



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

**BOARD OF DIRECTORS  
MEETING  
April 6, 2022**

**THIS MEETING WILL BE CONDUCTED UNDER PROCEDURES AUTHORIZED BY ASSEMBLY BILL 361 (RIVAS 2021) ALLOWING REMOTE MEETINGS. THIS MEETING WILL BE ACCESSIBLE VIA WEBCAST, TELECONFERENCE, AND ZOOM. A ZOOM PANELIST LINK WILL BE SENT SEPARATELY TO COMMITTEE OR BOARD MEMBERS**

- **THE PUBLIC MAY OBSERVE THIS MEETING THROUGH THE WEBCAST BY CLICKING THE LINK AVAILABLE ON THE AIR DISTRICT'S AGENDA WEBPAGE AT**

**[www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas)**

- **THE PUBLIC MAY PARTICIPATE REMOTELY VIA ZOOM AT THE FOLLOWING LINK OR BY PHONE**

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**(669) 900-6833 or (408) 638-0968**

**WEBINAR ID: 832 1894 6915**

- **THOSE PARTICIPATING BY PHONE WHO WOULD LIKE TO MAKE A COMMENT CAN USE THE "RAISE HAND" FEATURE BY DIALING "\*9". IN ORDER TO RECEIVE THE FULL ZOOM EXPERIENCE, PLEASE MAKE SURE YOUR APPLICATION IS UP TO DATE**

# BOARD OF DIRECTORS MEETING AGENDA

WEDNESDAY, APRIL 6, 2022  
9:00 AM

Chairperson, Karen Mitchoff

1. **Call to Order - Roll Call**
2. **Pledge of Allegiance**
3. **Public Meeting Procedure**

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

*This meeting will be webcast. To see the webcast, please visit [www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas) at the time of the meeting. Closed captioning may contain errors and omissions and are not certified for their content or form.*

***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 matters on the agenda for the meeting, will have two minutes each to address the Board. No speaker who has already spoken on that item will be entitled to speak to that item again.*

## **CONSENT CALENDAR (Items 4 - 17)**

4. Remote Teleconferencing per Assembly Bill (AB) 361 (Rivas)

*The Board of Directors will consider approving a resolution reauthorizing Air District Board and Committee meetings remote teleconferencing through May 6, 2022.*

5. Approval of the Minutes of March 11, 2022 and March 16, 2022

*The Board of Directors will consider approving the draft minutes of the Board of Directors Special Meeting of March 11, 2022 and the Board of Directors Meeting of March 16, 2022.*

6. Board Communications Received from March 16, 2022 through April 5, 2022

*A copy of communications directed to the Board of Directors received by the Air District from March 16, 2022, through April 5, 2022, 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 February 2022

*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 February 2022.*

8. Authorization to Amend Contract with Eide Bailly, LLC

*The Board of Directors will consider authorizing the Interim Acting Executive Officer/APCO to execute a contract amendment with, Eide Bailly, LLC to increase their current contract (\$49,500) from \$99,800 to an amount not to exceed \$149,300 for additional accounting and consulting services.*

9. Funding to Support the Bay Area Regional Collaborative (BARC)

*The Board of Directors will consider authorizing the Interim Executive Officer/APCO to enter into an agreement to provide funding to support the Bay Area Regional Collaborative (BARC).*

10. Report of the Legislative Committee Meeting of March 14, 2022

*The Board of Directors will receive a report of the Legislative Committee meeting of March 14, 2022.*

11. Report of the Administration Committee Meeting of March 16, 2022

*The Board of Directors will receive a report of the Administration Committee meeting of March 16, 2022.*

12. Report of the Stationary Source & Climate Impacts Committee Meeting of March 21, 2022

*The Board of Directors will receive a report of the Stationary Source & Climate Impacts Committee meeting of March 21, 2022.*

13. Report of the Richmond Area Community Emissions Reduction Plan Steering Committee Meeting of March 21, 2022

*The Board of Directors will receive a report of the Richmond Area Community Emissions Reduction Plan Steering Committee Meeting of March 21, 2022.*

14. Report of the Budget & Finance Committee Meeting of March 23, 2022

*The Board of Directors will receive a report of the Budget & Finance Committee meeting of March 23, 2022.*

15. Report of the Mobile Source & Climate Impacts Committee Meeting of March 24, 2022

*The Board of Directors will receive a report of the Mobile Source & Climate Impacts Committee Meeting of March 24, 2022.*

16. Authorization to Amend Signature Authority for San Mateo County Treasurer

*The Board of Directors will consider approving a resolution to amend Signature Authority for San Mateo County Treasurer.*

17. Reschedule a Public Hearing to Consider the Adoption of Revised Proposed New Rule 13-5: Industrial Hydrogen Plants and Proposed Amendments to Rule 8-2: Miscellaneous Operations

*The Board of Directors will consider rescheduling a Public Hearing from April 6, 2022, to May 4, 2022, to Consider Adoption of Proposed New Regulation 13: Climate Pollutants, Rule 5: Industrial Hydrogen Plants (Rule 13-5) and amendments to Regulation 8: Organic Compounds, Rule 2: Miscellaneous Operations (Rule 8-2), and Certification of an Environmental Impact Report for Rule 13-5 Pursuant to the California Environmental Quality Act (CEQA).*

#### **PRESENTATION(S)**

18. Management Audit Update and Fiscal Year Ending (FYE) 2022 Staffing Authorization Review

*This item is informational only and will be presented by John Chiladakis, Director of Information Services, and George Skiles and Lynda McCallum of Sjoborg Evashenk.*

19. Consideration of New Bills

*This is an action item to recommend the Board of Directors take positions on two bills of interest to the Air District, and will be presented by Alan Abbs, Legislative Officer.*

*Staff recommends the following positions on current legislation:*

- *Support AB 2141 (E. Garcia) - Greenhouse Gas Reduction Fund: community projects: funding.*
- *Support AB 2836 (E. Garcia) - Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.*

20. Authorization to Use Community Air Protection Program (CAPP) Implementation Funds for the Current James Cary Smith Community Grant Program

*This is an action item to recommend the Board of Directors authorize the use of Community Air Protection Program (CAPP) implementation funds for the current James Cary Smith Community Grant awards previously approved by the Board, in an amount not to exceed \$3,061,470. This item will be presented by Alexander Crockett, Interim Executive Officer/APCO.*

**CLOSED SESSION**

21. **PUBLIC EMPLOYEE APPOINTMENT**

Pursuant to Government Code Section 54957 (b)

*Title: District Counsel Appointment*

22. **PUBLIC EMPLOYEE EMPLOYMENT**

Pursuant to Government Code Section 54957 (b)

