This amendment:

- a. Increases the total grant award from \$716,800.00 to \$1,433,600.00. Original award was \$716,800 from FY21/22. Amendment adds \$718,800 from FY 22/23;
- b. Extends the original Grant Agreement termination date from June 30, 2024 to June 30, 2025;
- c. Changes the Project Liaison from Greg Vlasek to Jason Branz;
- d. Makes other minor, non-substantive changes to increase clarity; and

- e. Updates to the grant agreement provisions.

2. Grant Amendment Two (Effective upon execution of this Grant Agreement)

This amendment:

- a. **Increases the total grant award from \$1,433,600 to \$2,300,400. Original award was \$716,800 from FY 21/22. Amendment one added \$716,800 from FY 22/23, which is decreased by \$75,000 to \$641,800. This amendment two adds \$75,000 from FY 21/22 and \$866,800 from FY 23/24 for a total of \$941,800;**
- b. **Extends the Grant Agreement termination date from June 30, 2025 to June 30, 2026;**
- c. **Makes other minor, non-substantive changes to increase clarity; and**
- d. **Updates to the grant agreement provisions.**

C. GRANT AGREEMENT PARTIES AND CONTACT INFORMATION

- 1. This Grant is from CARB to the California Air Pollution Control Officers Association (hereinafter referred to as Grantee). The Grantee will perform the activities outlined in Section G, Scope of Work.
- 2. The CARB Project Liaison is Jason Branz. Correspondence regarding this project must be directed to:

Jason Branz, Manager
Air Quality Planning and Science Division
California Air Resources Board
P.O. Box 2815
Sacramento, CA 95812
Jason.Branz@arb.ca.gov

- 3. The Grantee Liaison is Tung Le. Correspondence regarding this project must be directed to:

Tung Le
Executive Director
California Air Pollution Control Officers Association
1107 Ninth Street, Suite 801
Sacramento, California 95814
Tung@capcoa.org

D. GOVERNING BOARD APPROVAL

Prior to the execution of this Grant Agreement, the Grantee is required to submit to CARB a resolution, minute order, or other approval of its governing board that authorizes the Grantee to enter into this Grant Agreement and that commits the Grantee to comply with the requirements of this Grant Agreement. Alternatively, the Grantee and CARB may execute this Grant Agreement before a Grantee has submitted this governing board resolution, minute order, or other approval to CARB; however, the Grantee may not

perform work under this Grant Agreement, and no funding will be disbursed until the Grantee has submitted this governing board resolution, minute order, or other approval to CARB. CARB assumes no liability or responsibility for, and no funding or reimbursement will be provided for any work done prior to CARB's receipt of a resolution, minute order, or other approval from Grantee's governing board.

E. TIME PERIOD

1. Performance of work or other expenses billable to CARB under this Grant may commence after full execution of this Grant Agreement by both parties and Grantee's submission to CARB of its governing board's resolution, minute order, or other approval, described in Section D of this Grant Agreement. Performance on this Grant ends once the Grantee has submitted the Final Report or if this Grant Agreement is terminated, whichever is earlier.
2. Upon completion of the project milestones provided in the Scope of Work, the Grantee must submit a draft Final Report for the FY ~~22/23~~23/24 funding cycle to CARB for review and approval. The draft Final Report must be submitted to CARB no later than April 30, ~~2025~~2026. The Grantee must submit a Final Report for the FY ~~22/23~~23/24 funding cycle to CARB. The Final Report must be submitted to CARB no later than June 30, ~~2025~~2026.
3. The Grantee must submit a final Grant Disbursement Request to the CARB Project Liaison no later than March 31, ~~2025~~2026 for costs incurred up to that date which will utilize the FY ~~22/23~~23/24 funding.
4. If additional funding becomes available, the CARB Executive Officer retains the authority to amend this Grant to provide additional disbursement to the Grantee to complete tasks related to the Scope of Work for this Grant Agreement.

F. SCOPE OF WORK

This section defines the respective duties and requirements of CARB and the Grantee in implementing this Grant Agreement.

1. **CARB is responsible for the following:**
 - a. Participating in a project kick-off meeting or conference call, and ongoing coordination with the Grantee to discuss project activities and guide project implementation;
 - b. Reviewing and approving elements developed by the Grantee, such as Progress Reports, the draft Final Report, and the Final Report;
 - c. Providing project oversight and accountability (in conjunction with the Grantee); and
 - d. Ensuring compliance with the applicable requirements of this Grant Agreement.

2. The Grantee is responsible for the following:

Development and implementation of defined project tasks as described below. Minimum duties and requirements of the Grantee include:

- a. Participating in an initial project meeting or conference call;
- b. Ensuring that all project tasks are completed during the period of this Grant;
- c. Apprising the CARB project liaison of any delays in implementing the scope of work below;
- d. Overseeing the project budget and funds;
- e. Submitting quarterly progress reports;
- f. Holding at least quarterly program meetings with CAPCOA and CARB, and
- g. Submitting draft Final Report and the Final Report in compliance with the project schedule included as Exhibit B, Attachment II.

3. Project Development and Implementation

The Grantee's Scope of Work also includes the tasks and project elements described in Attachment I. The tasks and project elements together with the associated timelines serve as the project milestones for work completion.

4. Initial Project Meeting and Ongoing Coordination

Grantee will participate in an initial project meeting with CARB. This meeting will take place at the onset of the grant and will cover expectations throughout the period of the grant.

5. Progress Reports

The Grantee shall submit quarterly Progress Reports to the CARB Project Liaison that provide a quantitative summary of CAPCOA's and the Air Districts prescribed burning activities. The Grantee shall also submit an annual Summary Report to the CARB Project Liaison for the duration of this Agreement that provides a comprehensive and quantitative annual summary of CAPCOA's and the Air Districts prescribed burning activities. The annual Summary reports shall be submitted by July 31 for the preceding fiscal year's activities. If requested by CARB, revisions to an annual Summary reports shall be submitted by September 1.

6. Final Report

1. The Grantee must submit a draft Final Report for the FY ~~22/23~~**23/24** funding cycle to the CARB Project Liaison for review and approval. The draft Final Report must be submitted to CARB no later than April 30, ~~2025~~**2026**. The Grantee must submit a Final Report for the FY ~~22/23~~**23/24** funding cycle to the CARB Project Liaison. The Final Report must be submitted to CARB no later than June 30, ~~2025~~**2026**.

At a minimum, the draft Final and Final Reports must include the following:

- a. Accounting summary of funds expended ;
- b. Summary of work completed by CAPCOA and the participating Air Districts; and
- c. Narrative of how the milestones have been met.

G. FISCAL ADMINISTRATION

1. Budget

- a. The maximum amount of this Grant is up to ~~\$1,433,600~~ **\$2,300,400**. Under no circumstance will CARB reimburse the Grantee for more than this amount. A written Grant Agreement amendment is required whenever there is a change to the amount of this Grant.
- b. The budget for this project is shown in Exhibit B, Attachment I. Grant Disbursement Requests for the project and administration funds must not exceed the Grant amount.
- c. The total funding may be reallocated by CARB at CARB's sole discretion if the Grantee requests less than the total funds allocated for the project for all project activities performed during the term of the Grant Agreement.
- d. Budget Flexibility:

Subject to the prior review and approval of the CARB Project Liaison, line item shifts of up to \$25,000 or ten percent of the annual grant budget total, whichever is less, may be made up to a cumulative maximum of \$25,000 or 10%, whichever is less, for all line item shifts over the life of the project. There must be a substantial business justification for any shifts made. Fund shifts which increase Indirect, Overhead or General Expense line items are prohibited. Line item shifts may be proposed and/or requested by either the State or the grantee in writing and must not increase or decrease the total grant amount allocated. Any line item shifts must be approved in writing by the CARB Project Liaison, or his or her designee, and must be sent to CARB's Administrative Services Division within 10 days of approval for inclusion in grant folder. If the grant is formally amended, any line item shifts agreed to by the parties must be included in the amendment.

2. Advance Payment

Consistent with the Legislature's direction to expeditiously disburse grants, CARB at its sole discretion may provide advance payments of grant awards in a timely manner to support program initiation and implementation with a focus on mitigating the constraints of modest reserves and potential cash flow problems.

Grantee acknowledges that CARB has finalized Advance Payment regulations which became effective on January 1, 2021. Grantee agrees that this Agreement and all advance payment requests will comply with these regulations, which can be found at: 17 California Code of Regulations (C.C.R.) Sections 91040-91044.

Recognizing that appropriate safeguards are needed to ensure grant monies are used responsibly, CARB has developed the grant conditions described below to establish control procedures for advance payments. CARB may provide advance payments to grantees of a grant program or project if CARB determines all of the following:

- a. The advance payments are necessary to meet the purposes of the grant project.
- b. The use of the advance funds is adequately regulated by grant or budgetary controls.
- c. The request for application or the request for proposals contains the terms and conditions under which an advance payment may be received consistent with this section.
- d. The Grantee is either a small Air District or the Grantee meets all of the following criteria:
 - i. Has no outstanding financial audit findings related to any of the moneys eligible for advance payment and is in good standing with the Franchise Tax Board and Internal Revenue Service.
 - ii. Agrees to revert all unused moneys to CARB if they are not liquidated within the timeline specified in the grant agreement.
 - iii. Submits a spending plan to CARB for review prior to receiving the advance payment.
 - iv. The spending plan shall include project schedules, timelines, milestones, and the Grantee's fund balance for all state grant programs.
 - v. CARB shall consider the available fund balance when determining the amount of the advance payment.
 - vi. Reports to CARB any material changes to the spending plan within 30 days.
 - vii. Agrees to not provide advance payment to any other entity.
- e. In the event of the nonperformance of the Grantee, CARB shall require the full recovery of the unspent moneys. A Grantee shall provide a money transfer confirmation within 45 days upon the receipt of a notice from CARB.
- f. The Grantee must complete and submit to CARB for review and approval, an Advance Payment Request Form, along with each grant disbursement that is requesting advance payment. The Advance Payment Request Form shall be provided by CARB to the Grantee after the grant execution.
- g. CARB may provide an advance of the direct project costs of the grant if the program has moderate reserves and potential cash flow issues. Advance payments will not exceed the Grantee's interim cash needs.
- h. The grantee assumes legal and financial risk of the advance payment.

- i. Grantee shall place funds advanced under this section in an interest-bearing account. Grantee shall track interest accrued on the advance payment. Interest earned on the advance payment shall only be used for eligible grant-related expenses as outlined in the Grant Provisions, Exhibit A or will be returned to CARB.
- j. CARB will withhold payment of ten (10) percent of the Grant's value by advance pay or reimbursement payments, until completion of all work and CARB's approval of the Grantee's Final Report. It is the Grantee's responsibility to submit a Grant Disbursement Request for this final disbursement of funds.
- k. Grantee shall remit to CARB any unused portion of the advance payment and interest earned within ninety (90) days following the end date of this Grant Agreement term on June 30, ~~2025~~2026 or the reversion date of the appropriation.

3. Grant Disbursements

- a. All disbursements from the total Grant award, including both advance payments and Grantee reimbursements for funds not advanced, will be made following CARB's review and approval of Grant Disbursement Request Forms
- b. CARB shall disburse funds in accordance with the California Prompt Payment Act, Government Code Section 927, et. seq.
- c. The Grantee shall submit the Grant Disbursement Requests to CARB Accounting Section at accountspayable@arb.ca.gov with a copy to the CARB Project Liaison. The Grantee must submit this electronically, based on CARB's current electronic submission guidance at the time of request. Requests for payment must be made with the Grant Disbursement Request Form and contain all documentation required with the form.

4. Suspension of Payments and Grant Agreement Termination

- a. CARB reserves the right to issue a grant suspension order if a dispute should arise. The grant suspension order will be in effect until the dispute has been resolved or the Grant Agreement has been terminated. If the Grantee chooses to continue work on the project after receiving a grant suspension order, the Grantee will not be reimbursed for any expenditure incurred during the suspension in the event CARB terminates the Grant Agreement. If CARB rescinds the suspension order and does not terminate the Grant Agreement, CARB at its sole discretion will reimburse the Grantee for any expenses incurred during the suspension that CARB deems reimbursable in accordance with the terms of the Grant Agreement.
- b. CARB reserves the right to terminate this Grant Agreement upon thirty (30) days' written notice to the Grantee. In case of early termination, the Grantee will submit a Progress Report covering activities up to, and including, the termination date and following the requirements specified herein and in Section I of these

provisions.

- c. CARB reserves the right to immediately terminate this Grant Agreement in accordance with Section L, General Grant Provisions.

5. Contingency Provision

In the event this Grant Agreement is terminated for whatever reason, the CARB Executive Officer or designee reserves the right in his or her sole discretion to award any remaining funds to other projects.

6. Documentation of Use of Project Funds

Project funds may be used for administrative costs of accomplishing the tasks identified in the Scope of Work. Administrative costs include: the Grantee's personnel costs directly related to managing the grant program (e.g., time sheet tracking for district grants, negotiating contracts/training, gathering information on quarterly/annual reporting); fringe benefit costs; operating costs (including rent, supplies, and equipment); indirect costs (general administrative services, office space, and telephone services); travel expenses and per diem rates set at the rate specified by California Department of Human Resources (CalHR)¹;

overhead associated with administrative activities; consultant fees (if pre-approved by CARB); and printing, records retention, and mailing costs.

Costs associated with overall coordination of the grant program include: the Grantee's non-Administrative personnel costs (e.g., review of the Prescribed Fire Information Reporting System, ongoing training development and participation, development of program guidance for Air Districts, coordination with Air Districts, CARB, and other state, local and federal agencies on burn monitoring, public messaging, coordinating and training for prescribed burns, and modeling and monitoring of prescribed burns); fringe benefit costs; travel expenses and per diem rates set at the rate specified by CalHR; and overhead associated with overall coordination of the grant program.

- a. The Grantee must maintain documentation of all project administration funds, including the following:
 - i. Personnel documentation must make use of timesheets or other labor tracking software. Duty statements or other documentation may also be used to verify the number of staff and actual hours or percent of time staff devoted to project administration;
 - ii. Administration funds for subcontractor(s) must be documented with copies of

¹ Under no circumstances should the Grantee exceed travel expenses and per diem rates set by CalHR.

the contract and invoices;

- iii. Printing, mailing, records retention, and travel expenses must be documented with receipts and/or invoices;
 - iv. Any reimbursement for necessary travel and per diem must be at rates not to exceed those amounts paid to the State's represented employees. No travel outside the State of California will be reimbursed unless prior written authorization is obtained from CARB. CalHR's travel and per diem reimbursement amounts may be found online at <http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Reimbursement must be at the State travel and per diem amounts that are current as of the date costs are incurred by the Grantee; and
 - v. If indirect costs are used to document administration funds for the project, the Grantee must describe how these costs are determined.
- b. The above documentation, records, and referenced materials must be made available for review during monitoring visits and audits by CARB, or its designee. These records must be retained for a minimum of three (3) years after final payment under this Grant Agreement.
 - c. The above documentation must be provided to CARB in the Final Report.

H. PROJECT MONITORING

1. Technical Monitoring

- a. Any change to the Scope of Work or timeline for the project proposed by the Grantee requires the prior written approval of the CARB Project Liaison, and, depending on the scope and extent of the changes, may require a written Grant Agreement Amendment.
- b. The Grantee must notify the CARB Project Liaison and Grant Coordinator immediately, in writing, if any circumstances arise (technical, economic, or otherwise), which might jeopardize completion of the project, or if there is a change in key project personnel.
- c. In addition to quarterly Progress Reports submitted by the Grantee, the Grantee must coordinate with the CARB Project Liaison to provide information that is needed to assess progress in completing tasks and meeting the objectives of the project.
- d. Any change in budget allocations, re-definition of deliverables, or extension of the project schedule must be requested in writing to the CARB Project Liaison and approved by CARB, in its sole discretion. Such changes may require a written Grant Agreement Amendment.

I. DOCUMENTING EXPENDITURE OF STATE FUNDS

The Grantee must provide CARB with documentation accounting for the proper expenditure of CARB funds. The documentation must be provided in quarterly Progress Reports submitted to CARB. A Final Report must be submitted after all project funds have been expended. As specified in Sections G.5 and G.6 of this Agreement, Grantee may satisfy this requirement by including the required information in quarterly Progress Reports and a Final Report submitted directly to the CARB Project Liaison.

J. OVERSIGHT AND ACCOUNTABILITY

The Grantee must comply with all oversight responsibilities identified herein.

1. CARB or its designee may recoup project funds which were received based upon misinformation or fraud, or for which a Grantee or its subcontractor(s), or a participant in the project is in significant or continual non-compliance with the terms of this Grant Agreement or state law.
2. CARB or its designee reserves the right to audit at any time during the duration of this Grant Agreement the Grantee's costs of performing the Grant and to refuse payment of any reimbursable costs or expenses that in the opinion of CARB or its designee are unsubstantiated or unverified. The Grantee shall cooperate with CARB or its designee including, but not limited to, promptly providing all information and documents requested, such as all financial records, documents, and other information pertaining to reimbursable costs, and any matching costs and expenses.
3. The Grantee shall retain all records referred to above and provide them for examination and audit by the State for three (3) years after final payment under this Grant Agreement.
4. The Grantee shall develop and maintain accounting procedures to track reservation and expenditures by grant award, fiscal year, and of all funding sources.

K. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

CARB has determined that the project funded by this grant agreement is exempt from CEQA; Grantee should ensure that the project is implemented consistent with the grant agreement to maintain CEQA exempt status.

L. GENERAL GRANT AGREEMENT PROVISIONS

1. Amendment: No amendment or variation of the terms of this Grant Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Grant Agreement is binding on any of the parties.
2. Americans with Disabilities Act (ADA) Language: Grantee must ensure that products and services submitted to CARB, uploaded, or otherwise provided to CARB by the Grantee and/or its sub-contractors, sub-grantees (hereinafter referred to as sub awardees) under this Grant, as specified in Exhibit (insert exhibit # here) or (list items here) to (collectively, the "Work"), comply with Web Content Accessibility Guidelines 2.0, levels A and AA, and otherwise meet the accessibility

requirements set forth in California Government Code Sections 7405 and 11135, Section 202 of the federal Americans with Disabilities Act (42 U.S.C. § 12132), and Section 508 of the federal Rehabilitation Act (29 U.S.C. § 794d) and the regulations promulgated thereunder (36 C.F.R. Parts 1193 and 1194) (collectively, the "Accessibility Requirements"). For any Work provided to CARB inPDF format, Grantee shall also provide an electronic version in the original electronic format (for example, Microsoft Word or Adobe InDesign).

CARB may request documentation from the Grantee of compliance with the requirements described above and may perform testing to verify compliance. Grantee agrees to respond to and resolve any complaint brought to its attention regarding accessibility of deliverables provided under this Grant.

Deviations from the Accessibility Requirements are permitted only by written consent by CARB.

3. Assignment: This grant is not assignable by the Grantee either in whole or in part, without the consent of CARB in the form of a formal written amendment.
4. Audit: Grantee agrees that CARB, the Department of General Services, Department of Finance, the California State Auditor, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant and all State funds received. Grantee agrees to maintain such records for possible audit for a minimum of three (3) years after the term of this Grant is completed, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include similar right of the State to audit records and interview staff in any Grant or Contract related to performance of this Agreement.
5. Availability of funds: It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this grant does not appropriate sufficient funds for the program, this grant shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this grant and Grantee shall not be obligated to perform any provisions of this grant.
6. Compliance with law, regulations, etc.: The Grantee agrees that it will, at all times, comply with and require its sub awardees to comply with all applicable federal, State and local laws, rules, guidelines, regulations, and requirements.
7. Computer software: The Grantee certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
8. Conflict of interest: The Grantee certifies that it is in compliance with applicable State and/or federal conflict of interest laws.
9. Disputes: The Grantee shall continue with the responsibilities under this Grant Agreement during any dispute. Grantee staff or management may work in good faith with CARB staff or management to resolve any disagreements or conflicts arising

from implementation of this Grant Agreement. However, any disagreements that cannot be resolved at the management level within 30 days of when the issue is first raised with CARB staff shall be subject to resolution by the CARB Executive Officer, or his designated representative. Nothing contained in this paragraph is intended to limit any of the rights or remedies that the parties may have under law.

10. Environmental Justice: In the performance of this Grant Agreement, the Grantee shall conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including minority populations and low-income population of the State.
11. **Executive Order N-6-22 – Russia Sanctions: On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts and grants with, and to refrain from entering any new contracts and grants with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor or Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor or Grantee advance written notice of such termination, allowing Contractor or Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.**
12. Fiscal management systems and accounting standards: The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracking of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of State law or this Grant Agreement. Unless otherwise prohibited by State or local law, the Grantee further agrees that it will maintain separate Grant award accounts in accordance with generally accepted accounting principles.
13. Force Majeure: Neither CARB nor the Grantee must be liable for or deemed to be in default for any delay or failure in performance under this Grant Agreement or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, government declaration of emergency, national or state declared pandemics, lockouts, labor disputes, fire, flood, earthquakes or other physical natural disaster. If either party intends to invoke this clause to excuse or delay performance, the party invoking the clause must provide written notice to the other party immediately but no later than within fifteen (15) calendar days of the intent to invoke the clause and reasons that the force majeure event is preventing that party from or delaying that party in performing its obligations under this grant. CARB may terminate this Grant Agreement immediately in writing without penalty in the event Grantee invokes this clause.

If the Grant Agreement is not terminated by CARB pursuant to this clause, upon completion of the event of force majeure, the Grantee must as soon as reasonably

practicable recommence the performance of its obligations under this Grant Agreement. The Grantee must also provide a revised schedule to minimize the effects of the delay caused by the event of force majeure. An event of force majeure does not relieve a party from liability for an obligation which arose before the occurrence of that event.