*Title: Interim Chief Executive Officer/Air Pollution Control Officer*

## **OPEN SESSION**

### **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 for the meeting, will have two minutes each to address the Board.*

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 20, 2022 at 9:00 a.m, in person or via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021).*

28. Adjournment

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

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

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

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

### **Accessibility and Non-Discrimination Policy**

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

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

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

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

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

# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

375 BEALE STREET, SAN FRANCISCO, CA 94105

FOR QUESTIONS PLEASE CALL (415) 749-4941

## EXECUTIVE OFFICE:

### MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

#### APRIL 2022

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting	Wednesday	6	9:00 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Community Equity, Health and Justice Committee	Thursday	7	9:30 a.m.	Webcast only pursuant to Assembly Bill 361
Advisory Council Meeting	Monday	11	8:30 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Legislative Committee	Monday	11	1:00 p.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Stationary Source and Climate Impacts Committee	Monday	18	9:00 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Meeting	Wednesday	20	9:00 a.m.	1 <sup>st</sup> Floor, Board Room (In person option available) <b>and REMOTE</b> pursuant to Assembly Bill 361
Board of Directors Administration Committee	Wednesday	20	11:00 a.m.	Webcast only pursuant to Assembly Bill 361
Path to Clean Air Community Emissions Reduction Plan Steering Committee	Monday	25	5:30 p.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Budget and Finance Committee	Wednesday	27	9:30 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Mobile Source and Climate Impacts Committee	Thursday	28	9:30 a.m.	Webcast only pursuant to Assembly Bill 361

MV 3/31/2022 – 9:10 A.M.

G/Board/Executive Office/Moncal

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**Memorandum**

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Executive Officer/APCO

Date: April 6, 2022

Re: Remote Teleconferencing per Assembly Bill (AB) 361 (Rivas)

**RECOMMENDED ACTION**

The Board of Directors will consider approving a resolution reauthorizing Air District Board and Committee meetings remote teleconferencing through May 6, 2022.

**BACKGROUND**

AB 361 (R. Rivas) – Open meetings: state and local agencies: teleconferences.

Allows until January 1, 2024, a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act, when a legislative body of a local agency holds a meeting during a declared state of emergency, as that term is defined, when state or local health officials have imposed or recommended measures to promote social distancing, during a proclaimed state of emergency held for the purpose of determining, by majority vote, whether meeting in person would present imminent risks to the health or safety of attendees, and during a proclaimed state of emergency when the legislative body has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided. The law requires a resolution every 30 days to provide this flexibility.

**DISCUSSION**

When the COVID-19 pandemic started, local agency boards struggled to conduct their meetings in compliance with the Brown Act's public accessibility requirements while still abiding by stay-at-home orders. As a result, Governor Newsom signed several executive orders to grant local agencies the flexibility to meet remotely during the COVID-19 pandemic. The Governor's executive orders allowed public agencies to meet remotely and did not require physical public access to those meeting locations. Those executive orders expired on September 30, 2021. The State of Emergency Declaration of March 4, 2020, continues to remain in effect.

AB 361 provides additional flexibility for local agencies looking to meet remotely during a proclaimed state of emergency, however, the legislative body is required to consider and vote on this flexibility on a monthly basis. Excerpts of the bill amending Section 54593 of the Government Code provide the following guidance:

*(e) (1) A local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:*

*(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.*

*(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.*

*(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.*

The following guidance on exercising this flexibility is also contained in the amended Section 54593 of the Government Code:

*(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:*

*(A) The legislative body has reconsidered the circumstances of the state of emergency.*

*(B) Any of the following circumstances exist:*

*(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.*

*(ii) State or local officials continue to impose or recommend measures to promote social distancing.*

*(4) For the purposes of this subdivision, “state of emergency” means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).*

*(f) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.*



BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Executive Officer/APCO

Prepared by: Alan Abbs  
Reviewed by: Adan Schwartz and Joel Freid

ATTACHMENTS:

1. Draft AB 361 Subsequent Resolution

## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

### **RESOLUTION NO. 2022-04**

#### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR NEWSOM ON MARCH 20, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT FOR THE PERIOD APRIL 6 TO MAY 6, 2022 PURSUANT TO BROWN ACT PROVISIONS.**

WHEREAS, the Bay Area Air Quality Management District (District) is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of Bay Area Air Quality Management District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the District, specifically, Governor Newsom proclaimed a state of emergency in California starting on March 4, 2020 to prevent, mitigate, and respond to the spread of COVID-19; and

WHEREAS, social distancing has been ordered by state and local public health authorities due to the imminent health risks of in person contacts and meetings during the COVID-19 emergency; and

WHEREAS, the Board of Directors does hereby find that the COVID-19 public health emergency, and its imminent health risks to attendees of public meetings have caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that the legislative bodies of the District shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the District is publicizing in its meeting agendas zoom links for members of the public to participate remotely in meetings of the District's legislative bodies.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the Bay Area Air Quality Management District due to COVID-19, and observes that social distancing has been ordered by the public health authorities due to the imminent health risks of in person contacts and meetings during the COVID-19 pandemic.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The staff and legislative bodies of the District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) May 6, 2022 or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

The foregoing resolution was duly regularly introduced, passed, and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the motion of \_\_\_\_\_, seconded by \_\_\_\_\_, on the 6<sup>TH</sup> day of APRIL 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

\_\_\_\_\_  
Karen Mitchoff  
Chair of the Board of Directors

\_\_\_\_\_  
Davina Hurt  
Secretary of the Board of Directors

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Approval of the Minutes of March 11, 2022 and March 16, 2022

RECOMMENDED ACTION

Approve the draft minutes of the Board of Directors Special Meeting of March 11, 2022 and the Board of Directors Meeting of March 16, 2022.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval of the draft minutes of the Board of Directors Special Meeting of March 11, 2022 and the Board of Directors Meeting of March 16, 2022.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Draft Minutes of the Board of Directors Special Meeting of March 11, 2022
2. Draft Minutes of the Board of Directors Meeting of March 16, 2022

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

Board of Directors Special Meeting  
Friday, March 11, 2022

### **DRAFT MINUTES**

*Note: Audio recordings of the meeting are available on the website of the  
Bay Area Air Quality Management District at  
[www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas)*

**This meeting was conducted under procedures in accordance with Assembly Bill 361. Members of the Board of Directors participated by teleconference.**

1. **PUBLIC MEETING PROCEDURE (OUT OF ORDER, ITEM 3)**
2. **Opening Comments:** Board of Directors (Board) Chairperson, Karen Mitchoff, called the meeting to order at 2:30 p.m. **(ITEM 1)**

#### **Roll Call:**

Present: Chairperson Karen Mitchoff; Vice Chairperson John Bauters; Secretary Davina Hurt; and Directors Margaret Abe-Koga, Teresa Barrett, David Canepa, Cindy Chavez, Rich Constantine, Pauline Russo Cutter, John Gioia, Carole Groom, David Haubert, Lynda Hopkins, Tyrone Jue, Myrna Melgar, Nate Miley, Rob Rennie, Katie Rice, Mark Ross, Brad Wagenknecht, and Shamann Walton.