14. Governing law and venue: This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California. CARB and the Grantee hereby agree that any action arising out of this Grant Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Grant Agreement.
15. Grantee's responsibility for work: The Grantee shall be responsible for work and for persons or entities engaged in work, including, but not limited to sub-awardees. The Grantee and/or its sub-awardees as applicable, shall be responsible for any and all disputes arising out of its contract for work on a Project funded by this Grant Award, including but not limited to payment disputes with contractors, subcontractors, and providers of services. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.
16. Indemnification: The Grantee agrees to indemnify, defend, and hold harmless the State and CARB and its officers, employees, agents, representatives, and successors-in-interest against any and all liability, loss, and expense, including reasonable attorneys' fees, from any and all claims for injury or damages arising out of the performance by the Grantee, and out of the operation of equipment that is purchased with funds from this Grant Award.
17. Independent contractor: The Grantee, and its sub-awardees, agents and employees, if any, in their performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees or agents of CARB.
18. Nondiscrimination: During the performance of this Grant Agreement, the Grantee and its sub-awardees shall not unlawfully discriminate against, 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 (over 40), sexual orientation, or veteran or military status, or allow denial of family-care leave, medical-care leave, or pregnancy-disability leave. The Grantee and its sub-awardees shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. The Grantee and its sub-awardees shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, title 2, section 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a)-(f), set forth in Chapter 5 of Division 4.1 of title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Grantee and its sub-awardees shall give written notice of their obligations under this clause to labor

organizations with which they have a collective bargaining or other agreement.

The Grantee shall include the nondiscrimination and compliance provisions of this clause in all agreements with sub-awardees to perform work under this Grant Agreement.

19. No third-party rights: The parties to this Grant Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Grant Agreement, or of any duty, covenant, obligation or undertaking establish herein.
20. Personally identifiable information: Information or data that personally identifies an individual or individuals is confidential in accordance with California Civil Code sections 1798, et seq. and other relevant State or Federal statutes and regulations. The Grantee shall safeguard all such information or data which comes into their possession under this Grant Agreement in perpetuity and shall not release or publish any such information or data.
21. Prevailing wages and labor compliance: Grantee agrees to monitor all agreements subject to reimbursement from this Grant Agreement to ensure that the provisions of Labor Code Sections 1720-1861 are being met by sub awardees.
22. Professionals: Grantee agrees that only licensed professionals will be used to perform services under this Grant Agreement where such services are called for and licensed professionals are required for those services under State law.
23. Severability: If a court of competent jurisdiction holds any provision of this Grant 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 those provisions, will not be affected.
24. **Survival: Those terms, conditions, provisions, and exhibits which by their nature should survive termination, cancellation or expiration of this Grant Agreement, shall so survive, including but not limited to the General Grant Agreement Provisions (Section L of Exhibit A to this Grant Agreement).**
25. Termination: CARB may terminate this Grant Agreement for cause by written notice at any time prior to completion of projects funded by this Grant Award, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Grant Agreement within the time frame set forth by CARB via written notice to the Grantee.
26. Timeliness: Time is of the essence in this Grant Agreement. Grantee shall proceed with and complete the Project in an expeditious manner.
27. Waiver of Rights: Any waiver of rights with respect to a default or other matter arising under the Grant Agreement at any time by either party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State provided for in this Grant Agreement are in addition to any other rights and remedies provided by law.

28. Order of precedence: In the event of any inconsistency between the articles, exhibits, attachments, specifications or provisions which constitute this Grant Agreement, the following order of precedence shall apply:
- a. Grant Agreement Cover Sheet
 - b. Exhibit A – Grant Provisions
 - c. Exhibit B – Work Statement

EXHIBIT A, ATTACHMENT 1
Scope of Work
Tasks and Project Elements

1. Grantee will coordinate an initial project kickoff meeting with CARB and Air Districts participating in the Prescribed Burn Reporting and Monitoring Support Program (Program). The kickoff meeting is intended be held in Spring 2022.
2. Grantee will develop and maintain a formula for allocating Program grant funding among the Air Districts. The methodology for development of the formula must be approved by the CARB project liaison.
3. Grantee will coordinate with the Air Districts and prepare comprehensive quarterly reports on behalf of all Air Districts participating in the Program. The quarterly reports shall be submitted to the CARB project liaison. The information contained in the quarterly progress reports shall include: training conducted and reimbursed; public messaging coordination; progress made in promoting the use of PFIRS; and the following information on prescribed burns:
 - a. Burns requested, burns permitted, acreage burned.
 - b. Locations of burns (in latitude and longitude where this information exists).
 - c. Type(s) of fuels burned for each prescribed burn.
 - d. Number and locations of prescribed burns monitored during the reporting period.
4. Grantee will coordinate with CARB and the Air Districts on an appropriate number of prescribed burns to monitor during the grant period based on jointly developed criteria, and will coordinate training for the districts on the use and deployment of air monitoring equipment. The requirement for this project is to monitor at least 120 prescribed fires for PM_{2.5} levels in potentially impacted areas, using E-BAM monitors or other CARB-approved PM_{2.5} instruments, with goals of monitoring up to 180 fires and developing local capability for increasing monitoring in subsequent years.
5. Grantee will coordinate with CARB and the districts on public messaging and outreach regarding the benefits of prescribed burning versus extreme fire events.
6. Grantee agrees to promote use of the Prescribed Fire Information Reporting System (PFIRS) by the Air Districts for prescribed burns whenever and wherever practicable.
7. This Grant includes a ~~\$150,000~~**300,000** reimbursement budget to support districts (staffing and travel) for training in support of the Program. Grantee will administer this budget. As part of this effort, Grantee will coordinate the training on behalf of the districts participating in the Program. Regional training sessions are desirable. CARB will provide the trainers for PFIRS and the air monitoring equipment. This effort will at a minimum include coordination of training on:
 - a. **PFIRS (and future upgrades)**

- b. Air quality monitoring equipment and usage.
 - c. Accessing air monitoring equipment from caches.
 - d. **Smoke management program review and development**
 - e. Other training, as appropriate, to support the objectives and scope of work under this Grant. Districts/Grantee will provide CARB with names and affiliations of district staff who attend training
8. Grantee will coordinate with the Air Districts on any additional training needs to facilitate an optimized Program.
9. This Grant includes a \$50,000 reimbursement budget for reimbursement to districts for staff and travel supporting air monitoring of prescribed burns. Reimbursement will be made for man-hours and travel at prevailing staff rates for the districts deploying district and CARB monitors to prescribed fire locations. This includes:
- a. Enhancing deployment of air monitoring equipment and analysis of data for prescribed burn activities, especially those that are likely to impact the public.
 - b. Maintaining records for prescribed burns including applicable air monitoring information. Report the following information quarterly to the Grantee.
 - i. Numbers of prescribed fires monitored.
 - ii. Equipment used, where it was used, how it was used, and dates of usage including duration of use.
 - c. Costs will be reimbursed based on submission of reimbursement request(s) signed by the Air Pollution Control Officer (APCO).
10. This Grant includes a \$301,800.00 reimbursement budget to support large districts (Bay Area and San Joaquin Valley) who participate in the Program. Grantee will administer this budget. The funding will be allocated to the three large districts based on an allocation formula that Grantee develops and is approved by the CARB project liaison.
- a. Grantee will coordinate with Air Districts and prepare comprehensive, draft final and final reports covering the entire grant period and all Air Districts-grantees. To receive the reimbursement funding, the districts must sign an MOU with Grantee agreeing to the reimbursable work tasks outlined below:
 - i. Supporting and deploying air monitoring equipment for prescribed burns specified by Grantee.
 - ii. Supporting the development of smoke management plans related to prescribed burning.
 - iii. Preparing and enhancing public messaging/outreach in support of prescribed burning.
 - iv. Recording events in PFIRS where required with a goal of getting all prescribed burns into PFIRS.
 - v. Districts will keep records of each burn and/or access PFIRS records and provide this information quarterly to the Grantee coordinator for collection and transfer to CARB.
 - vi. Provide the following information to Grantee quarterly (totals and by land management agency):

- i. Burns requested, burns permitted, acreage burned.
- ii. Locations of burns (in latitude and longitude where available).
- iii. Types(s) of fuels burned for each prescribed burn.
- vii. Ensure data are reported to Grantee in a manner and time sufficient for Grantee to complete its Progress Reports to CARB under Section f.

EXHIBIT B

Work Statement

Budget Summary (Attachment 1)
Project Schedule (Attachment 2)

EXHIBIT B, ATTACHMENT 1

Budget Summary

Grantee: California Air Pollution Control Officers Association

Agreement No.: G21-PBRM-02-1-2

Project: Prescribed Burn Reporting and Monitoring Support Program

Total Costs & Funding

Project Funds:	FY 21/22	FY 22/23	<u>FY 23/24</u>
Overall coordination of program	\$175,000	\$175,000	<u>\$175,000</u>
Reimbursement budget for districts that conduct air monitoring	\$50,000	\$50,000	<u>\$50,000</u>
Reimbursement budget for districts that attend training	\$150,000	\$150,000 <u>\$75,000</u>	<u>\$375,000</u>
Reimbursement budget for large districts(Bay Area, San Joaquin Valley) that participate in the Prescribed Burn Reporting and Monitoring Support Program	\$301,800	\$301,800	<u>\$301,800</u>
Project Funds Sub-Total	\$676,800	\$676,800 <u>\$601,800</u>	<u>\$901,800</u>
Administrative Costs	\$40,000	\$40,000	<u>\$40,000</u>
Total Costs	\$716,800	\$716,800 <u>\$641,800</u>	<u>\$941,800</u>

EXHIBIT B, ATTACHMENT 2

Project Schedule

Grantee: California Air Pollution Control Officers Association

Agreement No.: G21-PBRM-02-4-2

Project: Prescribed Burn Reporting and Monitoring Support Program

Work Task	Timeline
Participate in a kickoff meeting for this grant.	Summer 2022
Maintain a formula for allocating Program grant funding among the Air Districts.	Ongoing
Coordinate with Air Districts on the submission of quantitative quarterly reports describing progress made during the quarter in meeting the objectives of this grant.	Quarterly
For the duration of this agreement, submit a comprehensive annual Summary Report describing progress made during the year in meeting the objectives of this grant.	By July 31 for the preceding fiscal year's activities, and by September 1 for revisions requested by CARB, if any.
Promote the use of the Prescribed Fire Information Reporting System (PFIRS) by the Air Districts, and public and private land managers.	Ongoing (highlights reported annually)
Coordinate with CARB and the Air Districts on public messaging regarding the health and ecosystem benefits of prescribed burning vs. uncontrolled wildfires.	Ongoing (highlights reported annually)
Coordinate with Air Districts on monitoring of prescribed burns, and administer the \$400,000 50,000 reimbursement budget for small/medium districts who conduct air monitoring.	Ongoing (highlights reported quarterly)
Coordinate with Air Districts on establishing regional training sessions covering smoke management planning, PFIRS <u>(and future upgrades)</u> , monitor deployment, <u>smoke management program review and development</u> , and any other requested elements of a successful Program. Administer the \$400,000 300,000 reimbursement budget to support district attendance at the training sessions.	Ongoing (highlights reported quarterly)
Administer the \$301,800 reimbursement budget for large Air Districts who participate in the Program, consistent with the prescribed burning tasks, elements, reporting and milestones of the Program.	Ongoing (highlights reported quarterly)
Coordinate with Air Districts on preparation of a draft final report and final report for FY 22/23 23/24 funding.	No later than April 30, 2025 2026 (draft final report) and No later than June 30, 2025 2026 (final report)

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Authorization to Execute Lease Amendments for Office, Shop, Lab, and
Garage Space for Meteorology and Measurement Division in Richmond

RECOMMENDED ACTION

Recommend the Board of Directors authorize the Executive Officer/APCO to:

1. Execute amendments to the Air District's lease agreements with Wang Brothers Investments, LLC effective July 1, 2025, through June 30, 2026, which would result in an estimated cost of \$477,180 in Fiscal Year Ending (FYE) 2026; and
2. Exercise one or both options to extend the leases by 6 months outlined in the amendment, through December 31, 2026, and through June 30, 2027, if there are no other alternative locations available, which would result in an estimated cost of \$489,586.68.

BACKGROUND

The Air District collects and analyzes emissions and air quality to support the work of the Air District. To support the operation of monitoring, testing and analysis, Air District staff also develop rigorous monitoring and testing plans and procedures, develop and maintain instruments and systems, conduct quality assurance and quality control, and analyze data and communicate results. Air District staff operate out of multiple suites that are leased at 3033 Richmond Parkway, Richmond, CA. The lease agreement for 3033 Richmond Parkway Suites 300, 301, and 302 was initially signed in 2007. The lease agreement for 3033 Richmond Parkway Suite 303 was initiated in 2014. The lease agreements include office, shop, lab, and garage space.

DISCUSSION

The most recently signed lease agreements for Suite 303 (Attachment 1) and for Suites 300, 301, and 302 (Attachment 2) with Wang Brothers Investments, LLC started on July 1, 2023 and will expire on June 30, 2025. The Board is requested to authorize the Executive Officer/APCO to execute a one-year lease extension, effective July 1, 2025, through June 30, 2026 for Suite 303 (Attachments 3) and for Suites 300, 301, and 302 (Attachment 4). The monthly rents proposed in the new leases; estimated monthly costs for taxes, insurance, and maintenance; and estimated annual costs are listed in Table 1. The total estimated cost over this timeframe (FYE 2026) is anticipated to be \$477,180.

Table 1: Rent and other costs (monthly and annual) July 1, 2025 – June 30, 2026:

Suite	Monthly Rent	Monthly Costs (Est.)	Total Monthly Cost (Est.)	Annual Cost (Est.)
303	\$ 8,341.20	\$ 1,588.80	\$ 9,930.00	\$ 119,160.00
300, 301, 302	\$ 25,061.40	\$ 4,773.60	\$ 29,835.00	\$ 358,020.00

The lease amendment includes two options to extend the lease by six months, through December 31, 2026 (first option) and through June 30, 2027 (second option). The costs for rent and other expenses are listed in Table 2. If both options to extend the lease are exercised, the total estimated cost in FYE 2027 is anticipated to be \$489,586.68.

The duration of this lease agreement and the two options to extend the lease allow the Air District to consider other more suitable locations if and when they become available.

Table 2: Rent and other costs July 1, 2026 – June 30, 2027, if Air District exercises options to extend lease

Suite	Monthly Rent	Monthly Costs (Est.)	Total Monthly Cost (Est.)	Annual Cost (Est.)
303	\$ 8,539.80	\$ 1,648.38	\$10,188.18	\$ 122,258.16
300, 301, 302	\$ 25,658.10	\$ 4,952.61	\$ 30,610.71	\$ 367,328.52

BUDGET CONSIDERATION/FINANCIAL IMPACT

As noted above, the rental costs for FYE 2026 are included in the FYE 2026 Proposed budget in Programs 802 (Air Monitoring Operations), 804 (Source Test), and 807 (Air Monitoring Quality Assurance). Rental costs for future years will continue to be included in future proposed budgets.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Ranyee Chiang and Michael Chao
Reviewed by: Greg Nudd

ATTACHMENT(S):

1. Executed Lease Agreement for Suite 303
2. Executed Lease Agreement for Suites 300, 301, 302
3. Proposed Lease Amendment for Suite 303
4. Proposed Lease Amendment for Suites 300, 301, 302

FOURTH AMENDMENT TO LEASE

THIS FOURTH AMENDMENT TO LEASE ("Fourth Amendment") is dated, for references purposes only, 3rd day of March 2023 by and between Wang Brothers Investments, LLC ("Landlord") and Bay Area Air Quality Management District (BAAQMD) ("Tenant").

THE PARTIES ENTER INTO THIS AMENDMENT based upon the following facts, understandings, and intentions:

RECITALS

Landlord and Tenant entered into that certain Lease dated, for references purposes only, January 27th, 2014 pursuant to which Landlord leased to Tenant certain improved real property located in County of Contra Costa, State of California, commonly known as 3033 Richmond Parkway, Suite 303 Richmond, California, 94806 consisting of approximately 3,972 square foot of space. Capitalized terms not defined herein shall have the meaning ascribed to such terms in the Lease.

Landlord and Tenant entered into FIRST AMENDMENT TO LEASE ("First Amendment"), dated February 5th, 2018, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant entered into SECOND AMENDMENT TO LEASE ("Second Amendment"), dated March 9th, 2020, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant entered into THIRD AMENDMENT TO LEASE ("Third Amendment"), dated October 18th, 2021, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant now desire to amend the Lease, subject to the terms and conditions hereinafter set forth.

AGREEMENT

NOW, THEREFORE in consideration of the mutual covenants and promises of the parties, the parties hereto modify and amend the Lease as follows:

1. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.3 of the Lease, "Term." The term of the newly amended Contract shall commence on **July 1, 2023** (the "Renewal Date") and be for **Twelve (12) Months**, expiring **June 30, 2024**, with the presently existing contract continuing through June 30, 2023.

2. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.5 of the Lease, "Base Rent." Effective on the Renewal Date, Tenant shall pay to Landlord rent ("Rent") \$1.95 per square foot. In the amount of Seven Thousand Seven Hundred Forty-Five Dollars 40/100 (**\$7,745.40**) per month ("Base Rent"), payable on the first (1st) day of each month commencing July 1, 2023, until the lease expires on June 30, 2024.
3. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.7(b) of the Lease, "Common Area Operating Expenses." Lessee shall be responsible for their share of common area operating expenses, The CAM (NNN) estimate is \$0.40c per square foot per month. The CAM (NNN) estimate will be One Thousand Five Hundred Eighty-Eight Dollars and 80/100 (**\$1,588.80**) per month.
4. By this Lease Amendment, Landlord and Tenant amend Paragraph 4 of the First Amendment "Option to Extend Term." Lessee is granted two (2) separate options to extend their term (Term) for six (6) month each. Lessee must be in good standing without defaulting on lease payment within the last 12 months prior to extend the term and must notify Lessor in writing no less than 90 days if Lessee will exercise their option.

1st Option: **07-01-2024 to 12-31-2024 Base rent at \$2.05 per sqft / CAM price per sqft (TBD)**

2nd Option: **01-01-2025 to 06-30-2025 Base rent at \$2.05 per sqft / CAM price per sqft (TBD)**

5. By this Lease Amendment, Landlord and Tenant amend Paragraph 52 of the Lease, "Rent Payments." The initial and all future payments shall be made payable to Wang Brothers Investments, LLC and mailed to 2417 Mariner Square Loop, Suite 247, Alameda, CA 94501.
6. **EFFECTIVENESS OF LEASE:** Landlord and Tenant hereby ratify and confirm each and every term and provision of the Lease and agree that all of the terms and conditions of the Lease shall remain unchanged and in full force and effect, except as amended by this Fourth Amendment.

In case of any conflict between the provisions of this Fourth Amendment and other sections of the Lease, the provisions of this Amendment superseded any conflicting provisions in the original agreement. Those terms and conditions not amended as outlined herein remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment effective as of the date and year written above.

LANDLORD:

Wang Brothers Investments, LLC

Print Name: Kaiwei (Kevin) Wang

Signature: *kevin wang*
kevin wang (May 26, 2023 10:32 PDT)

Title: President

Date: May 26, 2023

Phone: (925) 386-0285

TENANT:

Bay Area Air Quality Management District
(BAAQMD)

Print Name: Philip M. Fine

Signature: *Philip M. Fine*
DocuSigned by:
7314B577922A46A...

Title: Executive Officer/APCO

Date: 5/24/2023

Phone: _____

3033 Richmond Parkway Suite 303 Lease_Amendment 4_District signed

Final Audit Report


2023-05-26

Created:	2023-05-25
By:	Nora Martinez (nora@wangbrothersinvestments.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAr9Ef9ZKYIqTUstShN1XCLcIL_YcuBKDC


"3033 Richmond Parkway Suite 303 Lease_Amendment 4_District signed" History

 Document digitally presigned by DocuSign\, Inc. (enterprisesupport@docusign.com)

2023-05-25 - 5:37:24 PM GMT- IP address: 96.64.246.108

 Document created by Nora Martinez (nora@wangbrothersinvestments.com)

2023-05-25 - 10:32:40 PM GMT- IP address: 96.64.246.108

 Document emailed to kevin@wangbrothersinvestments.com for signature


2023-05-25 - 10:35:46 PM GMT

 Email viewed by kevin@wangbrothersinvestments.com

2023-05-26 - 0:10:57 AM GMT- IP address: 172.226.212.1

 Signer kevin@wangbrothersinvestments.com entered name at signing as kevin wang

2023-05-26 - 5:32:15 PM GMT- IP address: 96.64.246.108

 Document e-signed by kevin wang (kevin@wangbrothersinvestments.com)

Signature Date: 2023-05-26 - 5:32:17 PM GMT - Time Source: server- IP address: 96.64.246.108

 Agreement completed.

2023-05-26 - 5:32:17 PM GMT

FOURTH AMENDMENT TO LEASE

THIS FOURTH AMENDMENT TO LEASE ("Fourth Amendment") is dated, for references purposes only, 3rd day of March 2023 by and between Wang Brothers Investments, LLC ("Landlord") and Bay Area Air Quality Management District (BAAQMD) ("Tenant").

THE PARTIES ENTER INTO THIS AMENDMENT based upon the following facts, understandings, and intentions:

RECITALS

Landlord and Tenant entered into that certain Lease dated, for references purposes only, December 4th, 2007 pursuant to which Landlord leased to Tenant certain improved real property located in County of Contra Costa, State of California, commonly known as 3033 Richmond Parkway, Suites 300, 301, & 302, Richmond, California, 94806 consisting of approximately 11,934 square foot of space. Capitalized terms not defined herein shall have the meaning ascribed to such terms in the Lease.

Landlord and Tenant entered into FIRST AMENDMENT TO LEASE ("First Amendment"), dated February 5th, 2018, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant entered into SECOND AMENDMENT TO LEASE ("Second Amendment"), dated March 9th, 2020, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant entered into THIRD AMENDMENT TO LEASE ("Third Amendment"), dated October 18th, 2021, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant now desire to amend the Lease, subject to the terms and conditions hereinafter set forth.

AGREEMENT

NOW, THEREFORE in consideration of the mutual covenants and promises of the parties, the parties hereto modify and amend the Lease as follows:

1. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.3 of the Lease, "Term." The term of the newly amended Contract shall commence on **July 1, 2023** (the "Renewal Date") and be for

Twelve (12) Months, expiring **June 30, 2024**, with the presently existing Contract continuing through June 30, 2023.

2. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.5 of the Lease, "Base Rent." Effective on the Renewal Date, Tenant shall pay to Landlord rent ("Rent") \$1.95 per square foot. In the amount of Twenty-Three Thousand Two Hundred Seventy-One Dollars 30/100 (**\$23,271.30**) per month ("Base Rent"), payable on the first (1st) day of each month commencing July 1, 2023, until the lease expires on June 30, 2024.
3. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.7(b) of the Lease, "Common Area Operating Expenses." Lessee shall be responsible for their share of common area operating expenses, The CAM (NNN) estimate is \$0.40c per square foot per month. The CAM (NNN) estimate will be Four Thousand Seven Hundred Seventy-Three Dollars and 60/100 (**\$4,773.60**) per month.
4. By this Lease Amendment, Landlord and Tenant amend Paragraph 4 of the First Amendment "Option to Extend Term." Lessee is granted two (2) separate options to extend their term (Term) for six (6) month each. Lessee must be in good standing without defaulting on lease payment within the last 12 months prior to extend the term and must notify Lessor in writing no less than 90 days if Lessee will exercise their option.

1st Option: **07-01-2024 to 12-31-2024 Base rent at \$2.05 per sqft / CAM price per sqft (TBD)**

2nd Option: **01-01-2025 to 06-30-2025 Base rent at \$2.05 per sqft / CAM price per sqft (TBD)**

5. By this Lease Amendment, Landlord and Tenant amend Paragraph 52 of the Lease, "Rent Payments." The initial and all future payments shall be made payable to Wang Brothers Investments, LLC and mailed to 2417 Mariner Square Loop, Suite 247, Alameda, CA 94501.
6. **EFFECTIVENESS OF LEASE:** Landlord and Tenant hereby ratify and confirm each and every term and provision of the Lease and agree that all of the terms and conditions of the Lease shall remain unchanged and in full force and effect, except as amended by this Fourth Amendment.

In case of any conflict between the provisions of this Fourth Amendment and other sections of the Lease, the provisions of this Amendment superseded any conflicting provisions in the original agreement. Those terms and conditions not amended as outlined herein remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment effective as of the date and year written above.

LANDLORD:

Wang Brothers Investments, LLC

Print Name: Kaiwei (Kevin) Wang

Signature: *kevin wang*
kevin wang (May 26, 2023 10:32 PDT)

Title: President

Date: May 26, 2023

Phone: (925) 386-0285

TENANT:

Bay Area Air Quality Management District
(BAAQMD)

Print Name: Philip M. Fine

Signature: *Philip M. Fine*
DocuSigned by:
7314B577922A46A...

Title: Executive Officer/APCO

Date: 5/24/2023

Phone: _____

3033 Richmond Parkway Suite 300301302 Lease_Amendment 4_District signed

Final Audit Report


2023-05-26

Created:	2023-05-25
By:	Nora Martinez (nora@wangbrothersinvestments.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAACt7pt6Z6_YBw5inEJYqzSF2BS-OT4w47


"3033 Richmond Parkway Suite 300301302 Lease_Amendment 4_District signed" History

 Document digitally presigned by DocuSign\, Inc. (enterprisesupport@docusign.com)

2023-05-25 - 5:37:17 PM GMT- IP address: 96.64.246.108

 Document created by Nora Martinez (nora@wangbrothersinvestments.com)

2023-05-25 - 10:36:24 PM GMT- IP address: 96.64.246.108

 Document emailed to kevin@wangbrothersinvestments.com for signature


2023-05-25 - 10:38:52 PM GMT

 Email viewed by kevin@wangbrothersinvestments.com

2023-05-26 - 0:10:59 AM GMT- IP address: 172.226.212.1

 Signer kevin@wangbrothersinvestments.com entered name at signing as kevin wang

2023-05-26 - 5:32:41 PM GMT- IP address: 96.64.246.108

 Document e-signed by kevin wang (kevin@wangbrothersinvestments.com)

Signature Date: 2023-05-26 - 5:32:43 PM GMT - Time Source: server- IP address: 96.64.246.108

 Agreement completed.

2023-05-26 - 5:32:43 PM GMT

FIFTH AMENDMENT TO LEASE

THIS FIFTH AMENDMENT TO LEASE ("Fifth Amendment") is dated, for references purposes only, 17th day of January 2025 by and between Wang Brothers Investments, LLC ("Landlord") and Bay Area Air Quality Management District (BAAQMD) ("Tenant").

THE PARTIES ENTER INTO THIS AMENDMENT based upon the following facts, understandings, and intentions:

RECITALS

Landlord and Tenant entered into that certain Lease dated, for references purposes only, January 27th, 2014 pursuant to which Landlord leased to Tenant certain improved real property located in County of Contra Costa, State of California, commonly known as 3033 Richmond Parkway, Suite 303 Richmond, California, 94806 consisting of approximately 3,972 square foot of space. Capitalized terms not defined herein shall have the meaning ascribed to such terms in the Lease.

Landlord and Tenant entered into FIRST AMENDMENT TO LEASE ("First Amendment"), dated February 5th, 2018, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant entered into SECOND AMENDMENT TO LEASE ("Second Amendment"), dated March 9th, 2020, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant entered into THIRD AMENDMENT TO LEASE ("Third Amendment"), dated October 18th, 2021, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant entered into FOURTH AMENDMENT TO LEASE ("Fourth Amendment"), dated March 3rd, 2023, to amend the Term, Base Rent, Common Area Operating Expense, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant now desire to amend the Lease, subject to the terms and conditions hereinafter set forth.

AGREEMENT

NOW, THEREFORE in consideration of the mutual covenants and promises of the parties, the parties hereto modify and amend the Lease as follows:

1. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.3 of the Lease, "Term." The term of the Contract shall commence on **July 1, 2025** (the "Renewal Date") and be for **Twelve (12) Months**, expiring **June 30, 2026**.
2. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.5 of the Lease, "Base Rent." Effective on the Renewal Date, Tenant shall pay to Landlord rent ("Rent") \$2.10 per square foot. In the amount of Eight Thousand Three Hundred Forty-One Dollars 20/100 (**\$8,341.20**) per month ("Base Rent"), payable on the first (1st) day of each month commencing July 1, 2025, until the lease expires on June 30, 2026.
3. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.7(b) of the Lease, "Common Area Operating Expenses." Lessee shall be responsible for their share of common area operating expenses, The CAM (NNN) estimate is \$0.40c per square foot per month. The CAM (NNN) estimate will be One Thousand Five Hundred Eighty-Eight Dollars and 80/100 (**\$1,588.80**) per month.
4. By this Lease Amendment, Landlord and Tenant amend Paragraph 4 of the First Amendment "Option to Extend Term." Lessee is granted two (2) separate options to extend their term (Term) for six (6) month each. Lessee must be in good standing without defaulting on lease payment within the last 12 months prior to extend the term and must notify Lessor in writing no less than 90 days before the expiration date if the Lessee will exercise their option.

1st Option: **07-01-2026 to 12-31-2026** Base rent at **\$2.15** per sqft / **CAM** price per sqft (**TBD**)

2nd Option: **01-01-2027 to 06-30-2027** Base rent at **\$2.15** per sqft / **CAM** price per sqft (**TBD**)

5. By this Lease Amendment, Landlord and Tenant amend Paragraph 52 of the Lease, "Rent Payments." The initial and all future payments shall be made payable to Wang Brothers Investments, LLC and mailed to 1117 Virginia St, Ste D, Berkeley, CA 94702
6. **EFFECTIVENESS OF LEASE:** Landlord and Tenant hereby ratify and confirm each and every term and provision of the Lease and agree that all of the terms and conditions of the Lease shall remain unchanged and in full force and effect, except as amended by this Fifth Amendment.

In case of any conflict between the provisions of this Fifth Amendment and other sections of the Lease, the provisions of this Fifth Amendment shall supersede any conflicting provisions in the original agreement. Those terms and conditions not amended as outlined herein remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Fifth Amendment effectively as of the date and year written above.

LANDLORD:

Wang Brothers Investments, LLC

Print Name: _____

Signature: _____

Title: _____

Date: _____

Phone: _____

TENANT:

Bay Area Air Quality Management District
(BAAQMD)

Print Name: _____

Signature: _____

Title: _____

Date: _____

Phone: _____

FIFTH AMENDMENT TO LEASE

THIS FIFTH AMENDMENT TO LEASE ("Fifth Amendment") is dated, for references purposes only, 17th day of January 2025 by and between Wang Brothers Investments, LLC ("Landlord") and Bay Area Air Quality Management District (BAAQMD) ("Tenant").

THE PARTIES ENTER INTO THIS AMENDMENT based upon the following facts, understandings, and intentions:

RECITALS

Landlord and Tenant entered into that certain Lease dated, for references purposes only, December 4th, 2007 pursuant to which Landlord leased to Tenant certain improved real property located in County of Contra Costa, State of California, commonly known as 3033 Richmond Parkway, Suites 300, 301, & 302, Richmond, California, 94806 consisting of approximately 11,934 square foot of space. Capitalized terms not defined herein shall have the meaning ascribed to such terms in the Lease.

Landlord and Tenant entered into FIRST AMENDMENT TO LEASE ("First Amendment"), dated February 5th, 2018, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant entered into SECOND AMENDMENT TO LEASE ("Second Amendment"), dated March 9th, 2020, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant entered into THIRD AMENDMENT TO LEASE ("Third Amendment"), dated October 18th, 2021, to amend the Term, Base Rent, Common Area Operating Expenses, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant entered into FOURTH AMENDMENT TO LEASE ("Fourth Amendment"), dated March 3rd, 2023, to amend the Term, Base Rent, Common Area Operating Expense, Option to Extend Term, and Rent Payments of the Lease.

Landlord and Tenant now desire to amend the Lease, subject to the terms and conditions hereinafter set forth.

AGREEMENT

NOW, THEREFORE in consideration of the mutual covenants and promises of the parties, the parties hereto modify and amend the Lease as follows:

1. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.3 of the Lease, "Term." The term of the Contract shall commence on **July 1, 2025** (the "Renewal Date") and be for **Twelve (12) Months**, expiring **June 30, 2026**.
2. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.5 of the Lease, "Base Rent." Effective on the Renewal Date, Tenant shall pay to Landlord rent ("Rent") \$2.10 per square foot. In the amount of Twenty-Five Thousand Sixty-One Dollars 40/100 (**\$25,061.40**) per month ("Base Rent"), payable on the first (1st) day of each month commencing July 1, 2025, until the Lease expires on June 30, 2026.
3. By this Lease Amendment, Landlord and Tenant amend Paragraph 1.7(b) of the Lease, "Common Area Operating Expenses." Lessee shall be responsible for their share of common area operating expenses, The CAM (NNN) estimate is \$0.40c per square foot per month. The CAM (NNN) estimate will be Four Thousand Seven Hundred Seventy-Three Dollars and 60/100 (**\$4,773.60**) per month.
4. By this Lease Amendment, Landlord and Tenant amend Paragraph 4 of the First Amendment "Option to Extend Term." Lessee is granted two (2) separate options to extend their term (Term) for six (6) months each. Lessee must be in good standing without defaulting on Lease Payment within the last 12 months prior to extend the term and must notify Lessor in writing no less than 90 days if Lessee will exercise their option.

1st Option: **07-01-2026 to 12-31-2026** Base rent at **\$2.15** per sqft / **CAM** price per sqft (**TBD**)

2nd Option: **01-01-2027 to 06-30-2027** Base rent at **\$2.15** per sqft / **CAM** price per sqft (**TBD**)

5. By this Lease Amendment, Landlord and Tenant amend Paragraph 52 of the Lease, "Rent Payments." The initial and all future payments shall be made payable to Wang Brothers Investments, LLC and mailed to 1117 Virginia St, Ste D, Berkeley, CA 94702.
6. **EFFECTIVENESS OF LEASE:** Landlord and Tenant hereby ratify and confirm each and every term and provision of the Lease and agree that all of the terms and conditions of the Lease shall remain unchanged and in full force and effect, except as amended by this Fifth Amendment.

In case of any conflict between the provisions of this Fifth Amendment and other sections of the Lease, the provisions of this Amendment supersede any conflicting provisions in the original agreement. Those terms and conditions not amended as outlined herein remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Fifth Amendment effective as of the date and year written above.

LANDLORD:

Wang Brothers Investments, LLC

Print Name: _____

Signature: _____

Title: _____

Date: _____

Phone: _____

TENANT:

Bay Area Air Quality Management District
(BAAQMD)

Print Name: _____

Signature: _____

Title: _____

Date: _____

Phone: _____

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Public Hearing to Adopt Determination of Effectiveness of Transportation Fund for Clean Air (TFCA) Project Expenditures for Fiscal Year (FY) 2023-2024 and Authorize Cost-Effectiveness Criteria for Air District-Sponsored Programs commencing FY 2025-2026

RECOMMENDED ACTION

- Recommend the Board of Directors:
1. Adopt a determination that the FY 2023-2024 TFCA 60% Fund expenditures were effective in improving air quality, based on staff's report and presentation; and
 2. Adopt the proposed cost-effectiveness criteria for Air-District-sponsored programs commencing FY 2025-2026 listed in Table 1.

The Policy, Grants, and Technology Committee recommended approval of this item at its meeting on February 26, 2025.

BACKGROUND

In 1991, the California State Legislature authorized the Bay Area Air District (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. Since 1992, the Air District has allocated these funds to its Transportation Fund for Clean Air Program to fund eligible projects and programs. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 through 44242.

Sixty percent of TFCA funds are awarded by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air and Commuter Benefits Program) and through a grant program known as the Regional Fund. The remaining 40% of TFCA funds are forwarded to a designated agency within each Bay Area county.

HSC Section 44241.5 requires that the Board of Directors hold a public hearing each year to review the Air District's expenditure of TFCA funds to determine their effectiveness in improving air quality. Additionally, the designated agencies are required to hold a public hearing each year to review their expenditure of TFCA funds.

Similarly, the legislation requires that the Air District adopt cost-effectiveness criteria for TFCA-funded programs and projects. On June 5, 2024, the Board adopted cost-effectiveness limits for some categories as part of the TFCA Policies, and limits for Air District-sponsored programs, such as Spare the Air, have historically been brought to the Board as separate actions.

Recommendations for cost-effectiveness limits for Air District-sponsored programs commencing Fiscal Year 2025-2026 are included in this staff report.

DISCUSSION

Determination of Effectiveness in Improving Air Quality

The *Fiscal Year Ending (FYE) 2024 Report on Expenditures and Effectiveness of Transportation Fund for Clean Air Regional Fund Projects and Air District-Sponsored Programs*, found in Attachment 1, evaluated 21 TFCA Regional Fund projects and four Air District-sponsored programs that were completed prior to June 30, 2024. The key findings of this report are as follows:

- TFCA funds were allocated to eligible projects and programs, consistent with the legislation that authorizes the TFCA program.
- The TFCA expenditures for projects and programs totaled \$15.07 million, which includes \$11.93 million in Regional Fund projects, \$2.2 million in Air District-sponsored programs, and \$0.94 million in administrative and indirect costs.
- About 81% of TFCA Regional Fund expenditures were paid to support projects that provide air quality improvement benefits in communities identified as a Priority Area.
- During their operational period, the projects and programs reduced criteria pollutant emissions by an estimated 118.76 tons, including 20.29 tons of reactive organic gases (ROG), 48.38 tons of nitrogen oxides (NOx), and 50.09 tons of particulate matter (PM10) – and reduced carbon dioxide (CO2) emissions by over 52,000 tons.
- These projects and programs achieved a combined weighted average cost-effectiveness of \$131,609 per ton of criteria pollutant emissions reduced.

Based on this evaluation, Staff recommend that the Board of Directors adopt a determination that these TFCA expenditures were effective in improving Air Quality.

Approval of TFCA Cost-Effectiveness Thresholds

The TFCA authorizing legislation requires the Air District to adopt cost-effectiveness criteria to maximize emissions reductions and public health benefits. In addition to reducing pollutants, TFCA-funded projects provide other co-benefits such as reducing exposure to and emissions of toxic diesel particulate matter, conserving energy and reducing green house gas emissions; reducing traffic congestion and improving physical fitness and public safety by facilitating active modes of transportation such as walking and biking.

For FY 2025-2026, staff recommend maintaining the same maximum cost-effectiveness limits as the prior year for all Air District sponsored programs. The proposed cost-effectiveness limits and project operational period for each of the Air District-sponsored programs is shown in Table 1:

Table 1 - Proposed Cost-Effectiveness and Project Operational Period for Air District-Sponsored Programs

Program Categories	Maximum Cost-Effectiveness	Project Operational Period
	(per ton of emissions reduced)	(in Years)
Spare the Air & Commuter Benefits	\$500,000	1
Enhanced Mobile Source Inspections	\$500,000	1
Vehicle Buy Back	\$50,000	3
Clean Card for All	\$522,000	3
Charge!	N/A*	N/A

* 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.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The Air District distributes TFCA monies as "pass-through" funds to public and nonpublic entities. Administrative costs for project staff are provided by the Air District's TFCA funding.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Jason Newman
Reviewed by: Minda Berbeco and Linda Hui

ATTACHMENT(S):

1. Fiscal Year Ending 2024 Report on Expenditures and Effectiveness of the TFCA 60% Fund

FISCAL YEAR ENDING (FYE) 2024
REPORT ON EXPENDITURES AND EFFECTIVENESS OF THE
TRANSPORTATION FUND FOR CLEAN AIR (TFCA)
60% FUND



BAY AREA AIR QUALITY MANAGEMENT DISTRICT

375 BEALE STREET, SUITE 600, SAN FRANCISCO, CA 94105
WWW.BAAQMD.GOV

FEBRUARY 2025

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The Bay Area Air District

The California State Legislature created the Bay Area Air District (Air District) in 1955 as the first regional air pollution control agency in the country, recognizing that air pollution transcends political boundaries. The San Francisco Bay Area forms a regional air basin, sharing common geographical features and weather patterns, and therefore similar air pollution burdens, which cannot be addressed by counties acting on their own. The Air District is the public agency entrusted 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.

The Air District improves air quality to protect public health, reduce historical and current environmental inequities, and mitigate climate change and its impacts.

BACKGROUND

On-road motor vehicles, including cars, trucks, and buses, constitute the most significant source of air pollution in the San Francisco Bay Area. Vehicle emissions contribute to unhealthy levels of ozone (summertime "smog"), particulate matter, including toxic diesel emissions, and greenhouse gases. Because of this, emission reductions from the on-road transportation sector are essential to helping the region attain State and Federal ambient air quality standards and meet greenhouse gas reduction commitments.

To protect public health, the California State Legislature enacted the California Clean Air Act in 1988. As part of the requirements, the Air District prepared and adopted the *2017 Clean Air Plan*, which includes transportation control measures, defined as any strategy "to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for reducing motor vehicle emissions," and mobile source measures, which encourage the introduction of newer, cleaner motor vehicle technologies and the retirement of older, more polluting vehicles. Additionally, on September 4, 2024, the Air District's Board of Directors approved the *2024-2029 Strategic Plan*, which charts its priorities for the next five years, for implementation.

THE TRANSPORTATION FUND FOR CLEAN AIR

In 1991, the California State Legislature authorized the Department of Motor Vehicles (DMV) to impose a \$4 surcharge on motor vehicles registered within the San Francisco Bay Area to fund projects that reduce on-road motor vehicle emissions. The Air District has allocated these funds to its Transportation Fund for Clean Air (TFCA) to fund eligible projects. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 and 44242.

Sixty percent of TFCA funds (60% Fund) are awarded by the Air District's Board of Directors (Board) to eligible projects and programs implemented directly by the Air District (e.g., Commuter Benefits, Vehicle Buy-Back, and Spare the Air) and through a grant program known as the Regional Fund. The remaining forty percent of TFCA funds are pass-through funds to a designated agency within each Bay Area county. Each year, the Board adopts cost-effectiveness and other criteria for the evaluation and ranking of project applications for the TFCA Program.

In addition to reducing air pollution, including toxic diesel particulate matter, TFCA-funded projects have other benefits including the following:

- Conserving energy and helping to reduce emissions of carbon dioxide (CO₂);
- Reducing traffic congestion; and
- Improving physical fitness and public safety by facilitating active modes of transportation such as walking and biking.

State legislation restricts TFCA funding to the following 11 categories of projects:

1. Implementation of ridesharing programs
2. Clean fuel school and transit bus purchases or leases
3. Last-mile commuter connection to rail/ferry stations and airports
4. Arterial traffic management
5. Rail-bus integration and regional transit information systems
6. Demonstration of telecommuting and congestion pricing of highways, bridges, and public transit
7. Low- or no-emission vehicle projects
8. A smoking-vehicle program
9. A vehicle buy-back scrappage program
10. Bicycle facility improvement projects
11. Physical improvements that support “smart growth” projects

California HSC Section 44241.5 requires the Board to hold a public hearing annually to review the expenditure of revenues received by the Air District pursuant to Section 44241 to determine their effectiveness in improving air quality. This report serves this purpose.