Absent: Directors Erin Hannigan, David Hudson, and Lori Wilson.

3. **PLEDGE OF ALLEGIANCE (ITEM 2)**

#### **CLOSED SESSION** (2:35 p.m.)

NOTED PRESENT: The following Board members joined the meeting during Closed Session: David Canepa, Rich Constantine, Carole Groom, David Haubert, Lynda Hopkins, Tyrone Jue, Nate Miley, Shamann Walton, and Lori Wilson.

4. **PUBLIC EMPLOYEE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1)**

*Title: Chief Executive Officer/Air Pollution Control Officer.*

**Reportable Action:** Acting District Counsel, Adan Schwartz, said that there was nothing to report.

5. **PUBLIC EMPLOYEE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1)**

*Title: Acting District Counsel.*

**Reportable Action:** Acting District Counsel, Adan Schwartz, said that there was nothing to report.

**OPEN SESSION** (5:05 p.m.)

**PUBLIC COMMENT ON NON-AGENDA MATTERS**

6. **Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3**

No requests received.

**BOARD MEMBERS' COMMENTS**

7. **Board Members' Comments**

None.

**OTHER BUSINESS**

8. **Report of the Executive Officer/APCO**

No report was given.

9. **Chairperson's Report**

No report was given.

10. **Time and Place of Next Meeting**

Wednesday, March 16, 2022, at 9:00 a.m., via webcast, pursuant to procedures in accordance with Assembly Bill 361.

11. **Adjournment**

The meeting adjourned at 5:06 p.m.

Luis Espino  
Acting Clerk of the Boards



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

Board of Directors Regular Meeting  
Wednesday, March 16, 2022

### **DRAFT MINUTES**

*Note: Audio recordings of the meeting are available on the website of the  
Bay Area Air Quality Management District at  
[www.baaqmd.gov/bodagendas](http://www.baaqmd.gov/bodagendas)*

**This meeting was conducted under procedures in accordance with Assembly Bill 361. Members of the Board of Directors participated by teleconference.**

1. **PUBLIC MEETING PROCEDURE (OUT OF ORDER, ITEM 3)**
2. **CALL TO ORDER (ITEM 1)** Board of Directors (Board) Chairperson, Karen Mitchoff, called the meeting to order at 9:16 a.m.

#### **Roll Call:**

Present: Chairperson Karen Mitchoff; Vice Chairperson John Bauters; Secretary Davina Hurt; and Directors Margaret Abe-Koga, Teresa Barrett, David Canepa, Cindy Chavez, Rich Constantine, Pauline Russo Cutter, John Gioia, Erin Hannigan, David Haubert, Lynda Hopkins, David Hudson, Tyrone Jue, Myrna Melgar, Nate Miley, Rob Rennie, Katie Rice, Mark Ross, Brad Wagenknecht, Shamann Walton, and Lori Wilson.

Absent: Director Carole Groom.

3. **PLEDGE OF ALLEGIANCE (ITEM 2)**

After the Pledge of Allegiance was conducted, Chair Mitchoff invited former Executive Officer/Air Pollution Control Officer, Jack P. Broadbent, to make comments about his immediate retirement. The Board thanked Mr. Broadbent for his 18 years of service at the Air District. Chair Mitchoff introduced Alexander “Sandy” Crockett, Assistant Counsel, who will assume the role of Acting Interim Executive Officer for the next several weeks until the Air District identifies a longer-term interim executive officer and ultimately, a permanent replacement.

#### **CONSENT CALENDAR (Items 6 – 16)**

4. Approval of the Minutes of March 2, 2022 (**ITEM 6**)
5. Board Communications Received from March 2, 2022, through March 15, 2022 (**ITEM 7**)
6. Air District Personnel on Out-of-State Business Travel (**ITEM 8**)

7. Quarterly Report of the Executive Office and Division Activities for the Months of October 2021 - December 2021 **(ITEM 9)**
8. Quarterly Report of California Air Resources Board Representative - Honorable Davina Hurt **(ITEM 10)**
9. Authorization to a Multi-Year Contract Agreement with IT Help, LLC **(ITEM 11)**
10. Notices of Violations Issued and Settlements in Excess of \$10,000 in the Month of January 2022 **(ITEM 12)**
11. Report of the Stationary Source Committee Meeting of February 28, 2022 **(ITEM 13)**
12. Report of the Path to Clean Air Community Emissions Reduction Plan Community Steering Committee Meeting of February 28, 2022 **(ITEM 14)**
13. Report of the Community Equity, Health, and Justice Committee Meeting of March 3, 2022 **(ITEM 15)**
14. My Air Online Software Development Contract Extensions **(ITEM 16)**

Public Comments

No requests received.

Board Comments

None.

Board Action

Director Wagenknecht made a motion, seconded by Director Wilson, to **approve** Consent Calendar Items 6 through 16, inclusive; and the motion **carried** by the following vote of the Board:

AYES:	Abe-Koga, Barrett, Bauters, Chavez, Constantine, Cutter, Gioia, Hannigan, Haubert, Hopkins, Hudson, Hurt, Jue, Miley, Mitchoff, Rennie, Rice, Ross, Wagenknecht, Walton, Wilson.
NOES:	None.
ABSTAIN:	None.
ABSENT:	Canepa, Groom, Melgar.

**PRESENTATION**

**15. INTRODUCTION TO A HYBRID BOARD MEETING ENVIRONMENT (ITEM 17)**

Rex Sanders, Chief Administrative Officer, gave the staff presentation *Introduction to the Hybrid Meeting Environment*, including outcome; outline; requested action; definitions; current status; hybrid meetings; facility COVID-19 protocols for in-person participation; and next steps.

Public Comments

No requests received.

### Board Comments

The Board and staff discussed information from the Bay Area Headquarters Authority regarding whether the regional government agencies housed at the Bay Area Metro Center have a joint policy on wearing face masks and allowing the voting members at the dais to eat and drink in the Board Room during public meetings; whether Assembly Bill (AB) 1944 (Lee) would allow members of a legislative body to teleconference from a location that is not public without having to identify that address in the notice and agenda or make that location accessible to the public when the legislative body has elected to allow members to participate via teleconferencing; whether the Bay Area Metro Center's filtration systems meet the highest public health recommendations; whether a quorum of live voting members in the Board Room will be required during a hybrid meeting format; the Bay Area Metro Center's symptom check protocol; the current status of AB 361 and AB 1944, and the fact that an urgency clause could be added to AB 1944; whether to require that a certain percentage of the Board members be live in person in the Board Room for each public meeting and ways to accomplish that; the request that Board members sign up to physically attend Board meetings from April to the end of July; and whether there will be a limit as to how many Board members may attend in person at a time.