FYE 2024 SUMMARY

This report summarizes the *expenditures* and *effectiveness* of 21 Regional Fund projects and 4 Air District-sponsored programs that were completed¹ by the end of fiscal year ending (FYE) 2024 (June 30, 2024) that

¹ For the purpose of this report, staff considers a project to be “completed” when the Air District accepts and approves the project sponsor’s final invoice, which documents the project sponsor’s expenditure of all eligible project funds and the completion of transportation services or all initial project milestones (e.g., having procured, installed and/or placed all project-related vehicles, equipment, and infrastructure into service). Projects that involve the procurement of equipment/vehicles and construction of infrastructure typically also require continued operation of the funded equipment, vehicles, or infrastructure. These projects may continue to operate for several years after the final invoice is accepted and approved – until the operational and usage requirements are met.

were not reviewed in previous reports. **Appendix A** lists each of the Regional Fund projects and Air District-sponsored programs that were summarized as part of this report.

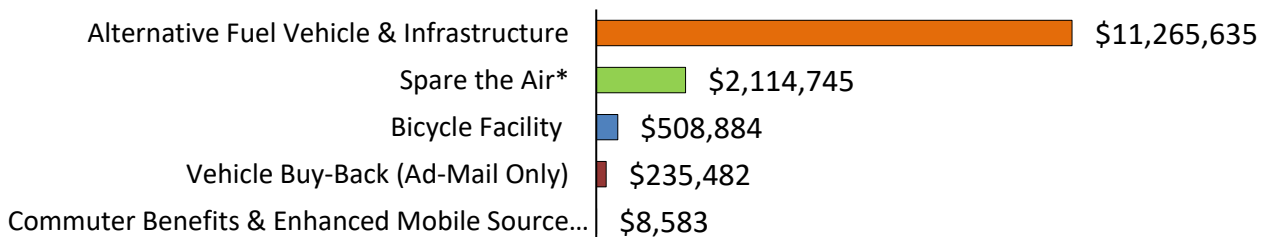
Key Report Findings for Board Effectiveness Determination

- TFCA funds were allocated to eligible projects and programs, consistent with the legislation that authorizes the TFCA program.
- The TFCA expenditures totaled \$15.07 million, including \$11.93 million in Regional Fund projects, \$2.2 million in Air District-sponsored programs, and \$0.94 million in administrative and indirect costs.
- About 81% of funds spent provided mobile source emissions reductions in Priority Areas.²
- During their operational periods, the projects and programs reduced criteria pollutant emissions by an estimated 118.76 tons, which includes 20.29 tons of reactive organic gases (ROG), 48.38 tons of nitrogen oxides (NO_x), and 50.09 tons of particulate matter (PM₁₀) – and reduced carbon dioxide (CO₂) emissions by over 52,000 tons.
- These projects and programs achieved a combined weighted average cost-effectiveness of \$131,609 per ton of criteria pollutant emissions reduced.

EXPENDITURES

The expenditure of these projects and programs totals approximately \$15.07 million, including \$2.2 million for the programs administered directly by the Air District, \$11.93 million in Regional Fund awarded to other organizations, and \$0.94 million in associated administrative and audit costs in FYE 2024. About 81% of funds expended supported air quality improvements in Priority Areas.² A summary of the expenditures for these TFCA Regional Fund projects and Air District-sponsored programs is shown in **Figure 1**.

Figure 1. Summary of FYE 2024 Expenditures



*A last-mile commuter connection project, with grant award \$160,000, was included in the Spare the Air.

² Priority Areas include communities that have been identified through the AB617 process (i.e., West Oakland and East Oakland in Alameda County, Richmond/San Pablo in Contra Costa County, and Bayview-Hunters Point in San Francisco), SB 535 disadvantaged communities (DAC), and AB1550 low-income communities (LIC). Air District-sponsored programs that reduce emissions region-wide (i.e., 24R01a, 24R01b, 24R02, and 24R03) were excluded from this calculation.

EFFECTIVENESS

The cost-effectiveness of a project or program is calculated by dividing the amount of TFCA funds assigned to the project (awarded or expended) by the sum of criteria pollutant emissions (ROG, NO_x, and weighted PM₁₀) reduced by the project during its operational period. Projects with a lower value in cost-effectiveness require fewer TFCA funds to reduce one ton of criteria emissions. In other words, a lower numeric value means that the project is more cost-effective. Typically, cost-effective on-road projects are characterized by having relatively high usage and are supported with high percentages of matching funds.

The projects and programs discussed in this report are estimated to reduce criteria pollutant emissions over their operational periods by 118.76 tons. This total is the sum of ozone precursors (20.29 tons of ROG and 48.38 tons of NO_x) and particulate matter (50.09 tons of PM₁₀). These projects and programs will also reduce CO₂ emissions over their operational periods by an estimated 52,000 tons.³

The combined weighted-average cost-effectiveness of the projects and programs reported for FYE 2024 is \$131,609 per ton of criteria pollutant emissions reduced. The Board-adopted cost-effectiveness limits for these projects and programs range from \$250,000 per ton of criteria pollutant emissions reduced to \$500,000 depending on the project category and the year it was funded. Thus, the resulting combined weighted-average cost effectiveness of these projects and programs is more cost-effective than the average approved limit. These estimated emissions reductions are also conservative in that many projects continue to operate and reduce emissions even after their operational periods ended, so these have the potential to reduce more emissions and hence be more cost-effective in reducing emissions than what is presented in this report.

A summary of expenditures, emission reductions, and cost-effectiveness values by program category is provided in **Table 1**.

³ Reported ROG, NO_x, PM₁₀, and CO₂ emissions reductions do not include those from the Vehicle Buy-Back, Enhanced Mobile Source Inspection, Commuter Benefits Inspection, and co-funded school bus projects.

**Table 1: Emission Reductions and Cost-Effectiveness by Program Category
for Projects and Programs Completed by the End of FYE 2024**

Category	# of Projects	TFCA \$ Expended	% of TFCA \$ Expended	Emissions Reduced (tons) ^a	% of Emissions Reduced	Weighted Cost-Effectiveness (\$/ton) ^b
Bicycle Facilities	4	\$508,884	3.60%	2.52	2.12%	\$196,455
Alternative Fuel Vehicle & Infrastructure	16	\$11,265,635	79.71%	35.58	29.96%	\$744,534
Commuter Benefits & Enhanced Mobile Source Inspections	2	\$8,583	0.06%	not determined	not determined	not determined
Spare the Air ^c	2	\$2,114,745	14.96%	80.67	67.92%	\$24,064
Vehicle Buy-Back (Ad-Mail Only)	1	\$235,482	1.67%	-	-	-
Total for Projects and Programs^d	25	\$14,133,329	100%	118.76	100%	\$131,609
Administration		\$935,566				

(a) Combined emission reductions of ROG, NO_x, and PM₁₀ over project operational period.

(b) Consistent with the current California Air Resources Board methodology to calculate cost-effectiveness for the Carl Moyer Program, PM emissions were weighted by a factor of 20 to account for their harmful impacts on human health.

(c) Spare the Air emission reduction includes a last-mile commuter connection project.

(d) Totals may vary due to rounding.

The combined weighted-average cost-effectiveness of the projects and programs reported in FYE 2024 is an 11% increase from FYE 2023, meaning that the projects closed out in FYE 2024 were more cost-effective than the previous year. The variation of combined weighted-average cost-effectiveness from year to year is also due to different types of projects that were completed and included in the report each year.

One of the Regional Fund projects listed in Appendix A did not meet the cost-effectiveness threshold of its respective program at the conclusion of its operational period. Below is a discussion on the performance of this project, which resulted in a higher-than-expected cost-effectiveness value.

Project Sponsor: Town of Los Gatos		Project #: 18R18
Project Description: Install 0.09 miles of Class I and 0.28 miles of Class IV bikeways (Blossom Hill Rd) in Los Gatos	Final Weighted Cost-Effectiveness: \$356,122	
Discussion: The project operational period began in calendar year 2019. Bike counts were conducted during the pandemic, in March 2020, when people were sheltering in place and therefore the number of bikes passing through the completed bikeway was less than anticipated.		

APPENDIX A: TFCA REGIONAL FUND PROJECTS AND AIR DISTRICT-SPONSORED PROGRAMS

Project #	Project Sponsor	Project Description	Weighted Cost-Effectiveness (per ton)	TFCA Funds Expended
16HDG004	South Coast Air Quality Management District	Demonstrate 13 battery electric drayage trucks serving the Port of Oakland	\$499,952	\$3,000,000
16HDZ001	University of California, San Francisco	Purchase & operate 15 new zero emission battery electric buses	\$244,302	\$220,531
17R21	City of San Leandro	Install 0.87 miles of Class II & 7.62 miles of Class III bikeways in San Leandro	\$140,450	\$119,309
17R24	City of Cupertino	Install 7.76 miles of Class III & 0.7 miles of Class IV bikeways in Cupertino	\$250,000	\$138,359
18R18	Town of Los Gatos	Install 0.09 miles of Class I & 0.28 miles of Class IV bikeways in Los Gatos	\$356,122 ^a	\$216,666
18R20	City of Gilroy	Install and maintain 1.57 miles of Class II bikeways and 23 bike racks (2 bikes per rack)	\$59,670	\$34,550
19EV063	City of Milpitas	Install and operate 8 dual-port level 2 (high) charging stations at two workplace facilities in Milpitas	\$234,195	\$32,000
2103-17499	Alameda Multifamily Owner LLC	Install and operate 8 Level 2 (high) dual-port chargers at one multi-family housing facility in Alameda	\$454,998	\$64,000
2103-17625	Silvergate Brentwood LLC	Install and operate 1 Level 2 (high) single-port charger and 8 Level 2 (high) dual-port chargers at one multi-family housing facility in Brentwood	\$283,883	\$44,000
2103-17638A	Ocean Cregg LLC	Install and operate 12 Level 2 (high) single-port chargers at three multi-family housing facilities in San Francisco	\$454,998	\$256,000
21R07	Center for Transportation and Environment	30 zero emission trucks at the Port of Oakland & infrastructure	\$468,962	\$3,360,000

21R08	Peninsula Corridor Joint Powers Board	Provide connections from Millbrae Transit Center to key employers via the Bayside-Burlingame Shuttle, and connections from Menlo Park Caltrain Station to key employers, via the Marsh Road Shuttle	N/A ^b	\$160,000
2202-27777	45th Artists Cooperative	Install and operate two single-port Level 2 (high) charging stations at one multi-family housing facility in Emeryville	\$477,090	\$14,000
22SBP14	Milpitas Unified School District	Co-funding for the replacement of one diesel bus with a electric school bus	N/A ^c	\$204,598
22SBP192	Bolinas-Stinson Union School District	Co-funding for the replacement of one diesel school bus with one electric school bus with associated infrastructure.	N/A ^c	\$229,440
22SBP216	Campbell Union High School District	Co-funding for the replacement of 3 diesel school buses with 3 electric school buses	N/A ^c	\$623,591
22SBP248	Mt. Diablo Unified School District	Co-funding for 3 CNG school bus replacement with 3 EV school buses	N/A ^c	\$648,794
22SBP340	Sequoia Union High School District	Co-funding for two EV school buses	N/A ^c	\$251,290
22SBP71	Petaluma City Schools	Co-funding for the replacement of 12 diesel school buses with 12 electric school buses	N/A ^c	\$1,389,346
22SBP84	Rincon Valley Union School District	Co-funding for the replacement of 3 diesel school buses & 1 CNG school bus with 4 electric school buses	N/A ^c	\$892,045
2302-33950	EVmatch, Inc.	Install and operate electric vehicle charging stations with 8 Level 2 (high) active connectors at one multi-family housing facility in Oakland	\$927,757	\$36,000
21 Regional Fund Projects			Subtotal of Regional Fund Projects:	\$11,934,519

Project #	Project Sponsor	Project Description	Weighted Cost-Effectiveness (per ton)	TFCA Funds Expended
24R01a	Bay Area Air District	FYE 2024 Commuter Benefits Inspection	N/A	\$0
24R01b	Bay Area Air District	FYE 2024 Enhanced Mobile Source Inspections	not determined ^d	\$8,583
24R02	Bay Area Air District	FYE2024 Admail for Vehicle Buy-Back ^e (TFCA portion)	N/A	\$235,482
24R03	Bay Area Air District	FYE 2024 Spare the Air	\$24,531 ^f	\$1,954,745
4 Air District-Sponsored Programs		Subtotal of Air District-Sponsored Programs:		\$2,198,810
24R00	Bay Area Air District	FYE 2024 Administration ^g	N/A	\$935,566
Subtotal of Administration Expenditures for Regional Fund Projects and Air District-Sponsored Programs:				\$935,566
Grant Total:				\$15,068,894

- (a) Project or program did not meet the cost-effectiveness limit that was adopted by the Board for the year that the project was approved.
- (b) Last-mile Commuter Connections were evaluated as part of Spare the Air.
- (c) Emissions reduction benefits for co-funded projects are claimed by the Carl Moyer Program.
- (d) Cost-effectiveness cannot be determined due to no survey responses.
- (e) Total FYE 2024 program cost (which includes funds from the Carl Moyer Program, MSIF, and TFCA) is \$1,700,999.81.
- (f) Spare the Air emission reduction includes last-mile commuter connections.
- (g) Sixty percent of the total administrative and audit costs expended in FYE 2024.

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Financial Update for the Second Quarter of Fiscal Year (FY) 2024-2025,
Ending December 31, 2024

RECOMMENDED ACTION

None; this is an informational report only.

BACKGROUND

Staff prepare a financial report each quarter in accordance with the Air District's Administrative Code. The report provides an overview of the General Fund's financial activities for the fiscal year, including preliminary results for revenues, expenditures, and cash investment balance for the reporting period.

DISCUSSION

Attachment A provides the financial report for the second quarter of FY 2024-2025, from July 1, 2024, to December 31, 2024, and encompassing both the first and second quarters.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Jun Pan
Reviewed by: Stephanie Osaze

ATTACHMENT(S):

- 1. Fiscal Year 2024 - 2025 Q2 Financial Report

Attachment A: Financial Summary for the Second Quarter of Fiscal Year (FY) 2024-2025

This report provides an update on the Air District's financial results for the second quarter of the 2024-2025 fiscal year.

FINANCIAL RESULTS

The following information summarizes those second quarter financial results for fiscal year (FY) 2024-2025

GENERAL FUND: STATEMENT OF REVENUES – Comparison of Prior Year Quarter Actual and Current Year Budget to Actual:

REVENUE TYPE	2nd QTR FY 2024	2nd QTR FY 2025	FY 2025 - % of BUDGETED REVENUES
Property Tax	\$14,355,574	\$15,611,299	34%
Permit Fees	\$43,737,461	\$45,562,144	68%
Penalty Assessment	\$2,382,627	\$4,026,530	101%
Grants (includes AB617)	\$274,969	\$16,752	0%
Other Revenues	\$1,876,504	\$3,384,137	61%
Total Revenues (exclude transfers)	\$62,627,135	\$68,600,862	48%

GENERAL FUND: STATEMENT OF EXPENDITURES - Comparison of Prior Year Quarter Actual and Current Year Budget to Actual:

EXPENDITURE TYPE	2nd QTR FY 2024	2nd QTR FY 2025	FY 2025 - % of BUDGETED EXPENDITURES
Personnel - Salaries	\$26,258,967	\$30,379,411	43%
Personnel - Benefits	\$15,405,566	\$16,649,243	50%
Operational Services and Supplies	\$12,925,113	\$12,657,622	22%
Capital Outlay	\$2,068,903	\$4,466,314	38%
Total Expenditures (General Fund)	\$56,658,549	\$64,152,590	37%

CASH INVESTMENTS IN COUNTY TREASURY – Account Balances as of the First Quarter:

CASH/INVESTMENTS	2nd QTR FY 2024	2nd QTR FY 2025
General Fund	\$120,024,070	\$237,762,214
Transportation for Clean Air (TFCA)	\$131,400,214	\$158,361,325
Mobile Source Incentive Fund (MSIF)	\$72,269,201	\$83,451,570
Carl Moyer	\$78,314,341	\$127,890,706
CA Goods Movement	\$22,192,455	\$20,769,367
Air Quality Projects (Other)	\$1,665,892	\$1,570,706
Vehicles Mitigation	\$25,147,034	\$60,553,844
Total	\$451,013,206	\$690,359,731

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Fiscal Year 2024-2025 Second Quarter Reporting of Payments for Routine
and Recurring Goods/Services Expenses and Contracts Executed under
Delegated Authority

RECOMMENDED ACTION

None; informational item only, no action requested at this time.

BACKGROUND

The Board of Directors has authorized the Executive Officer/Air Pollution Control Officer (APCO) to execute certain contracts without further Board approval as a matter of administrative convenience. This authorization is provided in the Administrative Code and Procurement Policy. The Administrative Code and Procurement Policy require the Executive Officer/APCO to provide a report of such activities to the Board of Directors.

DISCUSSION

Contracts and Payments for Select Goods/Services Expenditures

The Air District's Procurement Policy, Section 8.d, authorizes the Executive Officer/APCO to renew contracts for specific categories of routine, recurring goods and services without requiring formal Board of Directors approval. This provision is intended to streamline procurement for essential expenditures that have been pre-approved by the Board due to their recurring nature.

To ensure transparency, staff are required to report all contract renewals executed and expenditures made under this procurement provision to the Board of Directors with the quarterly financial report. This informational report provides a summary of such contract renewals for the second quarter of Fiscal Year (FY) 2024-2025 and expenditures related to these categories for the first and second quarter of FY 2024-2025 to accompany the second quarter FY 2024-2025 financial report.

The eligible categories of goods and services under this provision are strictly limited to essential and recurring needs, including utilities, employee benefits, insurance, fuel, shared facility expenses, property leases, software services, and equipment-related costs. These expenditures support the Air District's ongoing operations and ensure continuity of critical services.

The tables below list all such goods and services contract renewals executed, and payments made, in the reporting period.

Q2 FY 2024-2025 Contract Renewals Executed for Select Essential Goods/Services:
 Three (3) contracts related to software support services were renewed under this provision during the second quarter of FY 2024-2025.

Vendor	Synopsis	Renewal Amount	Total Contract Value	Date Executed
Microsoft Licensing, GP	Annual license for Microsoft Premier Support, 24-25 (Unified Agreement # 188544387)	\$600,000.00	\$1,502,805.00	18-Nov-24
Denovo Ventures, LLC	Managed cloud application services for JD Edwards for a 5-year term	\$1,364,307.00	\$2,111,789.00	23-Dec-24
Oracle	Annual renewal for Oracle-JDE Unified Support Services	\$79,408.06	\$155,822.27	30-Dec-24

FY 2024-2025 Routine and Recurring Vendor Payments by Category:
 The following payments were made under this provision during first and second quarter of FY 2024-2025.

Payment Categories	Amount Paid July 2024 - Dec 2024
AIR DISTRICT INSURANCE	
BENEFIT COORDINATORS CORPORATION - LIFE INSURANCE	\$675,197
METROPOLITAN LIFE INSURANCE CO	\$25,080
BAY AREA HEADQUARTERS AUTHORITY (SHARED SERVICES EXPENSES)	
BAY AREA HEADQUARTERS AUTHORITY	\$1,652,899
CLOUD BASED INFORMATION INFRASTRUCTURE AND SERVICES	

CONCUR TECHNOLOGIES, INC	\$19,650
DAYFORCE US, INC.	\$198,264
EMPLOYEE HEALTH + BENEFITS	
BENEFIT COORDINATORS CORPORATION - DENTAL	\$375,242
CA PUBLIC EMP RET SYSTEM - HEALTH	\$5,568,916
CA PUBLIC EMP RET SYSTEM - PENSION	\$4,840,585
CALIFORNIA VISION SERVICE PLAN	\$66,775
CONCENTRA MEDICAL CENTERS	\$8,467
MAGELLAN BEHAVIORAL HEALTH	\$7,124
P & A ADMINISTRATIVE SERVICES	\$184,958
SEDGWICK CLAIMS MANAGEMENT SER	\$515
EQUIPMENT LEASES	
CANON FINANCIAL SERVICES, INC.	\$30,138
ENTERPRISE FLEET SERVICES	\$282,173
FUEL	
WEX FLEET UNIVERSAL-CHEVRON/TE	\$1,395
WEX FLEET UNIVERSAL-ENTERPRISE	\$65,582

Payment Categories	Amount Paid July 2024 - Dec 2024
PROPERTY LEASES AND LICENSE AGREEMENTS	
2060 WALSH, LLC	\$9,053
B9 SEQUOIA CONCORD OWNER LP -B	\$28,650
CHABAD OF NOVATO	\$7,672
CITY OF BERKELEY	\$4,724
CITY OF CAMPBELL	\$1,200
CITY OF FREMONT	\$300
CITY OF GILROY	\$221

CITY OF LIVERMORE	\$196
CITY OF RICHMOND	\$132
CONTRA COSTA FIRE PROTECTION D	\$450
DELIN LARS & CRISTINA	\$3,000
EXTRA SPACE MANAGEMENT INC.	\$10,654
GROVE, RONALD	\$9,125
HANQI INVESTMENT INC.	\$10,369
HAYWARD BUSINESS PARK INC.	\$10,612
HOLLIS PROPERTY	\$72,850
LAO FAMILY COMMUNITY DEVELOPME	\$37,748
LAVEZZO A.M. & FAVARO B.J.	\$16,449
LIVERMORE CENTER, LLC	\$5,662
LIVERMORE VALLEY UNIFIED SCHOO	\$5,670
MARINA BAY CROSSING, LLC	\$32,588
MPLC PARTNERS, INC.	\$11,549
NIBBI INVESTMENTS	\$21,618
PAC WEST DIVERSIFIED LP	\$18,067
PACIFIC GAS AND ELECTRIC COMPA	\$1,250
PACIFIC GATEWAY PROPERTIES, IN	\$38,720
SAN MATEO COUNTY HARBOR DISTRI	\$390
SMITH, MATHEW & JEFFREY	\$14,583
SOUTH BEACH HARBOR	\$500
STATE OF CALIFORNIA - DOT	\$2,022
TOMBE REALTY	\$14,851
UNIVERSAL BUILDING SERVICES &	\$10,960
WANG BROTHERS INVESTMENTS, LLC	\$235,404
WESTERN PACIFIC PROPERTY, LLC	\$47,942
ZUCKERMAN CONSTRUCTION CO	\$24,319

Payment Categories	Amount Paid July 2024 - Dec 2024
OEM EQUIPMENT WARRANTIES	
ACCELERATED TECHNOLOGY LAB., I	\$14,421
SOFTWARE LICENSES, WARRANTIES, MAINTENANCE, AND SUPPORT SERVICES	
BONFIRE INTERACTIVE LTD.	\$12,148
CLAY TABLET	\$6,750
DENOVO VENTURES, LLC	\$112,289
DOCUSIGN	\$5,648
ESRI	\$1,440
F.H. BLACK & COMPANY INCORPORA	\$15,750
INFO CUBIC LLC	\$10,461
JDETIPS, INC.	\$1,235
LEASEQUERY, LLC	\$20,081
NAVIANT, INC	\$107,223
NEOGOV	\$9,868
OFFICESPACE SOFTWARE INC.	\$18,729
OPENGOV, INC.	\$124,377
ORACLE AMERICA, INC.	\$28,800
QUESTICA LTD	\$66,582
SALESFORCE.COM, INC.	\$44,667
UTILITIES	
AT & T CALNET; AT&T; AT&T MOBILITY; AT&T U-VERSE	\$36,363
CENTURYLINK	\$1,345
COGENT COMMUNICATIONS, INC.	\$29,100
COMCAST; COMCAST CABLE COMMUNICATIONS	\$120,174
MDRR-CONCORD	\$1,695

NAPA RECYCLING & WASTE SERVICE	\$288
PACIFIC GAS & ELECTRIC COMPANY	\$146,732
PIVOTEL CONNECTED LLC	\$9,561
RECOLOGY SAN MATEO COUNTY	\$250
RECOLOGY VALLEJO	\$1,518
REPUBLIC SERVICES, INC.	\$2,295
SAN FRANCISCO WATER, POWER & S	\$253
VERIZON WIRELESS	\$141,279
WAVE BROADBAND	\$1,053

Contracts Executed under Board-Delegated Contracting Authority

Under Section 9.4(b) of the Administrative Code, the Executive Officer/APCO is delegated the authority to execute contracts in an amount that does not exceed two hundred thousand dollars (\$200,000) without further approval by the Board of Directors. The Executive Officer/APCO is required to report such contracts to the Board of Directors if they exceed one hundred thousand dollars (\$100,000).

Additionally, per Section 9.4(c) of the Administrative Code and Section 8.d of the Procurement Policy, the Executive Officer/APCO may execute amendments to previously approved contracts over \$200,000 without approval by the Board of Directors provided that the amendment does not exceed the lesser of \$200,000 or 25% of the last Board-approved contract value. If an amendment increases the contract value by more than 10%, it must be reported to the Board.

For reporting purposes, the total contract value is calculated by combining the base contract value with any approved amendments and option years.

The following tables provide a summary of contracts and contract amendments executed under these provisions during the second quarter of FY 2024-2025.

New Contracts Executed Under Section 9.4(b):

Vendor	Synopsis	Total Contract Value	Date Executed
Prodigy Consulting, LLC	Azure Cloud Migration and Analysis Services	\$156,000.00	18-Dec-24

Contract Amendments Executed Under Section 9.4(c):

Vendor	Synopsis	Previous Approved Amount	Increase	Total Contract Value	Date Executed
Cascadia Consulting Group	Amendment to extend term and add funds for support for community engagement for BARCAP initiative	\$248,910.00	\$57,735.00	\$306,645.00	31-Dec-24
ITHelp, LLC	Amendment to extend term and add funds for technical support for network, storage, and servers	\$260,000.00	\$65,000.00	\$325,000.00	18-Dec-24
Kaleidoscope Group, PBC	Amendment to extend term and add funds for Scholarship Program Development for the Marie Harrison Scholarship	\$70,000.00	\$70,000.00	\$140,000.00	11-Oct-24

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Erica Flahan
Reviewed by: Hyacinth Hinojosa

ATTACHMENT(S):

None

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Position Qualifications for Members of the Advisory Council

RECOMMENDED ACTION

Approve position qualifications to be used in selecting members of the Air District's Advisory Council. Staff recommend the statutory criteria in Health & Safety Code section 40262 as the Advisory Council position qualifications.

BACKGROUND

The purpose of the Air District's Advisory Council is to advise and consult with the Board of Directors and the Executive Officer/Air Pollution Control Officer (APCO) on issues related to air pollution emissions control and the environment. This may include studying and making recommendations on specific matters referred to the Advisory Council from the Air District's Board of Directors, or from the Executive Officer/APCO, including technical, social, economic and/or environmental aspects of matters being addressed by the Air District.

In 2025, the Air District will begin recruitment for the Advisory Council, as the terms of the current Council members are ending. Per the Air District's Administrative Code, section 4.2, "the APCO shall develop position qualifications for serving on the Advisory Council, which shall be approved by the Board of Directors."

DISCUSSION

Pursuant to California's Health and Safety Code (H&SC) sections 40260–40268, the Advisory Council shall consist of:

"(a) The chair of the bay district board, who shall serve as an ex officio member.

(b) Seven members who shall be skilled and experienced in the fields of air pollution, climate change, or the health impacts of air pollution. Members shall be selected to include a diversity of perspectives, expertise, and backgrounds."

(H&SC § 40262)

Also pursuant to the H&SC, members serve a term of two (2) years and may be reappointed to a maximum of twelve (12) consecutive years. Meetings of the Advisory Council are held at least four (4) times per year.

It is anticipated that upcoming work will continue a focus on assessing and addressing cumulative impacts related to air pollution in overburdened communities, thereby advancing the mission, vision, and strategies described in the Air District's 2024–2029 Strategic Plan, which emphasizes environmental justice throughout. The Council may also identify further areas of interest for exploration.

Staff believes that the statutory qualifications listed above are sufficient and that no additional qualifications should be specified at this time. Staff therefore recommends that the Board approve the use of the statutory criteria in Health & Safety Code section 40262 as the position qualifications for Advisory Council members.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Sonam Shah-Paul and David Holstius

Reviewed by: Greg Nudd

ATTACHMENT(S):

None

BOARD MEETING DATE: March 5, 2025

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee (Committee) held a meeting on Wednesday, February 19, 2025. The following is a summary of the meeting.

RECOMMENDED ACTION:

Receive and file.

Ken Carlson Chair
Stationary Source Committee

KC:mh

CALL TO ORDER

Roll Call:

Present, In-Person (Bay Area Metro Center, 375 Beale Street, 1st Floor Board Room, San Francisco, California, 94105): Chairperson Ken Carlson.

Present, In-Person (Office of Contra Costa County Supervisor John Gioia, 11780 San Pablo Ave., Suite D Conference Room, El Cerrito, CA 94530): Directors Dionne Adams, John Gioia, Gabe Quinto, and Steve Young.

Present, In-Person (Office of Alameda County Supervisor Lena Tam, 103 Callan Ave., Suite #103, San Leandro, CA 94577): Director Lena Tam.

Absent: Vice Chairperson Lynda Hopkins, and Director Brian Colbert.

Stationary Source Committee (Committee) Chairperson, Ken Carlson, called the meeting to order at 10:00 a.m.

For additional details of the Stationary Source Committee Meeting, please refer to the webcast, which can be found [here](#) 24 hours after the meeting has ended. 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 NOVEMBER 13, 2024

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Young made a motion, seconded by Director Gioia, to **approve** the Draft Minutes of the Stationary Source Committee meeting of November 13, 2024; and the motion **carried** by the following vote of the Committee:

AYES: Carlson, Gioia, Quinto, Tam, Young.
NOES: None.
ABSTAIN: None.
ABSENT: Adams, Colbert, Hopkins.

INFORMATIONAL ITEM

4. OVERVIEW OF WOODSMOKE REGULATORY CONSIDERATIONS

Dr. Julia Luongo, Principal Air Quality Specialist, gave the staff presentation *Overview of Woodsmoke Regulatory Considerations*, including: outline; woodsmoke background; impetus for this policy initiative; design value trends: fine Particulate Matter (PM); woodsmoke white paper; device population and emissions inventory; modeled geographic variation; modeled disparities in context; PM Spare the Air alerts by year; policies to mitigate woodsmoke impacts; white paper recommendations; lowering the burn ban threshold; PM_{2.5} emissions reduction comparison; device elimination: incentive program scale; white paper public comments; and next steps – initiate rule amendment process.

Public Comments

Public comments were given by Tony Fisher, Coalition for Clean Air; and Todd Osterberg.

Committee Comments

The Committee and staff discussed current rule exemptions for sole source of heat, loss of utility service, and temporary non-functional heaters; whether the phase-out of older, higher-polluting wood-burning devices includes incentives or decommissioning or replacements at point of property sale; the efficacy of requirements for existing Regulation 6, Rule 3, Section 111 (Limited Exemption, Non-functional, Permanently Installed Heater), which requires repair documentation of a non-functioning heater to be submitted to the Air District; whether natural gas fireplaces are subject to current or forthcoming Air District regulations; whether a firepit in a residential backyard is subject to Rule 6-3; and realtors' opposition in 2015 on an Air District proposal that would have mandated the replacement of all uncertified wood-burning devices with gas-fueled, electric or Environmental Protection Agency-certified heating devices that meet or exceed New Source Performance Standard Subpart AAA, upon the sale or transfer of residential or commercial property, and whether the Air District should resume such a rulemaking.

Committee Action

No action taken.

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, March 12, 2025, 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 10:35 a.m.

Attachments

#3 – Draft Minutes of the Stationary Source Committee Meeting of November 13, 2024

#4 – Overview of Woodsmoke Regulatory Considerations

BOARD MEETING DATE: March 5, 2025

REPORT: Community Equity, Health, and Justice Committee

SYNOPSIS: The Community Equity, Health, and Justice Committee (Committee) held a meeting on Wednesday, February 19, 2025. The following is a summary of the meeting.

RECOMMENDED ACTION:

Receive and file.

Noelia Corzo, Chair
Community Equity, Health, and Justice Committee

NC:mh

Roll Call:

Present, In-Person (Bay Area Metro Center, 375 Beale Street, 1st Floor Board Room, San Francisco, CA, 94105): Directors Mark Salinas and Shamann Walton.

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

Present, In-Person (San Mateo County Board of Supervisors Offices, 500 County Center - 5th Floor, Redwood City, CA 94063): Chairperson Noelia Corzo and Ray Mueller.

Present, In-Person (Office of Contra Costa County Supervisor John Gioia, 11780 San Pablo Ave., Suite D, Conference Room, El Cerrito, CA 94530): Vice Chairperson John Gioia; and Directors Dionne Adams and Steve Young.

Absent: Directors Brian Barnacle, Monica Brown, and Brian Colbert.

Community, Equity, Health, and Justice Committee (Committee) Chairperson, Noelia Corzo, called the meeting to order at 1:01 p.m.

For additional details of the Community Equity, Health, and Justice Committee Meeting, please refer to the webcast, which can be found [here](#) 24 hours after the meeting as ended. 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 DECEMBER 11, 2024**

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Walton made a motion, seconded by Director Salinas, to approve the Draft Minutes of the Community, Equity, Health, and Justice Committee Meeting of December 11, 2024; and the motion carried by the following vote of the Committee:

AYES: Adams, Corzo, Gallagher, Gioia, Mueller, Salinas, Walton, Young.
NOES: None.
ABSTAIN: None.
ABSENT: Barnacle, Brown, Colbert.

INFORMATIONAL ITEM

4. **COMMUNITY PERSPECTIVES**

Cynthia Prieto-Diaz, Public Health Analyst, Certified Public Health Ambassador, and member of the Air District's Community Advisory Council, gave the presentation *From MedTech to Environmental Justice (EJ) Using Science for Advocacy & Community Empowerment*, including: disclaimer; biography; intersection of public health and environmental justice; this life chose me; we are all public health; mitigation efforts; community-driven and evidence-based solutions; using the scientific method to advance solutions; community impact projects; reflections with a call to action; addressing root causes; pitching proposals; quote; and references.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed best practices of how to reflect the realities of public health impacts for jurisdictions that are updating land use elements in their General Plans; the difference that community and individual advocacy can make; ways to engage with youth regarding EJ issues; the importance of both qualitative and quantitative public

health impact data; and Temtop M2000C and Temtop LKC-1000S portable air monitors on loan for City of San Leandro Library patrons.

Committee Action

No action taken.

5. COMMUNITY ADVISORY COUNCIL (CAC) RECRUITMENT AND SELECTION PROCESS

Miriam Torres, Senior Advanced Projects Advisor, and Lisa Flores, Staff Specialist, gave the staff presentation *Community Advisory Council Recruitment and Selection Process*, including: outcome; background; CAC terms; CAC seats; recruitment and outreach; process and timeline; CAC's role in selection process; Board of Directors' role in selection process; and Board of Directors selection criteria.

Public Comments

Public comments were given by LaDonna Williams, All Positives Possible; and Janniece Murray, All Positives Possible.

Committee Comments

The Committee and staff discussed the geographic representation of the current CAC members who work or live in Alameda County; the desire for representation from the southwestern Alameda County communities of Union City, Hayward, Newark, and San Leandro; the suggestion of sending recruitment notices to cities' and counties' sustainability committees; the reason why there is only one CAC seat for Solano County; whether there are geographic requirements within the candidate criteria; whether the City of Vallejo is considered "overburdened"; which current CAC members' term are expiring; how the Air District plans to balance the number of incumbents with new candidates; lessons learned from the first CAC membership recruitment; and a request for clarification about the recommendation process (whether incumbents are involved with making recommendations which could be seen as a conflict of interest.)

Committee Action

No action taken.

OTHER BUSINESS

6. PUBLIC COMMENT ON NON-AGENDA MATTERS

Public comments were given by LaDonna Williams, All Positives Possible.

7. COMMITTEE MEMBER COMMENTS

None.

8. REPORT OF THE DEPUTY EXECUTIVE OFFICER OF EQUITY AND COMMUNITY PROGRAMS

Arsenio Mataka, Deputy Executive Officer of Equity and Community Programs, made the following announcements:

- The CAC will have a retreat on May 16 and 17, 2025 (location yet to be determined.)
- The next meeting of the Richmond Area Path to Clean Air Community Steering Committee will be held on February 24, 2025 at the Air District Richmond Headquarters.

9. TIME AND PLACE OF NEXT MEETING

Wednesday, March 12, 2025, 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 December 11, 2024
- #4 – Community Perspectives
- #5 – Community Advisory Council Recruitment And Selection Process

BOARD MEETING DATE: March 5, 2025

REPORT: Finance and Administration Committee

SYNOPSIS: The Finance and Administration (Committee) held a special meeting on Wednesday, February 26, 2025. The following is a summary of the meeting.

RECOMMENDED ACTION:

Receive and file.

Lynda Hopkins, Chair
Finance and Administration Committee

LH:mh

CALL TO ORDER:

Finance and Administration Committee (Committee) Chairperson, Lynda Hopkins, called the meeting to order at 1:00 p.m.

Roll Call:

Present, In-Person (Bay Area Metro Center (375 Beale Street, Yerba Buena Room, San Francisco, California, 94105): Chairperson Lynda Hopkins; Vice Chairperson Tyrone Jue; and Director Vicki Veenker.

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

Present, In-Person Satellite Location (City of San Leandro City Hall, 835 E. 14th Street, 2nd Floor, Room 201, San Leandro, CA 94577): Director Juan González III.

Absent: Directors Noelia Corzo and Sergio Lopez.

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 has ended. Please use the webcast's index to view specific agenda items.

CONSENT CALENDAR (ITEMS 3 – 5)

3. **APPROVAL OF THE DRAFT MINUTES OF THE FINANCE AND ADMINISTRATION COMMITTEE MEETING OF DECEMBER 18, 2024**

The Committee considered approving the Draft Minutes of the Finance and Administration Committee Meeting of December 18, 2024.

4. **HEARING BOARD QUARTERLY REPORT: OCTOBER THROUGH DECEMBER 2024**

The Committee received the Hearing Board Quarterly Report for the period of October through December 2024.

5. **FISCAL YEAR ENDING (FYE) 2025 SECOND QUARTER REPORTING OF PAYMENTS FOR ROUTINE AND RECURRING GOODS/SERVICES EXPENSES AND CONTRACTS EXECUTED UNDER DELEGATED AUTHORITY**

The Committee received a report of vendor payments for routine and recurring essential services and contracts executed under delegated authority for the second quarter of Fiscal Year (FY) 2025, which ended December 31, 2024.

Public Comments on Items 3 – 5

No requests received.

Committee Comments on Items 3 – 5

None.

Committee Action on Items 3 – 5

Vice Chair Jue made a motion, seconded by Director Veenker to **approve** the Consent Calendar, Items 3 through 5, inclusive; and the motion **carried** by the following vote of the Committee:

AYES: González, Haubert, Hopkins, Jue, Veenker.
NOES: None.
ABSTAIN: None.
ABSENT: Corzo, Lopez.

INFORMATIONAL ITEMS

6. FINANCIAL UPDATE FOR THE SECOND QUARTER OF FISCAL YEAR (FY) 2024-2025, ENDING DECEMBER 31, 2024

Jun Pan, Finance Manager, gave the staff presentation *Second Quarter Financial Updated Fiscal Year Ending (FYE) 2025*, including: outline; FYE 2025 General Fund (GF) revenue overview; GF revenue (budget vs actual); GF revenue comparison (prior year vs current year); FYE GF expenditure overview; GF expenditure (budget vs actual); expenditures comparison (prior year vs current year); and cash and investment summary.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed penalty assessment revenue; carryover of FYE 24 encumbrances, and whether the Air District also has carryover revenue and surplus funds; whether the Air District's California Public Employees' Retirement System (CalPERS) exposure continues to grow; the suggestion that the Air District budgets on a quarterly basis, for operational purposes and benchmarking, in addition to its annual budget; whether the Air District has recently revised its asset policy; whether the Air District considers its current cash and investments total amount high or low, and whether that total amount is cash in the bank; property tax growth (year over year) and whether the Air District's forecast/estimates have been accurate; and the appreciation for staff explanations on different funding streams and when in the fiscal year they occur.

Committee Action

No action taken.

7. PROPOSED ENGINEERING DIVISION PROGRAM MANAGERS FOR COMPLEX PERMIT APPLICATIONS

Dr. Meredith Bauer, Deputy Executive Officer of Engineering and Compliance, gave the staff presentation *Proposed Facility Funded Engineering Program Manager (EMP) Positions*, including: outcome; outline; requested action; background; complex permit applications; overview of proposed EPM positions and approach; Strategic Plan alignment; role of Engineering Program Managers; program benefits; and next steps.

Public Comments

Public comments were given by Bob Brown, Western States Petroleum Association; and David Schoenthal, Phillips 66.

Committee Comments

The Committee and staff discussed the suggestion of holding pre-application meetings with applicants that wish to obtain permits for complex and challenging projects, and whether such a practice would be considered an add-on to the standard practice, versus two options that permit applicants could choose from; the importance of balancing explanation of the permitting process and maintaining the Air District's independence so that permitted facilities are making their own decision without influence (risk management); potential metrics that can determine success of the pilot phase of the program; the request for a metric that measures public transparency (informing the public about certain projects, facilities, and permits that are under review); the suggestion of conducting surveys from participants of the pilot phase of the program (at the beginning and end); the proposed transition to positions funded by voluntary fees and how it would work after the pilot phase of the program concluded; the request that metrics from the first year of the pilot phase of the program be shared with the Board of Directors in a status update; concerns about utilizing Limited Term Contract Employees for this program; and whether this program includes dispute resolution.

Committee Action

No action taken.

OTHER BUSINESS

8. PUBLIC COMMENTS ON NON-AGENDA MATTERS

Public comments were given by Arieann Harrison, Marie Harrison Community Foundation.

9. COMMITTEE MEMBER COMMENTS

Director González thanked Air District staff for progress that he sees in adherence to the Air District's adopted Strategic Plan.

10. TIME AND PLACE OF NEXT MEETING

Wednesday, March 19, 2025, at 1:00 p.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 2:12 p.m.

Attachments

- #3 – Approval of the Draft Minutes of the Finance and Administration Committee Meeting of December 18, 2024
- #4 – Hearing Board Quarterly Report: October Through December 2024
- #5 – Fiscal Year Ending 2025 Second Quarter Reporting of Payments for Routine and Recurring Goods/Services Expenses and Contracts Executed Under Delegated Authority
- #6– Financial Update for the Second Quarter of Fiscal Year 2024-2025, Ending December 31, 2024
- #7 – Proposed Engineering Division Program Managers for Complex Permit Applications

BOARD MEETING DATE: March 5, 2025

REPORT: Policy, Grants, and Technology Committee

SYNOPSIS: The Policy, Grants, and Technology Committee (Committee) held a special meeting on Wednesday, February 26, 2025. The following is a summary of the meeting.

RECOMMENDED ACTION:

Receive and file.

Vicki Veenker, Chair
Policy, Grants, and Technology Committee

VV:mh

CALL TO ORDER:

Policy, Grants, and Technology Committee (Committee) Chairperson, Vicki Veenker, called the meeting to order at 10:05 a.m. Chair Veenker announced that since the meeting agenda was published, Director Ray Mueller was added to the Committee.

Roll Call:

Present, In-Person (Bay Area Metro Center (375 Beale Street, Yerba Buena Room, San Francisco, California, 94105): Committee Chairperson Vicki Veenker; and Director Ken Carlson.

Present, In-Person Satellite Location (Alameda County Board of Supervisors District 3, Office of Supervisor Lena Tam, 101 Callan Avenue, Suite #103, San Leandro, CA 94577): Director Lena Tam.