### Board Action

None; receive and file.

### **OTHER BUSINESS**

#### **16. CHAIRPERSON'S REPORT (ITEM 21)**

Chair Mitchoff announced the following:

- Director Wilson will be leaving the Board, effective April 6, 2022, as she will be sworn into the California Assembly on that day.
- On March 9, 2022, the Alameda County Mayors' Conference reappointed John Bauters to the BAAQMD Board of Directors for another two-year term, from April 12, 2022, to April 12, 2024.
- The Air & Waste Management Association's 115<sup>th</sup> Annual Conference will take place in person in San Francisco from June 27-30 at the Hyatt Regency. Board members who wish to attend need to let Vanessa Johnson know by March 31.

#### **17. BOARD MEMBER COMMENTS (ITEM 19)**

Director Hannigan thanked Director Wilson for her service to the Air District and Director Wilson thanked her fellow Board members, the public, and Air District staff.

#### **18. PUBLIC COMMENT ON NON-AGENDA MATTERS**

No requests received.

#### **19. REPORT OF THE EXECUTIVE OFFICER/APCO (ITEM 20)**

Mr. Crockett introduced himself and wished Mr. Broadbent well.

Dr. Ranyee Chiang, Director of Meteorology and Measurement, summarized highlights from the recent Winter Spare the Air season (November to February).

Mr. Crocket discussed a voluntary compliance agreement that is being finalized between the Air District and United States Environmental Protection Agency's (EPA) External Civil Rights Compliance Office. Damian Breen, Senior Deputy Executive Officer of Operations, elaborated on the agreement which was a result of EPA Complaint No. 01R-21-R9, filed in November 2020. The USEPA investigated whether that Air District discriminated against the historically Black community of the Bayview and Hunters Point neighborhoods, on the basis of race, in its response to an air quality and Title VI complaint alleging the release of naturally occurring asbestos at Parcel A at the former Hunters Point Naval Shipyard. Mr. Breen said that the Air District has been cooperating with USEPA to investigate this claim and that USEPA found that there was no evidence the District engaged in illegal discrimination. However, USEPA did find that Air District procedures need to be updated to fully implement Title VI. The Air District has reached an agreement with the USEPA, which includes improvements to the Air District's complaint, grievance, language and investigation procedures. Director Walton, who represents the community of Hunter's Point, emphasized the importance of the Air District communicating to the Hunter's Point community about actions that were taken to address this matter and how procedures are to be improved for future complaints.

**20. TIME AND PLACE OF NEXT MEETING (ITEM 22)**

Wednesday, April 6, 2022, at 9:00 a.m., via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021).

**CLOSED SESSION** (10:07 a.m.)

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

**21. Public Employee Performance Evaluation Pursuant to Government Code Section 54957 (b)(1) (ITEM 4)**

*Title: Chief Executive Officer/Air Pollution Control Officer*

Reportable Action: Chair Mitchoff said there was nothing to report.

**22. Public Employee Performance Evaluation Pursuant to Government Code Section 54957 (b)(1) (ITEM 5)**

*Title: Acting District Counsel*

Reportable Action: Chair Mitchoff said there was nothing to report.

**OPEN SESSION** (10:38 a.m.)

23. **ADJOURNMENT**

The meeting adjourned at 10:39 a.m.

Marcy Hiratzka  
Clerk of the Boards

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Board Communications Received from March 16, 2022 through April 5, 2022

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

None.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from March 16, 2022, through April 5, 2022, if any, will be distributed to the Board Members by way of email.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Michelle Beteta  
Reviewed by: Vanessa Johnson

ATTACHMENTS:

None

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Notices of Violations Issued and Settlements in Excess of \$10,000 in the Month of  
February 2022

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

None.

DISCUSSION

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

BUDGET CONSIDERATION/FINANCIAL IMPACT

The amounts of civil penalties collected are included in the Air District's general fund budget.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Adan Schwartz



ATTACHMENTS:

1. Notices of Violations for the Month of February 2022

## **NOTICES OF VIOLATIONS ISSUED**

The following Notice(s) of Violations were issued in February 2022:

<b>Alameda</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
ABE Petroleum - Olympic Oil	Z4600	Hayward	A59752A	2/15/2022	8-7-301.1	Gas Dispensing Facility Violation
Au Energy LLC	Z1937	Fremont	A61405A	2/18/2022	8-7-301.5	Gas Dispensing Facility Violation
City of Alameda, Maint Serv Center	A3194	Alameda	A61128A	2/22/2022	2-1-307	Permit Requirement/Condition Violation
Fast & Easy Mart-Shafique A Bhimani	FA349	Hayward	A61406A	2/22/2022	2-1-307	Permit Requirement/Condition Violation
Group Delphi	B1767	Alameda	A59825A	2/8/2022	2-1-301	No Authority to Construct and No Permit to Operate
Group Delphi	B1767	Alameda	A59825B	2/8/2022	2-1-302	No Authority to Construct and No Permit to Operate
Martinez Carwash	Z3870	Fremont	A61443A	2/1/2022	2-1-307	Permit Requirement/Condition Violation
Sahola Petroleum LLC	FA372	Hayward	A61407A	2/24/2022	2-1-307	Permit Requirement/Condition Violation
Tesla, Inc.	A1438	Fremont	A61153A	2/7/2022	2-6-307	Title V Requirement/Condition Violation
Tesla, Inc.	A1438	Fremont	A61154A	2/24/2022	2-1-307	Permit Requirement/Condition Violation