Present, In-Person Satellite Location (City of San Leandro City Hall, 835 E. 14th Street, 2nd Floor, Room 201, San Leandro, CA 94577): Director Juan González III.

Present, In-Person Satellite Location (Office of Alameda County Supervisor David Haubert, Heritage House, 4501 Pleasanton Avenue, Pleasanton, CA 94566): Director David Haubert.

Present, In-Person Satellite Location (Office of Santa Clara County Supervisor Otto Lee, 70 W Hedding Street, East Wing, 10th Floor, San Jose, CA 95110): Directors Otto Lee and Ray Mueller.

Absent: Directors Margaret Abe-Koga, Joelle Gallagher, and Sergio Lopez.

For additional details of the Policy, Grants, and Technology Committee Meeting, please refer to the webcast, which can be found [here](#) 24 hours after the meeting has ended. 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 DECEMBER 18, 2024

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Carlson made a motion, seconded by Director Tam, to **approve** the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of December 18, 2024; and the motion **carried** by the following vote of the Committee:

AYES:	Carlson, González, Haubert, Lee, Mueller, Tam, Veenker.
NOES:	None.
ABSTAIN:	None.
ABSENT:	Abe-Koga, Gallagher, Lopez.

ACTION ITEMS

4. FEDERAL AND STATE LEGISLATIVE UPDATES (OUT OF ORDER, ITEM 5)

Alan Abbs, Legislative Officer, gave the staff presentation *Federal and State Legislative Updates*, including: action requested; outline; Part 1: Federal Updates and Pending Legislation: recent federal updates; pending legislation – Cleaner Air Spaces Act; Part II: State Legislation: state legislation overview; Assembly Bill (AB) 14 Hart; Senate Bill (SB) 282 (Wiener); AB 907 (Chen); AB 222 (Bauer-Kahan); AB 339 (Ortega); AB 546 (Caloza); SB 30 (Cortese); SB 34 (Richardson); Part III: State Budget: state budget update; recap: action requested.

Public Comments

Public comments were given by LaDonna Williams, All Positives Possible.

Committee Comments

In addition to Cap and Trade program reauthorization, the Committee and staff discussed the following:

Regarding AB 546 (Caloza) - Health care coverage: portable high-efficiency particulate air (HEPA) purifiers and filters: whether any pregnant person would receive coverage for portable HEPA purifiers and filters, even if they do not have asthma or chronic obstructive pulmonary disease; and concern about supporting a bill that touches on insurance plans and premiums.

Regarding January 20, 2025 Executive Order "Unleashing American Energy": concern about how the pausing of the disbursement of Inflation Reduction Act (IRA) funds would affect electrification efforts.

Regarding AB 222 (Bauer-Kahan) - Data centers: energy usage reporting and modeling: the total energy used to develop a covered model; and to whom reports are to be submitted; and potential interest a position of support for this bill.

Regarding SB 34 (Richardson) - Ports: emissions: intermodal goods movement stakeholder group: why the Air District would adopt a position of neutral instead of oppose.

Committee Action

Director González made a motion, seconded by Director Tam, to recommend that the Board **adopt** the following positions on current legislation:

Federal Legislation introduced in the United States House of Representatives (H.R.) or United States Senate (S.):

1. Support H.R.566 (Peters, Scott H. [D-CA-50]) – Cleaner Air Spaces Act
2. Support S.147 (Bennet, Michael F. [D-CO]) – Cleaner Air Spaces Act

State Legislation introduced in the California State Senate (SB) or California State Assembly (AB):

1. Support AB 546 (Caloza) – Health care coverage: portable HEPA purifiers and filters.

The motion **carried** by the following vote of the Committee:

AYES:	Carlson, González, Haubert, Lee, Tam, Veenker.
NOES:	None.
ABSTAIN:	None.
ABSENT:	Abe-Koga, Gallagher, Lopez, Mueller.

5. **REPORT ON TRANSPORTATION FUND FOR CLEAN AIR (TFCA) PROJECTS EXPENDITURES AND EFFECTIVENESS FOR FISCAL YEAR ENDING (FYE) 2024 AND AUTHORIZATION OF COST-EFFECTIVENESS LIMITS FOR AIR DISTRICT-SPONSORED PROGRAMS COMMENCING FYE 2026 (ITEM 4)**

Linda Hui, Supervising Staff Specialist, gave the staff presentation *Report on Transportation Fund for Clean Air (TFCA) Projects Expenditures and Effectiveness for Fiscal Year Ending 2024*, including: action item; outline; TFCA; summary of project and program results FYE 2024 TFCA expenditures; TFCA Regional Fund expenditures by project category; effectiveness and emissions reductions; key report findings for Board effectiveness determination; cost effectiveness for Air District-sponsored programs; next steps; and recommendation.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed whether the Air District's current focus is on reducing Particulate Matter (PM)_{2.5} or PM₁₀; whether there are any changes between the proposed cost-effectiveness limit for the Air District-sponsored programs commencing FYE 2026 and the limits from FYE 2025; whether the Air District is focused on the emissions reductions of reactive organic gas, nitrogen oxides, and PM equally, versus one of these criteria pollutants in particular; the number of TFCA projects that did not exceed the cost-effective threshold from FYE 2024; and potential impacts to Air District funding for projects that reduce pollutants and greenhouse gases from mobile sources, due to federal funding cuts.

Committee Action

Director Carlson made a motion, seconded by Director Lee, to recommend the Board **adopt** a determination that the Fiscal Year Ending 2024 Transportation Fund for Clean Air 60% Fund expenditures were effective in improving air quality, based on Staff's report and presentation, and **authorize** the proposed cost-effectiveness limit for the Air District-sponsored programs commencing FYE 2026; and the motion **carried** by the following vote of the Committee:

AYES: Carlson, González, Haubert, Lee, Tam, Veenker.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Gallagher, Lopez, Mueller.

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, March 19, 2025, 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 11:21 a.m.

Attachments

- #3 – Approval of the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of December 18, 2024
- #4 – Report on Transportation Fund for Clean Air Projects Expenditures and Effectiveness for Fiscal Year Ending 2024 and Authorization of Cost-Effectiveness Limits for Air District-Sponsored Programs Commencing FYE 2026
- #5 – Federal and State Legislative Updates

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Consideration of Federal and State Legislation

RECOMMENDED ACTION

Recommend the Board of Directors adopt the following positions on current legislation:

Federal Legislation introduced in the United States House of Representatives (H.R.) or United States Senate (S.):

1. Support H.R.566 (Peters, Scott H. [D-CA-50]) – Cleaner Air Spaces Act
2. Support S.147 (Bennet, Michael F. [D-CO]) – Cleaner Air Spaces Act

State Legislation introduced in the California State Assembly (AB):

1. Support AB 546 (Caloza) – Health care coverage: portable HEPA purifiers and filters.

The Policy, Grants, and Technology Committee voted to recommend approval of these items at its meeting on February 26, 2025.

BACKGROUND

Federal Legislation

Senator Michael Bennet (D-CO) and Representative Scott Peters (D-CA-50) recently introduced companion bills (S.147 and H.R.566, respectively), reintroducing the Cleaner Air Spaces Act. The text below is from press release of January 17, 2025:

Colorado U.S. Senator Michael Bennet reintroduced the Cleaner Air Spaces Act (CASA) to reduce the negative health effects caused by wildfire smoke in vulnerable communities. U.S. Representative Scott Peters (D-Calif.) will introduce companion legislation in the House of Representatives. The

legislation would provide grants to expand local clean air programs that provide free air filtration units to households and establish clean air centers in communities with a high risk of wildfire smoke exposure. Vulnerable populations, such as infants, the elderly, and people with pre-existing health conditions such as respiratory or cardiovascular disease, are at higher risk of negative health effects from wildfire smoke.

State Legislation

The first year of the two-year 2025-26 State Legislative Session began on December 2, 2024. The Legislature reconvened on January 6, 2025, and the last day for the introduction of bills was February 21, 2025. Bills can be heard in committee 31 days after being introduced, with mid-March as the start of committee bill hearings.

DISCUSSION

The Board will consider the Policy, Grants, and Technology Committee's recommendations to adopt the following positions on current Federal and State legislation:

Federal Legislation

H.R.566 (Peters, Scott H. [D-CA-50]) – Cleaner Air Spaces Act

Summary: To direct the Administrator of the Environmental Protection Agency to provide grants to air pollution control agencies to implement a cleaner air space program, and for other purposes.

Staff note: Companion bill to S.147 (Bennet, Michael F. [D-CO]) – Cleaner Air Spaces Act.

Status: Referred to the House Committee on Energy and Commerce on January 20, 2025.

Committee Recommendation: Support

S.147 (Bennet, Michael F. [D-CO]) – Cleaner Air Spaces Act

Summary: A bill to direct the Administrator of the Environmental Protection Agency to provide grants to air pollution control agencies to implement a cleaner air space program, and for other purposes.

Staff note: Companion bill to H.R.566 (Peters, Scott H. [D-CA-50]) – Cleaner Air Spaces Act.

Status: Referred to the Senate Committee on Environment and Public Works on January 17, 2025.

Committee Recommendation: Support

State Legislation

AB 546 (Caloza) – Health care coverage: portable HEPA purifiers and filters.

CapitolTrack Summary: Current law provides for the regulation of health insurers by the Department of Insurance. Current law sets forth specified coverage requirements for plan contracts and insurance policies, and limits the copayment, coinsurance, deductible, and other cost sharing that may be imposed for specified health care services. This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2026, to include coverage for portable high-efficiency particulate air (HEPA) purifiers and filters for enrollees or insureds who are pregnant or diagnosed with asthma or chronic obstructive pulmonary disease. The bill would prohibit a portable HEPA purifier and filter covered pursuant to these provisions from being subject to a deductible, coinsurance, or copayment requirement. (Based on 02/11/2025 text)

Status: Introduced on February 11, 2025. Committee referral pending.

Committee Recommendation: Support

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Alan Abbs

Reviewed by: Viet Tran

ATTACHMENT(S):

1. Cleaner Air Spaces Act - One-Pager
2. H.R.566 (Peters, Scott H. [D-CA-50]) - Bill Text - As Introduced on January 20, 2025
3. S.147 (Bennet, Michael F. [D-CO]) - Bill Text - As Introduced on January 17, 2025
4. AB 546 (Caloza) - Bill Text - As Introduced on February 11, 2025
5. Consideration of Federal and State Legislation Presentation



Cleaner Air Spaces Act (CASA)

Summary

CASA provides grants to fund local clean air space programs to reduce the negative public health effects of wildfire smoke. The programs must:

- 1) **Provide free air filtration units** and educational materials regarding how to set up clean air rooms to individuals vulnerable to wildfire smoke, and
- 2) **Establish clean air centers** in communities vulnerable to wildfire smoke.

Problem

Wildfires are now the largest source of particulate pollution in the United States, creating more than [40%](#) of the nation's fine particulate matter air pollution. Particulate pollution from wildfire smoke is [more harmful](#) to human health compared to other pollution sources and tens of millions of Americans are at [risk](#) of experiencing high levels of exposure. Vulnerable populations, such as infants, the elderly, and people with preexisting health conditions such as respiratory or cardiovascular disease, are at [higher risk](#) of negative health effects from wildfire smoke. Extreme smoke events are already [increasing](#) emergency room visits and more people will be at risk as wildfires grow in frequency and intensity.

Solution

[Clean air rooms](#) are one of the most cost-effective tools to reduce negative health effects from wildfire smoke. A clean air room is a designated space set up to keep levels of smoke and other harmful air particles as low as possible during wildfire smoke events. Clean air rooms can be established inside a household (e.g., a bedroom) or established via a community clean air center (e.g., a clean air space in a library or a gym).

Bill Details

- Provides grants to support local cleaner air spaces programs. The programs must:
 - provide at least 1,000 free air filtration units and one replacement filter for the air filtration units to low-income households with individuals vulnerable to wildfire smoke;
 - provide educational materials to help eligible households best utilize the air filtration unit and create a clean air room in their home;
 - establish at least one public clean air center.
- Requires grant recipients to partner with local organizations.
- Requires a report to Congress with survey data from the cleaner air spaces programs and recommendations on if and how the programs should be modified or expanded.
- The bill was modeled on several existing programs:
 - [Portside Air Quality Improvement and Relief \(PAIR\) Program](#) – San Diego.
 - [Clean Air Filtration Program](#) – San Francisco Bay Area.
 - [Clean Air Room Pilot Program](#) – San Joaquin Valley.
 - [Clean Air Rooms Pilot Program](#) – Santa Barbara County.
 - [Wildfire Smoke Clean Air Center Grant](#) – State of California.

119TH CONGRESS
1ST SESSION

H. R. 566

To direct the Administrator of the Environmental Protection Agency to provide grants to air pollution control agencies to implement a cleaner air space program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 20, 2025

Mr. PETERS (for himself, Ms. JACOBS, Ms. TITUS, Mr. MOULTON, Mr. KHANNA, Mr. PANETTA, Mr. COSTA, Mr. NEGUSE, Ms. PETTERSEN, Mr. MULLIN, Mr. GARAMENDI, Mr. SWALWELL, Ms. DEGETTE, and Ms. SCHRIER) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To direct the Administrator of the Environmental Protection Agency to provide grants to air pollution control agencies to implement a cleaner air space program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Cleaner Air Spaces
5 Act of 2025”.

1 **SEC. 2. CLEANER AIR SPACE PROGRAM GRANT.**

2 (a) IN GENERAL.—Subject to the availability of ap-
3 propriations, the Administrator shall provide grants to air
4 pollution control agencies to implement a cleaner air space
5 program in accordance with this section.

6 (b) GRANT REQUIREMENTS.—

7 (1) AMOUNTS.—Under this section, the Admin-
8 istrator may not provide a grant to an air pollution
9 control agency in an amount that exceeds
10 \$3,000,000.

11 (2) GRANTS FOR TRIBES.—The Administrator
12 shall provide at least one grant to a Tribal agency
13 that has jurisdiction over air quality.

14 (c) APPLICATION.—

15 (1) IN GENERAL.—To apply for a grant pro-
16 vided under this section, an air pollution control
17 agency shall submit to the Administrator an applica-
18 tion at such time, in such manner, and containing
19 such information as the Administrator determines
20 appropriate, including a proposal for the implemen-
21 tation of a cleaner air space program.

22 (2) PROPOSAL FOR CLEANER AIR SPACE PRO-
23 GRAM REQUIREMENTS.—A proposal for the imple-
24 mentation of a cleaner air space program under
25 paragraph (1) shall include the following:

1 (A) Certification of partnering with a com-
2 munity-based organization.

3 (B) Details on the responsibilities of all
4 parties involved with the cleaner air space pro-
5 gram, including the responsibilities of—

6 (i) the air pollution control agency;

7 and

8 (ii) any community-based organiza-
9 tions for which the air pollution control
10 agency is partnering with under subpara-
11 graph (A).

12 (C) Information regarding which geo-
13 graphic population or community of covered
14 households may be receiving eligible air filtra-
15 tion units under such cleaner air space pro-
16 gram.

17 (D) Information on how the air pollution
18 control agency plans to—

19 (i) distribute educational materials re-
20 lated to eligible air filtration units; and

21 (ii) advertise the availability of clean
22 air centers.

23 (E) Information on how such air pollution
24 control agency plans to establish a clean air
25 center, including—

1 (i) the facility in which a clean air
2 center may be established; and

3 (ii) the capacity and ventilation char-
4 acteristics of such facility.

5 (F) A description of the costs that may be
6 associated with the program, including any ad-
7 ministrative costs.

8 (d) CLEANER AIR SPACE PROGRAM REQUIRE-
9 MENTS.—Subject to partnership requirement under sub-
10 section (e), an air pollution control agency implementing
11 a cleaner air space program pursuant to subsection (a)
12 shall—

13 (1) establish at least one clean air center that
14 is—

15 (A) located in an area at risk of being ex-
16 posed to wildland fire smoke;

17 (B) accessible to individuals that reside in
18 covered households; and

19 (C) open, accessible, and staffed during
20 wildland fire smoke events with the option of
21 being open, accessible, and staffed before or
22 after wildland fire smoke events;

23 (2) advertise to the public—

24 (A) during a wildland fire smoke event, the
25 availability of a clean air center; and

1 (B) the local cleaner air space program
2 that such air pollution control agency is imple-
3 menting, including information about such local
4 cleaner air space program, the availability of
5 free air filtration units (if applicable), eligibility
6 requirements to receive such free air filtration
7 unit, and information on who to contact for
8 more information with respect to such local
9 cleaner air space program;

10 (3) at no cost to covered households—

11 (A) distribute a minimum of 1,000 eligible
12 air filtration units to such covered households;
13 and

14 (B) provide one air filter replacement for
15 each eligible air filtration unit distributed under
16 subparagraph (A);

17 (4) distribute educational materials that include
18 information on how to best utilize an eligible air fil-
19 tration unit to create a clean air room in a home;

20 (5) collect, and provide to the Administrator,
21 information on—

22 (A) each type of eligible air filtration unit
23 distributed under such cleaner air space pro-
24 gram;

1 (B) the number of eligible air filtration
2 unit so distributed; and

3 (C) the cost of each type of eligible air fil-
4 tration unit so distributed; and

5 (6) not later than 6 months after providing an
6 eligible air filtration unit to a covered household,
7 conduct an anonymous survey of an individual of
8 such covered household that received the eligible air
9 filtration unit through the cleaner air space program
10 on—

11 (A) whether such individual understood
12 how to properly set up a clean air room and
13 how to utilize the air filtration unit;

14 (B) how often such individual utilized the
15 air filtration unit;

16 (C) the largest barriers to properly uti-
17 lizing the air filtration unit or creating a clean
18 air room;

19 (D) whether such individual reported bet-
20 ter air conditions in the clean air room of such
21 individual compared to other parts of the home
22 of such individual; and

23 (E) how the implementation of the cleaner
24 air space program could improve.

1 (e) PARTNERSHIP.—In implementing a cleaner air
2 space program under subsection (a), an air pollution con-
3 trol agency shall partner with at least one community-
4 based organization to carry out the requirements of such
5 cleaner air space program under subsection (d).

6 (f) REPORT.—Not later than 3 years after the date
7 of the enactment of this Act, the Administrator shall sub-
8 mit to Congress a report that includes—

9 (1) information on each cleaner air space pro-
10 gram implemented using a grant provided under
11 subsection (a), including—

12 (A) the name of the air pollution control
13 agency that received such grant; and

14 (B) the information described in subsection
15 (d)(5) collected by such air pollution control
16 agency;

17 (2) responses from the survey described in sub-
18 section (d)(6); and

19 (3) recommendations on—

20 (A) whether the cleaner air space program
21 should be expanded; and

22 (B) how the cleaner air space program can
23 be improved.

24 (g) DEFINITIONS.—In this section:

1 (1) ADMINISTRATOR.—The term “Adminis-
2 trator” means the Administrator of the Environ-
3 mental Protection Agency.

4 (2) AIR POLLUTION CONTROL AGENCY.—The
5 term “air pollution control agency” has the meaning
6 given such term in section 302 of the Clean Air Act
7 (42 U.S.C. 7602).

8 (3) CLEAN AIR CENTER.—The term “clean air
9 center” means one or more clean air rooms in a pub-
10 licly accessible building.

11 (4) CLEAN AIR ROOM.—The term “clean air
12 room” means a room that is designed to keep levels
13 of harmful air pollutants as low as possible during
14 wildland fire smoke events.

15 (5) COVERED HOUSEHOLD.—The term “covered
16 household” means a household that—

17 (A) is located in a low-income community;

18 and

19 (B) includes a person who—

20 (i) is at high risk of experiencing a
21 wildland fire smoke event; and

22 (ii) is vulnerable to negative health ef-
23 fects caused by wildland fire smoke due to
24 factors such as an underlying health condi-
25 tion, a disability, or age.

1 (6) ELIGIBLE AIR FILTRATION UNIT.—The
2 term “eligible air filtration unit” means an air filtra-
3 tion unit that—

4 (A) is certified by Association of Home Ap-
5 pliance Manufacturers to have a Clean Air De-
6 livery Rate of at least 97 for smoke;

7 (B) is certified under the Energy Star pro-
8 gram established by section 324A of the Energy
9 Policy and Conservation Act (42 U.S.C.
10 6294a);

11 (C) does not emit ozone; and

12 (D) uses a true high-efficiency particulate
13 air filter rated to remove 99.97 percent of par-
14 ticles measuring 0.3 micrometers or greater.

15 (7) LOW-INCOME COMMUNITY.—The term “low-
16 income community” has the meaning given such
17 term in section 45D of the Internal Revenue Code
18 (26 U.S.C. 45D).

19 (h) AUTHORIZATION OF APPROPRIATIONS.—

20 (1) IN GENERAL.—There is authorized to be
21 appropriated to the Administrator to carry out this
22 section \$30,000,000 for the period of fiscal years
23 2026 through 2028.

24 (2) ADMINISTRATIVE EXPENSES.—Of the funds
25 made available under paragraph (1), the Adminis-

1 trator may use not more than 10 percent of such
2 funds on expenses relating to administering the
3 cleaner air space program.

○

119TH CONGRESS
1ST SESSION

S. 147

To direct the Administrator of the Environmental Protection Agency to provide grants to air pollution control agencies to implement a cleaner air space program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 17, 2025

Mr. BENNET (for himself, Mr. BLUMENTHAL, Ms. CORTEZ MASTO, Mrs. GILLIBRAND, Mr. MERKLEY, Ms. ROSEN, Mr. PADILLA, and Mr. WYDEN) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

To direct the Administrator of the Environmental Protection Agency to provide grants to air pollution control agencies to implement a cleaner air space program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Cleaner Air Spaces
5 Act of 2025”.

6 **SEC. 2. CLEANER AIR SPACE PROGRAM GRANTS.**

7 (a) DEFINITIONS.—In this section:

1 (1) ADMINISTRATOR.—The term “Adminis-
2 trator” means the Administrator of the Environ-
3 mental Protection Agency.

4 (2) AIR POLLUTION CONTROL AGENCY.—The
5 term “air pollution control agency” has the meaning
6 the term given in section 302 of the Clean Air Act
7 (42 U.S.C. 7602).

8 (3) CLEAN AIR CENTER.—The term “clean air
9 center” means 1 or more clean air rooms in a pub-
10 licly accessible building.

11 (4) CLEAN AIR ROOM.—The term “clean air
12 room” means a room that is designed to keep levels
13 of harmful air pollutants as low as possible during
14 wildland fire smoke events.

15 (5) COVERED HOUSEHOLD.—The term “covered
16 household” means a household that—

17 (A) is located in a low-income community;

18 and

19 (B) includes a person who—

20 (i) is at high risk of experiencing a
21 wildland fire smoke event; and

22 (ii) is vulnerable to negative health ef-
23 fects caused by wildland fire smoke due to
24 factors such as an underlying health condi-
25 tion, a disability, or age.

1 (6) ELIGIBLE AIR FILTRATION UNIT.—The
2 term “eligible air filtration unit” means an air filtra-
3 tion unit that—

4 (A) is certified by the Association of Home
5 Appliance Manufacturers to have a Clean Air
6 Delivery Rate of at least 97 for smoke;

7 (B) is certified under the Energy Star pro-
8 gram established by section 324A of the Energy
9 Policy and Conservation Act (42 U.S.C.
10 6294a);

11 (C) does not emit ozone; and

12 (D) uses a true high-efficiency particulate
13 air filter rated to remove 99.97 percent of par-
14 ticles measuring 0.3 micrometers or greater.

15 (7) LOW-INCOME COMMUNITY.—The term “low-
16 income community” has the meaning given the term
17 in section 45D(e) of the Internal Revenue Code.

18 (b) GRANTS AUTHORIZED.—Subject to the avail-
19 ability of appropriations, the Administrator shall provide
20 grants to air pollution control agencies to implement a
21 cleaner air space program in accordance with this section.

22 (c) GRANT REQUIREMENTS.—

23 (1) AMOUNTS.—Under this section, the Admin-
24 istrator may not provide a grant to an air pollution

1 control agency in an amount that exceeds
2 \$3,000,000.

3 (2) GRANTS FOR TRIBES.—The Administrator
4 shall provide at least 1 grant under this section to
5 a Tribal agency that has jurisdiction over air qual-
6 ity.

7 (d) APPLICATION.—

8 (1) IN GENERAL.—To apply for a grant under
9 this section, an air pollution control agency shall
10 submit to the Administrator an application at such
11 time, in such manner, and containing such informa-
12 tion as the Administrator determines appropriate,
13 including a proposal for the implementation of a
14 cleaner air space program.

15 (2) PROPOSAL FOR CLEANER AIR SPACE PRO-
16 GRAM REQUIREMENTS.—A proposal for the imple-
17 mentation of a cleaner air space program of an air
18 pollution control agency under paragraph (1) shall
19 include the following:

20 (A) Certification of partnering with a com-
21 munity-based organization.

22 (B) Details on the responsibilities of all
23 parties involved with the cleaner air space pro-
24 gram, including the responsibilities of—

1 (i) the air pollution control agency;

2 and

3 (ii) any community-based organiza-
4 tions with which the air pollution control
5 agency is partnering under subparagraph
6 (A).

7 (C) Information with respect to which geo-
8 graphic population or community of covered
9 households may be receiving eligible air filtra-
10 tion units under the cleaner air space program.

11 (D) Information on how the air pollution
12 control agency plans—

13 (i) to distribute educational materials
14 related to eligible air filtration units; and

15 (ii) to advertise the availability of
16 clean air centers.

17 (E) Information on how the air pollution
18 control agency plans to establish a clean air
19 center, including—

20 (i) the facility in which a clean air
21 center may be established; and

22 (ii) the capacity and ventilation char-
23 acteristics of that facility.

1 (F) A description of the costs that may be
2 associated with the cleaner air space program,
3 including any administrative costs.

4 (e) CLEANER AIR SPACE PROGRAM REQUIRE-
5 MENTS.—Subject to satisfaction of the partnership re-
6 quirement described in subsection (f), an air pollution con-
7 trol agency implementing a cleaner air space program pur-
8 suant to a grant provided under subsection (b) shall—

9 (1) establish at least 1 clean air center that
10 is—

11 (A) located in an area at risk of being ex-
12 posed to wildland fire smoke;

13 (B) accessible to individuals that reside in
14 covered households;

15 (C) open, accessible, and staffed during
16 wildland fire smoke events with the option of
17 being open, accessible, and staffed before or
18 after wildland fire smoke events;

19 (2) advertise to the public—

20 (A) during a wildland fire smoke event, the
21 availability of a clean air center; and

22 (B) the cleaner air space program that the
23 air pollution control agency is implementing, in-
24 cluding information about the cleaner air space
25 program, the availability of free air filtration

1 units (if applicable), eligibility requirements to
2 receive those free air filtration units, and infor-
3 mation on who to contact for more information
4 with respect to the cleaner air space program;
5 (3) at no cost to covered households—

6 (A) distribute not less than 1,000 eligible
7 air filtration units to those covered households;
8 and

9 (B) provide 1 air filter replacement for
10 each eligible air filtration unit distributed under
11 subparagraph (A);

12 (4) distribute educational materials that include
13 information with respect to how to best utilize an el-
14 igible air filtration unit to create a clean air room
15 in a home;

16 (5) collect, and provide to the Administrator,
17 information on—

18 (A) each type of eligible air filtration unit
19 distributed under the cleaner air space pro-
20 gram;

21 (B) the number of eligible air filtration
22 units so distributed; and

23 (C) the cost of each type of eligible air fil-
24 tration unit so distributed; and

1 (6) not later than 6 months after providing an
2 eligible air filtration unit to a covered household,
3 conduct an anonymous survey of an individual of the
4 covered household that received the eligible air filtra-
5 tion unit through the cleaner air space program with
6 respect to—

7 (A) whether the individual understood how
8 to properly set up a clean air room and how to
9 utilize the air filtration unit;

10 (B) how often the individual utilized the
11 air filtration unit;

12 (C) the largest barriers to properly uti-
13 lizing the air filtration unit or creating a clean
14 air room;

15 (D) whether the individual reported better
16 air conditions in the clean air room compared
17 to other parts of the home of that individual;
18 and

19 (E) how the implementation of the cleaner
20 air space program could improve.

21 (f) PARTNERSHIP.—In implementing a cleaner air
22 space program pursuant to a grant provided under sub-
23 section (b), an air pollution control agency shall partner
24 with at least 1 community-based organization to carry out

1 the requirements of the cleaner air space program de-
2 scribed in subsection (e).

3 (g) REPORT.—Not later than 3 years after the date
4 of enactment of this Act, the Administrator shall submit
5 to Congress a report that includes—

6 (1) information on each cleaner air space pro-
7 gram implemented using a grant provided under
8 subsection (b), including—

9 (A) the name of the air pollution control
10 agency that received the grant; and

11 (B) the information described in subsection
12 (e)(5) collected by the air pollution control
13 agency;

14 (2) responses from the surveys described in
15 subsection (e)(6); and

16 (3) recommendations with respect to—

17 (A) whether the grant program under this
18 section should be expanded; and

19 (B) how the grant program under this sec-
20 tion can be improved.

21 (h) AUTHORIZATION OF APPROPRIATIONS.—

22 (1) IN GENERAL.—There is authorized to be
23 appropriated to the Administrator to carry out this
24 section \$30,000,000 for the period of fiscal years
25 2026 through 2028.

1 (2) ADMINISTRATIVE EXPENSES.—Of the funds
2 made available under paragraph (1), the Adminis-
3 trator may use not more than 10 percent for ex-
4 penses relating to administering the grant program
5 under this section.

○

ASSEMBLY BILL

No. 546

**Introduced by Assembly Member Caloza
(Principal coauthor: Assembly Member Rivas)**

February 11, 2025

An act to add Section 1367.56 to the Health and Safety Code, and to add Section 10123.63 to the Insurance Code, relating to health care coverage, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 546, as introduced, Caloza. Health care coverage: portable HEPA purifiers and filters.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act's requirements a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law sets forth specified coverage requirements for plan contracts and insurance policies, and limits the copayment, coinsurance, deductible, and other cost sharing that may be imposed for specified health care services.

This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2026, to include coverage for portable high-efficiency particulate air (HEPA) purifiers and filters for enrollees or insureds who are pregnant or diagnosed with asthma or chronic obstructive pulmonary disease. The bill would prohibit a portable HEPA purifier and filter covered pursuant to these provisions from being subject to a deductible, coinsurance, or copayment requirement.

Because a willful violation of these provisions by a health care service plan would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1367.56 is added to the Health and Safety
- 2 Code, to read:
- 3 1367.56. (a) A health care service plan contract issued,
- 4 amended, or renewed on or after January 1, 2026 , shall include
- 5 coverage for portable high-efficiency particulate air (HEPA)
- 6 purifiers and filters for enrollees who are pregnant and enrollees
- 7 diagnosed with asthma or chronic obstructive pulmonary disease
- 8 (COPD).
- 9 (1) A portable HEPA purifier and filter pursuant to this section
- 10 shall not be subject to a deductible, coinsurance, or copayment
- 11 requirement.
- 12 (2) If a health care service plan contract is a high deductible
- 13 health plan, as defined in Section 223(c)(2) of Title 26 of the
- 14 United States Code, the contract shall not impose cost sharing as
- 15 specified in this section, unless not applying cost sharing would
- 16 conflict with federal requirements for high deductible health plans.
- 17 (b) (1) For purposes of this section, a portable HEPA purifier
- 18 and filter uses a mechanical air filter that can remove at least 99%
- 19 of airborne particles that are 10 microns in size or have a minimum
- 20 efficiency reporting value (MERV) of 13 or higher.
- 21 (2) A HEPA filter includes a filter used for air purification
- 22 systems for home use or portable use.
- 23 (c) This section shall apply to enrollees of a Public Employees’
- 24 Retirement System (CalPERS) sponsored health plan and members

1 of the State Teachers' Retirement System (CalSTRS) who receive
2 a health care benefit under CalSTRS.

3 (d) (1) This section shall not apply to a Medicare supplement
4 policy or a specialized health care service plan contract that covers
5 only dental or vision benefits.

6 (2) This section shall not apply to Medi-Cal managed care plans
7 that contract with the State Department of Health Care Services
8 pursuant to Chapter 7 (commencing with Section 14000) of, and
9 Chapter 8 (commencing with Section 14200) of, Part 3 of Division
10 9 of the Welfare and Institutions Code.

11 (3) This section shall not apply with respect to self-insured
12 employer plans governed by the Employee Retirement Income
13 Security Act of 1974 (ERISA) (Public Law 93-406).

14 SEC. 2. Section 10123.63 is added to the Insurance Code, to
15 read:

16 10123.63. (a) A health insurance policy issued, amended, or
17 renewed on or after January 1, 2026, shall include coverage for
18 portable high-efficiency particulate air (HEPA) purifiers and filters
19 for insureds who are pregnant and insureds diagnosed with asthma
20 or chronic obstructive pulmonary disease (COPD).

21 (1) A portable HEPA purifier and filter pursuant to this section
22 shall not be subject to a deductible, coinsurance, or copayment
23 requirement.

24 (2) If a health insurance policy is a high deductible health plan,
25 as defined in Section 223(c)(2) of Title 26 of the United States
26 Code, the contract shall not impose cost sharing as specified in
27 this section, unless not applying cost sharing would conflict with
28 federal requirements for high deductible health plans.

29 (b) (1) For purposes of this section, a portable HEPA purifier
30 and filter uses a mechanical air filter that can remove at least 99%
31 of airborne particles that are 10 microns in size or have a minimum
32 efficiency reporting value (MERV) of 13 or higher.

33 (2) A HEPA filter includes a filter used for air purification
34 systems for home use or portable use.

35 (c) This section shall apply to insureds of a Public Employees'
36 Retirement System (CalPERS) sponsored health plan and members
37 of the State Teachers' Retirement System (CalSTRS) who receive
38 a health care benefit under CalSTRS.

1 (d) (1) This section shall not apply to a Medicare supplement
2 policy or a specialized health insurance policy that covers only
3 dental or vision benefits.

4 (2) This section shall not apply with respect to self-insured
5 employer plans governed by the Employee Retirement Income
6 Security Act of 1974 (ERISA) (Public Law 93-406).

7 SEC. 3. No reimbursement is required by this act pursuant to
8 Section 6 of Article XIII B of the California Constitution because
9 the only costs that may be incurred by a local agency or school
10 district will be incurred because this act creates a new crime or
11 infraction, eliminates a crime or infraction, or changes the penalty
12 for a crime or infraction, within the meaning of Section 17556 of
13 the Government Code, or changes the definition of a crime within
14 the meaning of Section 6 of Article XIII B of the California
15 Constitution.

16 SEC. 4. This act is an urgency statute necessary for the
17 immediate preservation of the public peace, health, or safety within
18 the meaning of Article IV of the California Constitution and shall
19 go into immediate effect. The facts constituting the necessity are:

20 Pregnant women who are exposed to particulate matter from
21 wildfire smoke face a higher risk of preterm birth than women
22 who were not exposed. Wildfire smoke can additionally trigger
23 asthma attacks or chronic obstructive pulmonary disease (COPD).
24 To mitigate these outcomes, it is necessary that this act take effect
25 immediately.

O



Consideration of State and Federal Legislation

Board of Directors Meeting

March 5, 2025

Alan Abbs

Legislative Officer

Legislative and Government Affairs

Action Requested

Adopt the following positions on current legislation:

- Federal Legislation introduced in the United States House of Representatives (H.R.) or United States Senate (S.):
 - 1. Support H.R.566 (Peters, Scott H. [D-CA-50]) – Cleaner Air Spaces Act**
 - 2. Support S.147 (Bennet, Michael F. [D-CO]) – Cleaner Air Spaces Act**
- State Legislation introduced in the California State Senate (SB) or California State Assembly (AB):
 - 1. Support AB 546 (Caloza) – Health care coverage: portable HEPA purifiers and filters.**

The Policy, Grants, and Technology Committee (Committee) voted to recommend approval of these items at its meeting on February 26, 2025.



FEDERAL LEGISLATION

Cleaner Air Spaces Act

Senator Michael Bennet (D-CO) and Representative Scott Peters (D-CA-50) recently introduced companion bills (S.147 and H.R.566, respectively), reintroducing the Cleaner Air Spaces Act.

The proposed legislation would provide grants to expand local clean air programs that provide free air filtration units to households and establish clean air centers in communities with a high risk of wildfire smoke exposure.

Committee Recommendation: Support



STATE LEGISLATION

AB 546 (Caloza)

Health care coverage: portable HEPA purifiers and filters

This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2026, to include coverage for portable high-efficiency particulate air (HEPA) purifiers and filters for enrollees or insureds who are pregnant or diagnosed with asthma or chronic obstructive pulmonary disease. The bill would prohibit a portable HEPA purifier and filter covered pursuant to these provisions from being subject to a deductible, coinsurance, or copayment requirement.

Committee Recommendation: Support

Recap: Action Requested

Adopt the following positions on current legislation:

- Federal Legislation introduced in the United States House of Representatives (H.R.) or United States Senate (S.):
 - 1. Support H.R.566 (Peters, Scott H. [D-CA-50]) – Cleaner Air Spaces Act**
 - 2. Support S.147 (Bennet, Michael F. [D-CO]) – Cleaner Air Spaces Act**
- State Legislation introduced in the California State Senate (SB) or California State Assembly (AB):
 - 1. Support AB 546 (Caloza) – Health care coverage: portable HEPA purifiers and filters.**

The Policy, Grants, and Technology Committee (Committee) voted to recommend approval of these items at its meeting on February 26, 2025.

Questions/Feedback

For more information:

Alan Abbs, Legislative Officer | aabbs@baaqmd.gov

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Overview of Air District Legal Division

RECOMMENDED ACTION

Informational item only; no action requested at this time.

BACKGROUND

The Air District's Legal Division provides legal advice, counseling and representation to the Board of Directors and its Committees, the Executive Officer/APCO, Air District staff, the Advisory Council, and the Community Advisory Council in the execution of their respective statutory mandates and responsibilities. The Legal Division 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.

One of the Legal Division's most important functions is to prosecute enforcement cases referred to it by the Compliance and Enforcement Division. These enforcement cases 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 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 they may include court cases as well to the extent that Hearing Board action is insufficient. These enforcement efforts are designed to provide a robust 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.

The Legal Division's enforcement program also includes the Mutual Settlement Program, which prosecutes violations by small businesses and similar entities through small claims court, a more efficient and effective way to address violations for which a large penalty would not be appropriate.

In addition to enforcement work, the Legal Division advises Air District staff on rulemaking, permitting and air quality planning activities. The Legal Division's attorneys coordinate closely with other Air District staff on these issues to minimize the potential for challenges to Air District decision-making. The Legal Division also represents the Executive Officer/APCO before the Hearing Board, provides counsel to the Board of Directors and its Committees as to their legal authority and duties, and interacts with EPA, CARB, other Air Districts and private attorneys on various matters.

The Legal Division also advises 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 includes 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 also includes supporting Community Engagement staff and other staff within the agency as they develop these programs.

DISCUSSION

This item will provide a presentation summarizing the Legal Division's work. The presentation will cover the organization of the Legal Division, which includes the General Counsel, two Senior Assistant Counsels, nine Assistant Counsels, and one limited-term-contract Staff Attorney, as well as three non-attorney Small Claims Case Settlement Specialists, a dedicated Public Records Coordinator, and a Legal Office Services Specialist who provides administrative support. The presentation will highlight the main areas of the Legal Division's work, including enforcement cases, litigation, supporting the Air District's various substantive program areas, providing advice and support on California municipal and public agency law, and supporting the Air District's business functions like procurement, contracting, and Human Resources.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Alexander Crockett

ATTACHMENT(S):

1. Presentation - Overview of Air District Legal Division



Overview of Air District Legal Division

Board of Directors Meeting

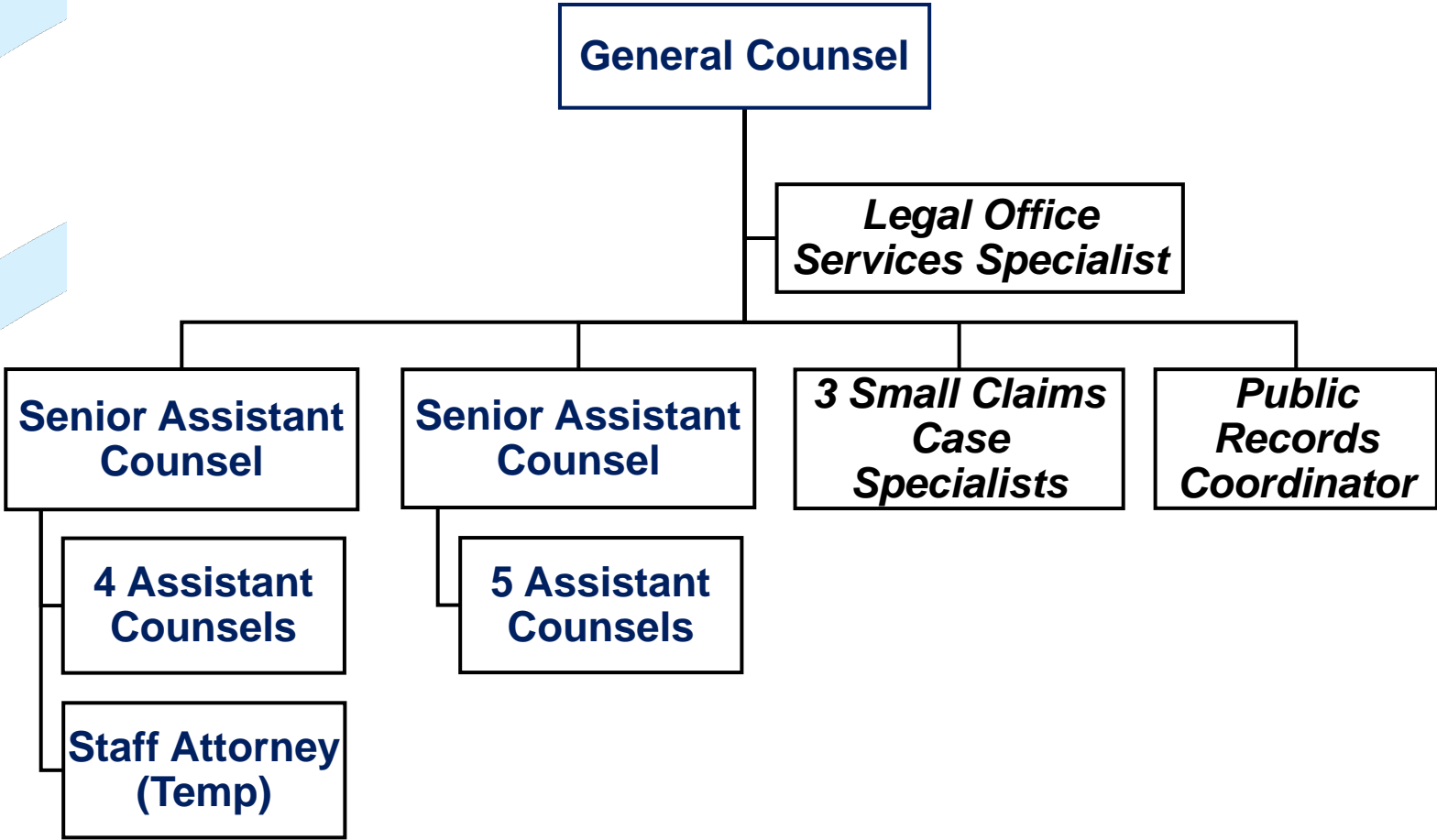
March 5, 2025

Alexander "Sandy" Crockett
General Counsel

Presentation Outline

- Legal Division Organization
- Enforcement
- Litigation
- Other Air District Program Areas
- Public Agency Legal Requirements
- Air District Business Functions
- What's Coming in 2025