<b>Contra Costa</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
AMAC Construction	FA309	Martinez	A60084A	2/9/2022	11-2-401.3	Asbestos Violation
Chevron Products Company	A0010	Richmond	A60641A	2/14/2022	10	New Stationary Source Violation
Chevron Products Company	A0010	Richmond	A60642A	2/14/2022	1-523.2	Parametric Monitor Violation
Chevron Products Company	A0010	Richmond	A60642B	2/14/2022	12-11-506	Refinery Flare Monitoring Violation
Chevron Products Company	P4764	San Ramon	A61385A	2/25/2022	8-7-301.6	Gas Dispensing Facility Violation
Chevron Products Company	P4764	San Ramon	A61385B	2/25/2022	8-7-302.3	Gas Dispensing Facility Violation
Ducky's Concord	FA308	Concord	A61447A	2/14/2022	2-1-307	Permit Requirement/Condition Violation
Martinez Refining Company LLC	A0011	Martinez	A60418A	2/28/2022	6-1-302	Visible Emissions Violation
Martinez Refining Company LLC	A0011	Martinez	A60418B	2/28/2022	10	Federal Requirement Violation
Martinez Refining Company LLC	A0011	Martinez	A60419A	2/28/2022	6-1-302	Visible Emissions Violation
Martinez Refining Company LLC	A0011	Martinez	A60420A	2/28/2022	6-1-302	Visible Emissions Violation
Martinez Refining Company LLC	A0011	Martinez	A60420B	2/28/2022	10	Federal Requirement Violation
Martinez Refining Company LLC	A0011	Martinez	A60421A	2/28/2022	6-1-302	Visible Emissions Violation
Martinez Refining Company LLC	A0011	Martinez	A60421B	2/28/2022	10	Federal Requirement Violation

Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61203A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61204A	2/17/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61205A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61206A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61207A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61208A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61233A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61227A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61228A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61229A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61230A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company -	A0016	Rodeo	A61231A	2/16/2022	2-6-307	Title V Requirement/Condition Violation

San Francisco Refinery						
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61232A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61221A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61222A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61223A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61224A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61225A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61226A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61215A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61216A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61217A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61218A	2/16/2022	2-6-307	Title V Requirement/Condition Violation

Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61219A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61220A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61209A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61210A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61211A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61212A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61213A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A61214A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Tesoro Refining & Marketing Company, LLC	B2758	Martinez	A60735A	2/16/2022	2-6-307	Title V Requirement/Condition Violation
Tesoro Refining & Marketing Company, LLC	B2758	Martinez	A60736A	2/16/2022	6-1-302	Visible Emissions Violation
Tesoro Refining & Marketing Company, LLC	B2758	Martinez	A60736B	2/16/2022	10	Federal Requirement Violation

Tesoro Refining & Marketing Company, LLC	B2758	Martinez	A60737A	2/16/2022	10	Federal Requirement Violation
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<b>Marin</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Sequoia Living	B6966	Greenbrae	A59876A	2/3/2022	2-1-302	No Permit to Operate

<b>Napa</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Clover Flat Resource & Recovery Park	B1247	Calistoga	A61092A	2/3/2022	2-1-307	Permit Requirement/Condition Violation
Colinas Farming Company	FA311	Rutherford	A61448A	2/15/2022	2-1-307	Permit Requirement/Condition Violation
George Altamura	FA378	Napa	A61446A	2/7/2022	2-1-307	Permit Requirement/Condition Violation
Lawrence Kassis	FA292	Napa	A61093A	2/3/2022	5-301	Open Burn Violation

<b>San Francisco</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
City & County of San Francisco	FA110	San Francisco	A61380A	2/7/2022	2-1-307	Permit Requirement/Condition Violation
City & County of San Francisco	FA110	San Francisco	A61381A	2/7/2022	2-1-307	Permit Requirement/Condition Violation
City & County of San Francisco	FA110	San Francisco	A61382A	2/7/2022	2-1-307	Permit Requirement/Condition Violation

City & County of San Francisco	FA110	San Francisco	A61383A	2/7/2022	2-1-307	Permit Requirement/Condition Violation
City & County of San Francisco	FA110	San Francisco	A61383B	2/7/2022	8-7-301.5	Gas Dispensing Facility Violation
Pacific Gas & Electric	H1945	San Francisco	A61450A	2/22/2022	8-7-301.1	Gas Dispensing Facility Violation
Silver Gas	Z4023	San Francisco	A61384A	2/10/2022	2-1-307	Permit Requirement/Condition Violation

<b>San Mateo</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
City of Belmont GDF	FA400	Belmont	A59839A	2/3/2022	8-7-302.3	Gas Dispensing Facility Violation
David Wittow	FA248	San Bruno	A61008A	2/1/2022	11-2-303	Asbestos Violation
David Wittow	FA248	San Bruno	A61008B	2/1/2022	11-2-304	Asbestos Violation
David Wittow	FA248	San Bruno	A61009A	2/1/2022	11-2-401.3	Asbestos Violation
Double AA Corp.	Z8614	South San Francisco	A61404A	2/17/2022	2-1-307	Permit Requirement/Condition Violation
Gateway of Pacific Building 3	E4732	South San Francisco	A59721A	2/3/2022	2-1-307	Permit Requirement/Condition Violation

<b>Santa Clara</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Alliance Environmental	Z9282	San Jose	A60305A	2/3/2022	11-2-303.6	Asbestos Violation
F & F Steel & Stairway Inc.	A5149	San Jose	A60501A	2/9/2022	8-19-313	Metal Parts Coating Violation



Kirby Canyon Recycling and Disposal Facility	A1812	Morgan Hill	A59783A	2/14/2022	2-6-307	Title V Requirement/Condition Violation
Recology Pacheco Pass	A6370	Gilroy	A59782A	2/2/2022	8-34-301.1	Landfill Violation
Vito Adragna II	FA278	Gilroy	A60083A	2/2/2022	11-2-401.3	Asbestos Violation

<b>Solano</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Fairfield Shell	FA249	Fairfield	A61444A	2/1/2022	2-1-301	No Authority to Construct
Fast and Easy Mart	FA380	Benicia	A61449A	2/15/2022	2-1-307	Permit Requirement/Condition Violation
Travis Unified School District	FA291	Fairfield	A61442A	2/3/2022	2-1-307	Permit Requirement/Condition Violation

<b>District Wide</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Green Sage Management, LLC	FA386	Denver	A60654A	2/16/2022	2-1-301	No Authority to Construct and No Permit to Operate
Green Sage Management, LLC	FA386	Denver	A60654B	2/16/2022	2-1-302	No Authority to Construct and No Permit to Operate
Hunt and Sons Inc.	FA289	Sacramento	A61445A	2/3/2022	8-7-301.1	Gas Dispensing Facility Violation
RADC Enterprises Inc.	Z8552	Upland	A61703A	2/18/2022	2-1-301	No Authority to Construct
TRMC Retail LLC	FA383	Dallas	A61403A	2/16/2022	8-7-302.1	Gas Dispensing Facility Violation

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

There was 1 settlement(s) for \$10,000 or more completed in January 2022.

- 1) On January 28, 2022, the District reached settlement with Mountain View Los Altos High School District for \$30,000, regarding the allegations contained in the following 2 Notices of Violation:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A60440A	5/28/2021	9/3/2019	10	Federal Requirement Violation
A60433A	3/11/2021	11/14/2019	CCR	Naturally Occurring Asbestos Violation
A60433B	3/11/2021	11/14/2019	CCR	Naturally Occurring Asbestos Violation

There were 3 settlement(s) for \$10,000 or more completed in February 2022.