Legal Division Organization



Recent Transitions

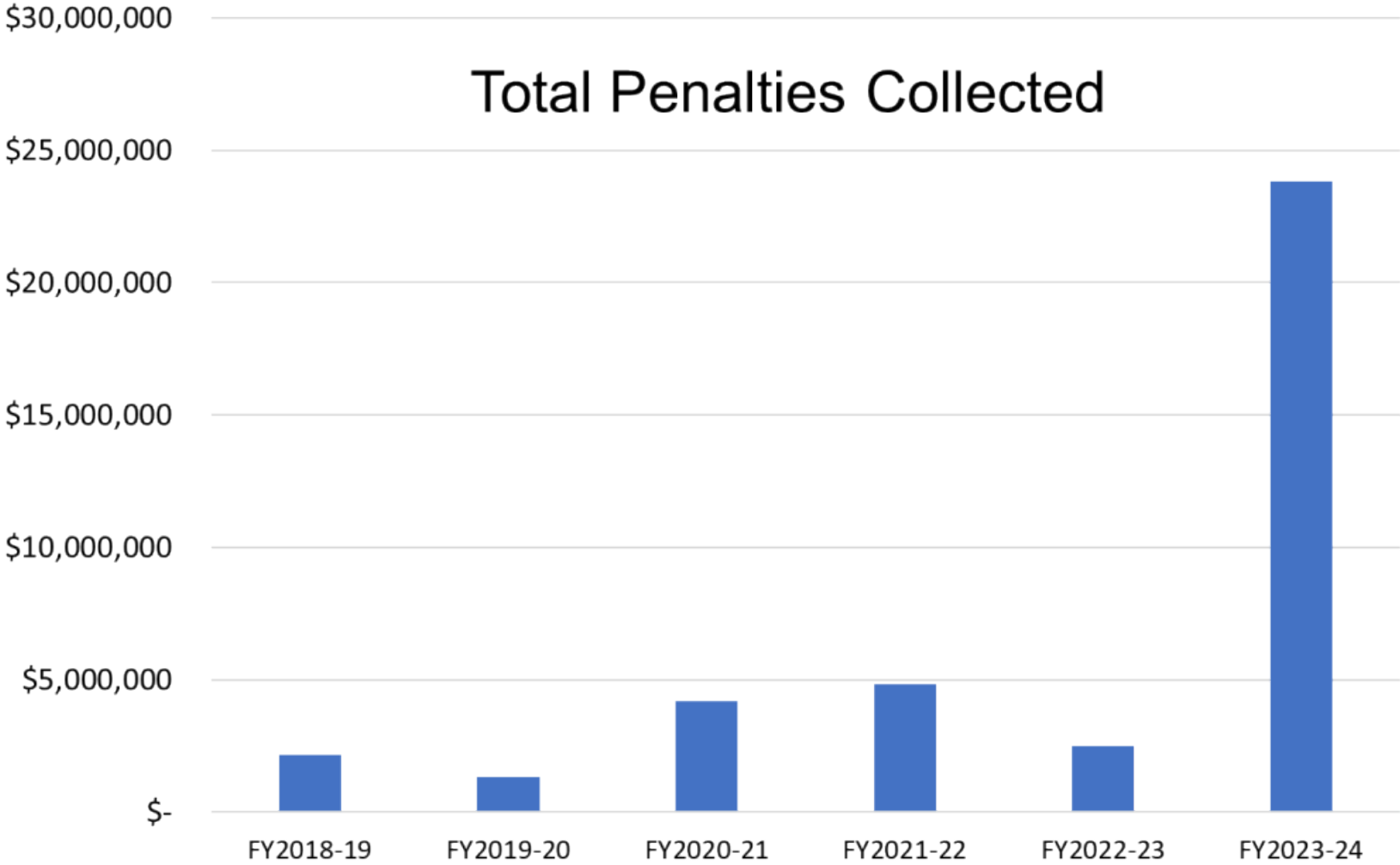
- General Counsel position vacant for 11 months (2021-2022)
- Almost entirely new attorney corps
- New management structure

Enforcement - Overview

- Resolve Notices of Violation (NOVs)
 - 2024 Results:
 - 1,132 Violations Resolved with Penalties
 - \$110,694,506 in Penalties Assessed
- Hearing Board Cases
 - Abatement Orders
 - Variances
- Superior Court Civil Prosecutions



Enforcement – Penalty Collection History



Enforcement Case Study – Valero Refinery



- Volatile organic compounds (VOCs) emitted in violation of Air District regulations
- Violations ongoing since at least 2003
- Valero management knew but did not report or take steps to address the emissions
- Over 8,400 tons illegally emitted
- Joint prosecution with California Air Resources Board
- \$82 million penalty – largest in Air District history

Enforcement Case Study – Green Sage

- Illegal diesel generators used to power cannabis grow operation in East Oakland
- Historic artist live/work space
- 9 large trailer-sized generators
- Reported by residents and advocates
- Air District obtained Hearing Board abatement order, but operators flouted it
- Went to Superior Court for injunction
- Pursued generator owner / rental company, who took back the generators
- Operator now out of business



Enforcement – Lessons for Further Improvement

- Quicker resolution of enforcement cases
- Community cooperation and input
- Coordination among enforcement agencies
- Maximize use of enforcement authorities and tools

Litigation

- Defense of Air District Regulations, Permits, and Other Actions
 - Forced petroleum refiners to drop challenges to Rule 6-5, a stringent Particulate Matter (PM) regulation with major health benefits
- Affirmative litigation in support of sound regulatory policy
 - Denial of California “waiver” for motor vehicle regulations
 - US Postal Service decision to purchase only 10% Electric Vehicles (EV)
- Handle litigation in-house – and use outside law firm expertise where appropriate



“Thurgood Marshall U.S. Courthouse”
by Heather Paul, from Flickr

Other Air District Program Areas



- **Permit Support**
 - Complex regulatory analyses
 - California Environmental Quality Act (CEQA) compliance
 - Civil rights compliance
- **Rule Development**
- **Community Engagement & Assembly Bill 617**
- **Planning**
 - Air quality planning requirements
 - CEQA thresholds of significance
- **Grants Programs**
 - ~300 grant agreements every year
- **Legislative Advocacy**
- **Clean Air Foundation**

Public Agency Legal Requirements

- Brown Act Compliance
 - Board and Committees
 - Community Advisory Council
 - Scientific Advisory Council
- Public Records Act (PRA)
 - Dedicated Public Records Coordinator
 - ~250-300 PRA requests handled each month
 - Just launched new PRA Tracker platform
- Ethics issues



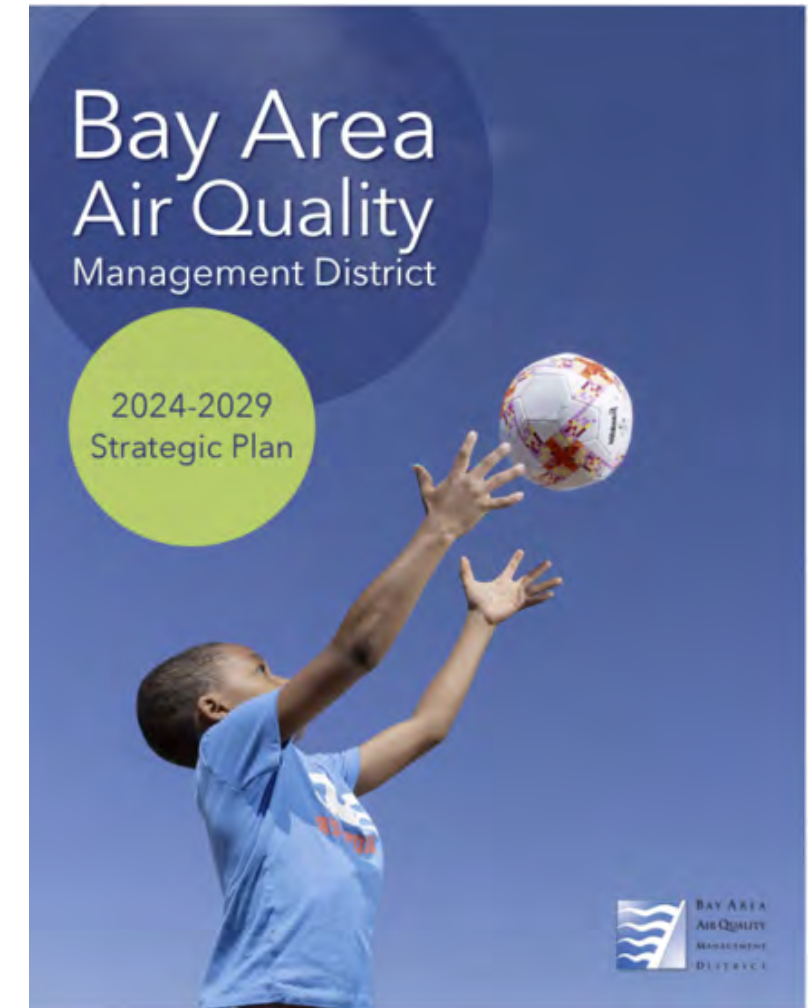
Air District Business Functions



- Procurement & Contracting
 - 500+ contracts per year
- Real Property Issues
- Insurance
- Tax Issues
- Human Resources & Personnel Matters

What's Coming in 2025

- Continue Robust Enforcement Program
- Enforcement-Related Strategic Plan Initiatives
 - Work with community on new enforcement policy
 - Update violation investigation report format
 - Regular community town hall meetings
- Civil Rights Compliance in Permitting
- Environmental Justice Law Fellowship
- Summer Internships



Questions/Feedback

Questions about the Legal Division?



BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Lynda Hopkins and Members
of the Board of Directors

From: Philip M. Fine
Executive Officer/APCO

Date: March 5, 2025

Re: Update on United States Environmental Protection Agency's Initial Area
Designations for the Federal Annual Fine Particulate Matter Standard

RECOMMENDED ACTION

None; the Board will discuss this item, but no action is requested at this time.

BACKGROUND

Data from the Air District's regulatory air monitoring network provide insights into levels of specific pollutants and are also used to determine compliance with United States Environmental Protection Agency's (US EPA) National Ambient Air Quality Standards (NAAQS) for commonly found pollutants considered harmful to public health and the environment.

When US EPA finalizes a revision to the NAAQS, the Clean Air Act (CAA) requires US EPA to determine whether all areas of the country meet or do not meet the revised standards within two years. This process is called initial area designations and to make their determination, US EPA reviews air monitoring data and other factors in close partnership with state, local, and Tribal agencies. Regions that do not meet the new standard are designated nonattainment, while regions that meet the standard are designated attainment / unclassifiable. Regions that are designated nonattainment must develop and submit a federally approvable State Implementation Plan (SIP) that shows how those areas will attain the standard.

DISCUSSION

On February 7, 2024, the US EPA revised the primary annual standard for fine particulate matter (PM_{2.5}) from 12 to 9 micrograms per cubic meter, triggering the initial area designations process. In the first step in this process, states submit a recommendation of proposed designations for all areas in the state to US EPA by February 7, 2025, followed by US EPA's final decision by February 6, 2026. If US EPA designates the San Francisco Bay Area as nonattainment for the annual PM_{2.5}

NAAQS, the Air District will be responsible for developing and submitting a federally approvable attainment plan by Fall 2027, which contains a collection of rules or other emission reduction measures, and an analysis that demonstrates how these measures will work to attain the standard by the attainment date of December 31, 2032.

Using 2021 – 2023 data from regulatory PM2.5 monitoring sites in the Bay Area, the California Air Resources Board (CARB) will be recommending to the US EPA by February 7th that the San Francisco Bay Area be designated as nonattainment for the annual PM2.5 NAAQS, an action that the Air District supports.

The Air District also reviewed the preliminary 2022 – 2024 data from regulatory PM2.5 monitoring sites in the Bay Area and determined that two sites, San Pablo and San Jose-Jackson do not meet the revised annual PM2.5 NAAQS of 9 micrograms per cubic meter. This data is currently expected to be the basis for the air quality factor in US EPA's final designations decisions. While US EPA allows days affected by wildfire smoke to be removed for comparison to the NAAQS for designations, the San Pablo site is still above 9 micrograms per cubic meter with the removal of all days that may be affected by wildfire smoke. As a result, the Air District expects that the US EPA will designate the San Francisco Bay Area as nonattainment for the annual PM2.5 NAAQS in February 2026. The Air District will be working closely with CARB and US EPA during the initial area designations process to ensure that the Bay Area is designated appropriately, as well as coordinating on upcoming SIP development work. Other issues including pending litigation on the NAAQS may affect the deadlines for initial area designations or SIP submittal but are currently unknown.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Michael Flagg
Reviewed by: Kate Hoag

ATTACHMENT(S):

1. Particulate Matter Designations Update Presentation



Update on United States Environmental Protection Agency's Initial Area Designations for the Federal Annual Fine Particulate Matter Standard

Board of Directors Meeting

March 5, 2025

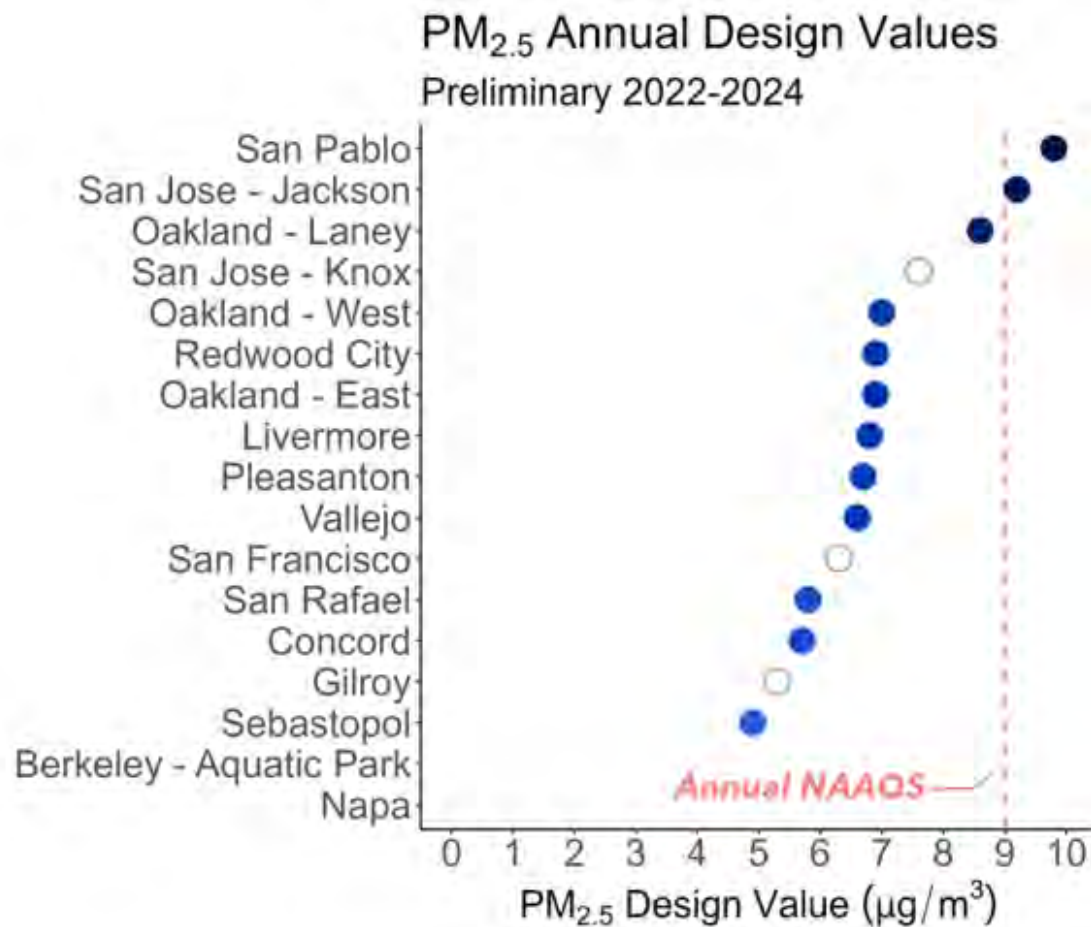
Michael Flagg
Principal Air Quality Specialist
Meteorology and Measurement Division

National Ambient Air Quality Standards (NAAQS)

Indicator	Averaging Time	Previous Level	Current Bay Area Status	Revised Level
PM _{2.5}	Annual	12.0 µg/m ³	Unclassifiable/Attainment	9.0 µg/m ³
PM _{2.5}	24-Hour	35 µg/m ³	Nonattainment	No change/ Retain
PM ₁₀	24-Hour	150 µg/m ³	Unclassifiable/Attainment	No change/ Retain

- Revision of a NAAQS triggers a two-year designations process
- California Air Resources Board has recommended a designation of **nonattainment** for the Bay Area using 2021-2023 data
- United States Environmental Protection Agency (US EPA) will finalize designations using 2022-2024 data

Preliminary 2024 PM_{2.5} Design Values

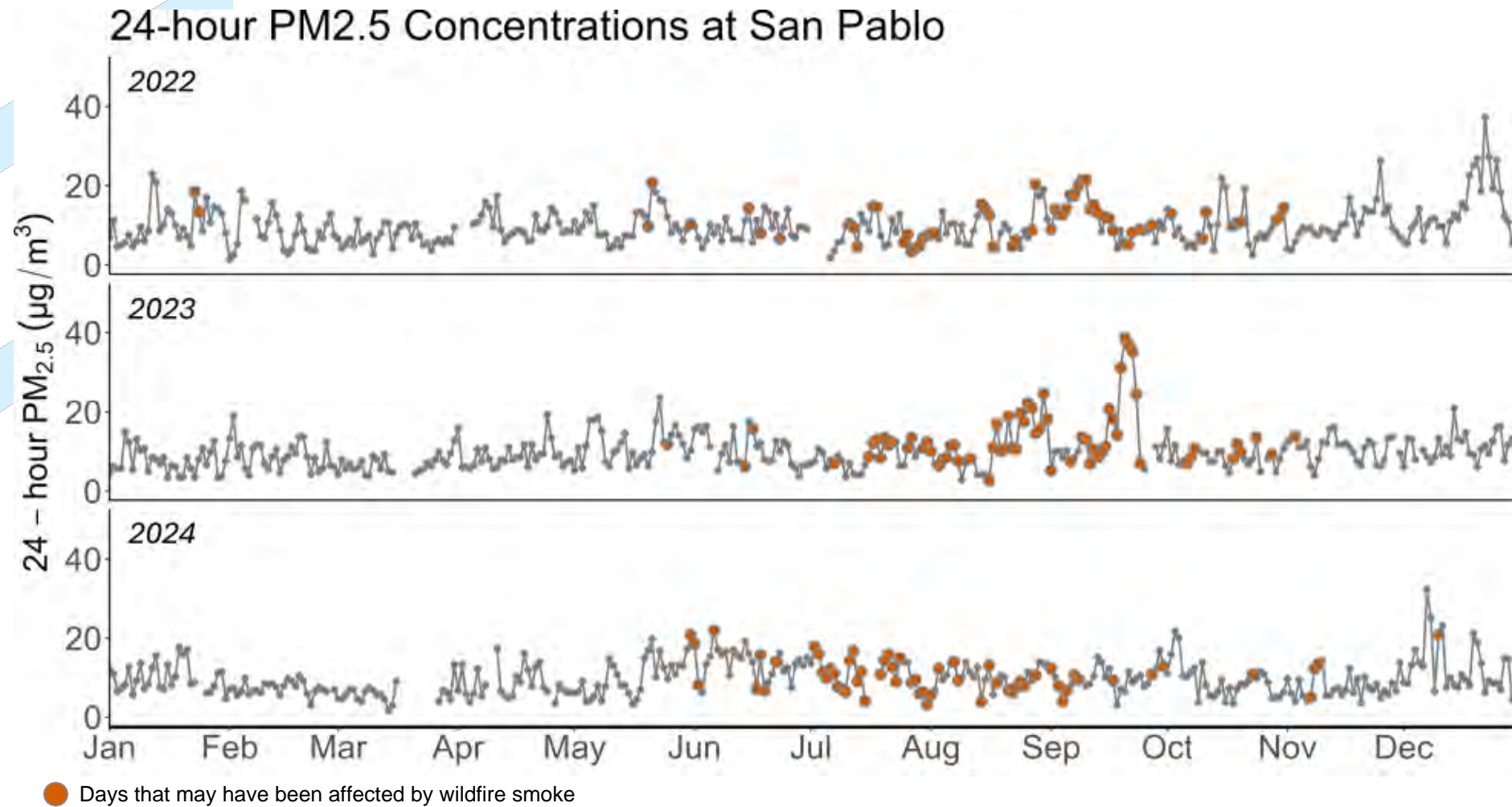


○ Invalid design value

Site Name	2022 Annual Mean	2023 Annual Mean	2024 Annual Mean	2022-2024 DV
San Pablo	9.9	9.9	9.7	9.8
San Jose - Jackson	10.1	8.2	9.3	9.2

- Two monitoring sites currently violating the NAAQS
- Developed a screening method to assess the impact of wildfire smoke on design values

Preliminary 2022-2024 PM_{2.5} Data



- Even if all days that may have been affected by wildfire smoke were removed, the San Pablo design value would still be above 9.0 µg/m³

Designations Timeline

Date	Action
February 7, 2025	State Recommendations due to US EPA
October 9, 2025	US EPA proposes designations and begins comment period
February 6, 2026	US EPA finalizes initial area designations
Late 2027	Moderate area State Implementation Plan due to EPA
December 31, 2032	Attainment date

Questions?

For more information:
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