- 1) On February 10, 2022, the District reached settlement with Kellogg Creek Aggregates Inc. for \$15,000, regarding the allegations contained in the following 3 Notices of Violation:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A58256A	2/22/2019	11/25/2017	9-8-501	Initial Demonstration of Compliance Violation
A58256B	2/22/2019	11/25/2017	9-8-503	Quarterly Demonstration of Compliance Violation
A58257A	2/22/2019	4/1/2012	9-8-501	Initial Demonstration of Compliance Violation
A58257B	2/22/2019	4/1/2012	9-8-503	Quarterly Demonstration of Compliance Violation
A58258A	2/22/2019	4/1/2012	9-8-501	Initial Demonstration of Compliance Violation
A58258B	2/22/2019	4/1/2012	9-8-503	Quarterly Demonstration of Compliance Violation

- 2) On February 16, 2022, the District reached settlement with Valero Refining Company - California for \$99,000, regarding the allegations contained in the following 10 Notices of Violation:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A57334A	1/11/2018	8/30/2017	8-5-306.2	Storage Tank Violation
A57335A	1/11/2018	11/30/2017	8-5-306.2	Storage Tank Violation
A57336A	1/11/2018	8/30/2017	8-18-309	Equipment Leak Violation
A57337A	3/8/2018	5/2/2017	2-6-307	Title V Requirement/Permit Condition
A57338A	3/22/2018	1/22/2018	8-5-306.2	Storage Tank Violation
A57341A	5/14/2018	3/27/2018	1-522.4	Continuous Emissions Monitor Violation
A57342A	5/14/2018	3/29/2018	8-5-304	Storage Tank Violation
A57344A	5/14/2018	5/1/2018	8-5-306.2	Storage Tank Violation
A57346A	9/12/2018	4/25/2018	8-18-309	Equipment Leak Violation
A57349A	11/29/2018	9/27/2018	1-522.4	Continuous Emissions Monitor Violation

- 3) On February 23, 2022, the District reached settlement with SFPP, LP for \$15,000, regarding the allegations contained in the following 1 Notice of Violation:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A60211A	6/10/2021	4/27/2021	8-5-305.5	Storage Tank Violation

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Authorization to Amend Contract with Eide Bailly, LLC

**RECOMMENDED ACTION**

Recommend the Board of Directors to authorize the Interim Acting Executive Officer/APCO to execute a contract amendment with, Eide Bailly, LLC in an amount not to exceed \$149,300 for additional accounting and consulting services.

**BACKGROUND**

Through a competitive Request for Proposal (RFP) process, staff selected Eide Bailly, LLP to perform CPA and consulting services to implement Government Accounting Standard Board (GASB) Statement 87, which requires the Air District to review all its existing lease agreements to comply with this statement. This implementation required the technical assistance of an accounting expert to assist the Air District in this effort. Over the past year, the Air District has successfully worked with Eide Bailly to identify all leases that meet this new requirement and identify lease accounting software that can track and perform amortization calculations to determine the lease liability to be recorded in the Air District's annual audited financial statements. They have assisted with the development of policies and procedures for managing and complying with new requirements for lease accounting based on best practices. The contract with Eide Bailly to perform these services was approved under the Executive Officer's authority not to exceed \$99,800.

**DISCUSSION**

The Air District is seeking the assistance of a firm to perform a programmatic review of its AB617 implementation grant funds administration. We are now entering the fourth year of funding for AB617 from the State of California and believe this is the appropriate opportunity to have this review. This additional work, if approved, would increase an existing contract with the vendor from \$99,800 to \$149,300, an increase of \$49,500. Staff is recommending an amendment to an existing contract for an amount not to exceed \$149,300 with Eide Bailly, LLC to perform this programmatic review given their expertise and familiarity with the Air District's accounting processes and their experience in performing similar reviews for other agencies.

## BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding for the contract amendment of \$49,500 is included in the Fiscal Year Ending (FYE) 2022 budget and will be funded from the Finance Office budget (Program 701).

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Stephanie Osaze  
Reviewed by: Jeff McKay

## ATTACHMENTS:

1. Original Contract Agreement - Contract No. 2020.077
2. Draft 3rd Amended Contract Agreement - Contract No. 2020.077

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**PROFESSIONAL SERVICES CONTRACT**

**CONTRACT NO. 2020.077**

1. PARTIES – The parties to this Contract (“Contract”) are the Bay Area Air Quality Management District (“DISTRICT”) whose address is 375 Beale Street, Suite 600, San Francisco, CA 94105, and **Eide Bailly LLP** (“CONTRACTOR”) whose address is 1900 S. Norfolk Street, Suite 225, San Mateo, CA 94403.
2. RECITALS
  - A. DISTRICT is the local agency with primary responsibility for regulating stationary source air pollution in the Bay Area Air Quality Management District in the State of California. DISTRICT is authorized to enter into this Contract under California Health and Safety Code Section 40701. DISTRICT desires to contract with CONTRACTOR for services described in the Scope of Work, attached hereto as Attachment A and made a part hereof by this reference. DISTRICT is entering into this Contract based on CONTRACTOR’s stated qualifications to perform the services.
  - B. All parties to this Contract have had the opportunity to have this contract reviewed by their attorney.
3. PERFORMANCE REQUIREMENTS
  - A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
  - B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and pay all applicable fees.
  - C. CONTRACTOR shall comply with all laws and regulations that apply to its performance under this Contract, including any requirements to disclose potential conflicts of interest under DISTRICT’s Conflict of Interest Code.
  - D. CONTRACTOR shall not engage in any performance of work during the term of this contract that is in direct or indirect conflict with duties and responsibilities set forth in the Scope of Work.
  - E. CONTRACTOR shall exercise the degree of skill and care customarily required by accepted professional practices and procedures.
  - F. CONTRACTOR shall ensure that any subcontractors, employees and agents performing under this Contract comply with the performance standards set forth in paragraph D above.
4. TERM – The term of this Contract is from the date of execution of the Contract to June 30, 2020, unless further extended by amendment of this Contract in writing, or terminated earlier. CONTRACTOR shall not submit any invoice for services performed under this Contract until the Contract is fully executed.

5. TERMINATION

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

6. INSURANCE

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

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

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

#### 7. INDEMNIFICATION

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

#### 8. PAYMENT

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



- iii) DISTRICT shall pay CONTRACTOR within thirty (30) calendar days after approval by DISTRICT of an itemized invoice.
  - D. The total amount for which DISTRICT may be held liable for the performance of services specified in this Contract shall not exceed 49,900.
9. DISPUTE RESOLUTION – A party that disputes a notice of breach must first seek mediation to resolve the dispute in accordance with the provisions set forth below.
- A. Upon receipt of a notice of breach of contract, the party may submit a demand for mediation to resolve whether or not a breach occurred. The party must state the basis of the dispute and deliver the demand within ten (10) business days of the date of receipt of the notice of breach.
  - B. The mediation shall take place at DISTRICT's office at 375 Beale Street, Suite 600, San Francisco, or at such other place as may be mutually agreed upon by the parties and the mediator.
  - C. The parties shall make good faith efforts to hold the mediation within thirty (30) days after receipt of the demand for mediation.
  - D. Each party shall bear its own mediation costs.
  - E. In the event the parties are unable to resolve the dispute, either party may file an action in a court of competent jurisdiction to enforce the Contract.
  - F. Maximum recovery under this section shall be limited to \$49,900. The mediation costs shall not reduce the maximum amount recoverable under this section.
10. NOTICES – All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail, facsimile, or regular first class mail. In the case of e-mail and facsimile communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail and facsimile communications shall be deemed to have been received on the date of such transmission, provided such date was a business day and delivered prior to 4:00 p.m. PST. Otherwise, receipt of e-mail and facsimile communications shall be deemed to have occurred on the following business day. In the case of regular mail notice, notice shall be deemed to have been delivered on the mailing date and received five (5) business days after the date of mailing.

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

CONTRACTOR: Eide Bailly LLP  
1900 S. Norfolk Street, Suite 225  
San Mateo, CA 94403  
Attn: David Showalter

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

12. EMPLOYEES OF CONTRACTOR

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

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

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

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

to in writing.

15. PUBLICATION

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

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

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

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

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

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

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



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

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

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

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

EIDE BAILLY LLP

By: Jeff McKay (by email)  
Jack P. Broadbent  
Executive Officer/APCO

By: David Showalter  
David Showalter, CPA  
Partner

Date: 3/18/2020

Date: 3/17/2020

Approved as to form:  
District Counsel

By: Brian Bunker (by email)  
Brian C. Bunker  
District Counsel

## **ATTACHMENT A**

### **SCOPE OF WORK**

CONTRACTOR shall review the DISTRICT's lease contracts and perform the required analysis under Government Accounting Standards Board Statement No. 87 (GASB 87). CONTRACTOR will perform the following services and any other services needed as related to this project:

1. Provide the DISTRICT with professional education to further enhance the knowledge of the DISTRICT's finance accounting team, which may be performed electronically or in person at a mutually agreeable location and time.
2. Provide the DISTRICT with an agreed-upon project timeline with completion expected date.
3. Review all current lease contracts and document approach to determine their eligibility under GASB 87.
4. From documentation provided by DISTRICT in electronic format, generate a list of all contracts that meet the GASB 87 definition of a lease and provide documentation support for the inclusion. Gather key data to determine the lease terms and calculate lease values.
5. Provide a master schedule summarizing the calculation and other relevant information used to determine the value for each lease.
6. Prepare and provide the appropriate journal entries and footnote disclosures under GASB 87 for the financial statement audit.
7. Identify and provide listing of any lease contract that may be excluded from GASB 87 reporting and provide documentation support for the rationale of exclusion, noting that certain contracts for subscription-based information technology arrangements would be applicable in accordance with a future GASB standard.
8. Develop a framework for evaluating new lease contracts.
9. Develop and document procedures to assist the DISTRICT in annually updating the valuation and reporting of leases.
10. Develop and document procedures to assist the DISTRICT in tracking and reporting new lease contracts.
11. Respond to DISTRICT's follow-up audit questions and provide additional information as needed to complete GASB 87 lease accounting and disclosures during the annual audit.

CONTRACTOR will provide DISTRICT access to a secure electronic portal where DISTRICT can upload and share electronic documents.

## ATTACHMENT B

### COST SCHEDULE

DISTRICT shall pay CONTRACTOR on a time and materials basis, up to a maximum amount of \$49,900, for the work outlined in the Scope of Work. DISTRICT will pay CONTRACTOR for time spent completing the work at the hourly rates listed in the table below:

Staff Level	Hourly Rate
Partners	\$350/hr
Senior Manager	\$250/hr
Manager	\$175/hr
Senior Associates	\$125/hr
Administrative	\$50/hr

Hourly rates are inclusive of out-of-pocket expenses and DISTRICT will not be billed for expenses such as travel time, mileage, and meals.

**Total cost of Contract not to exceed \$49,900.**

**AMENDMENT NO. 3 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2020.077**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, March 23, 2022.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **Eide Bailly LLP** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract to conduct the required analysis under Government Accounting Standards Board Statement No. 87 for DISTRICT's lease contracts (the "Contract"), which Contract was executed on behalf of CONTRACTOR on March 17, 2020 and on behalf of DISTRICT on March 18, 2020.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated January 21, 2021, for reference purposes only, to extend the term of the Contract and to update CONTRACTOR's address information.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated, October 25, 2021, for reference purposes only, to amend the term, total cost, Scope of Work, and Cost Schedule to the Contract.
4. The PARTIES seek to amend the total cost, Scope of Work, and Cost Schedule to the Contract because DISTRICT seeks additional services from CONTRACTOR and CONTRACTOR desires to provide those additional services.
5. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph D of Section 8, "Payment," of the Contract to replace "\$99,800" with "\$149,300."
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph F of Section 9, "Dispute Resolution," of the Contract to replace "\$99,800" with "\$149,300."
3. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment A-1, Scope of Work, with the attached "Attachment A-2, Scope of Work" and agree that all



references in the Contract to Attachment A-1, shall be deemed to refer to Attachment A-2, Scope of Work.

4. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment B-1, Cost Schedule, with the attached "Attachment B-2, Cost Schedule" and agree that all references in the Contract to Attachment B-1, shall be deemed to refer to Attachment B-2, Cost Schedule.
5. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

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

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

EIDE BAILLY LLP

By: \_\_\_\_\_  
Alexander Crockett  
Interim Executive Officer/APCO

By: \_\_\_\_\_  
Eric Berman  
Partner

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

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

Approved as to form:  
District Counsel

By: \_\_\_\_\_  
Adan Schwartz  
Acting District Counsel

## **ATTACHMENT A-2**

### **SCOPE OF WORK**

CONTRACTOR shall review the DISTRICT's lease contracts and perform the required analysis under Government Accounting Standards Board Statement No. 87 (GASB 87). CONTRACTOR will perform the following services and any other services needed as related to this project:

1. Provide the DISTRICT with professional education to further enhance the knowledge of the DISTRICT's finance accounting team, which may be performed electronically or in person at a mutually agreeable location and time.
2. Provide the DISTRICT with an agreed-upon project timeline with completion expected date.
3. Review all current lease contracts and document approach to determine their eligibility under GASB 87.
4. From documentation provided by DISTRICT in electronic format, generate a list of all contracts that meet the GASB 87 definition of a lease and provide documentation support for the inclusion. Gather key data to determine the lease terms and calculate lease values.
5. Provide a master schedule summarizing the calculation and other relevant information used to determine the value for each lease.
6. Prepare and provide the appropriate journal entries and footnote disclosures under GASB 87 for the financial statement audit.
7. Identify and provide listing of any lease contract that may be excluded from GASB 87 reporting and provide documentation support for the rationale of exclusion, noting that certain contracts for subscription-based information technology arrangements would be applicable in accordance with a future GASB standard.
8. Develop a framework for evaluating new lease contracts.
9. Develop and document procedures to assist the DISTRICT in annually updating the valuation and reporting of leases.
10. Develop and document procedures to assist the DISTRICT in tracking and reporting new lease contracts.
11. Respond to DISTRICT's follow-up audit questions and provide additional information as needed to complete GASB 87 lease accounting and disclosures during the annual audit.

Upon execution of Amendment 2, CONTRACTOR will perform the following services described below and other services needed as it relates to DISTRICT compliance with GASB accounting pronouncements for leases and subscription-based technology agreements:

1. Assist with implementing Lease Query (LQ) software.
2. Assist with defining the lease reporting structure, roles, workflow etc.
3. Assist with migrating all eligible leases into the LQ software performed in Phase one of the project. This includes reviewing and making any necessary modifications for complying with any changes to ensure compliance with any changes to GASB lease pronouncements.
4. Review any new leases for compliance with GASB 87.
5. Review existing and new subscription-based IT agreements for compliance with GASB 96.
6. Validate data entries and test accuracy of eligible leases within the software.
7. Review and test accuracy of LQ reports.
8. Provide consultation for compliance with GASB 87 and 96, as needed

9. Provide consultation and response to audit inquiries, as needed.

Upon execution of Amendment 3, CONTRACTOR will perform the following services described below and other services needed as it relates to programmatic review of Assembly Bill (AB) 617 implementation program:

1. Conduct inquiries, interviews, walkthroughs and follow up on DISTRICT internal controls relating to the AB 617 program.
2. Review DISTRICT policies and procedures to ensure conformity and compliance with AB 617 program objectives, and controls are designed to detect and prevent risk of non-compliance.
3. Review 3 years of DISTRICT program reports, verifying total expenses of the close out reports matches to the general ledger. In addition, review the expenditure details that matches the general ledger, and select a sample of sixty (60) expenses across the 3 years (both payroll and non-payroll).
4. For each sample item selected, vouch to supporting documentation (invoice, check copy, PO, contract, and appropriate approvals prior to requisition and disbursement). CONTRACTOR will test for periodicity to each grant 'tranche.'
5. For each sample item selected, verify that the expense corresponds to the program category on the close out report.
6. Provide report on finding and recommendations

CONTRACTOR will provide DISTRICT access to a secure electronic portal where DISTRICT can upload and share electronic documents.

## ATTACHMENT B-2

### COST SCHEDULE

DISTRICT shall pay CONTRACTOR on a time and materials basis, up to a maximum amount of \$149,300, for the work outlined in the Scope of Work. DISTRICT will pay CONTRACTOR for time spent completing the work at the hourly rates listed in the table below:

Staff Level	Hourly Rate
Partners	\$350/hr
Senior Manager	\$250/hr
Manager	\$175/hr
Senior Associates	\$125/hr
Administrative	\$50/hr

Hourly rates are inclusive of out-of-pocket expenses and DISTRICT will not be billed for expenses such as travel time, mileage, and meals.

**Total cost of Contract not to exceed \$149,300.**

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Funding to Support the Bay Area Regional Collaborative (BARC)

RECOMMENDED ACTION

Recommend the Board of Directors consider authorizing the Interim Executive Officer/APCO to execute all necessary agreements with the Metropolitan Transportation Commission (MTC) to fund the Bay Area Regional Collaborative (BARC) for fiscal year ending (FYE) 2022 in an amount not to exceed \$312,608.

BACKGROUND

BARC is a consortium of member agencies that come together to address cross-cutting issues of regional significance, with the goal of improving the quality of life for all Bay Area residents. BARC provides a mechanism through which its member agencies can learn, explore, collaborate, incubate, coordinate, and communicate policies and best practices that agency leadership can decide to advance collectively and singularly. BARC is made up of a Governing Board of member agency commission/board representatives, an Executive Directors Group, and other staff cross-agency work teams.

DISCUSSION

Each year, member agencies determine their annual contributions to support the budget to complete the work plan. The Governing Board then approves the budget.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. These funds are included in the Air District FYE 2022 budget.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Jeff McKay

ATTACHMENTS:

1. Draft Cooperative Agreement between MTC and Bay Area Air Quality Management District Regarding FYE 2022 BARC Staffing Support

**COOPERATIVE AGREEMENT**  
**Between METROPOLITAN TRANSPORTATION COMMISSION**  
**and BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**Regarding FY 2021-22 BAY AREA REGIONAL COLLABORATIVE (BARC)**  
**STAFFING SUPPORT**

This Cooperative Agreement is entered as of July 1, 2021 by and between the METROPOLITAN TRANSPORTATION COMMISSION (hereinafter “MTC”) and the BAY AREA AIR QUALITY MANAGEMENT DISTRICT (hereafter “BAAQMD”) collectively referred to herein as “the Parties”.

RECITALS

WHEREAS, MTC and the BAAQMD, as members of the Bay Area Regional Collaborative (BARC) are committed to supporting BARC staffing on behalf of the BARC member agencies; and

WHEREAS, MTC has committed funding of \$312,608 to fund the BARC Executive Director, a BARC Program Coordinator, and associated costs for fiscal year 2021-22 to support:

- Providing policy analysis, supporting the BARC’s regional goals, developing and assisting in the completion of BARC initiatives, and helping to coordinate regional policymaking by promoting cohesive and collaborative relationships among the four regional agencies;
- Overseeing BARC policy efforts related to climate protection, sea level rise and adaptation strategies;
- Assisting with the coordination and integration of air quality and adaptation issues in Plan Bay Area (Sustainable Communities Strategy);
- Working closely with BAAQMD staff and other regional agency partners in the development and implementation of collaborative projects to support meeting emissions reduction goals and campaigns. Particular focus will be on areas with a nexus between the activities of multiple BARC member agencies, including the decarbonization of buildings and the reduction of transportation emissions through zero-emission vehicles and infrastructure.
- Working closely with BAAQMD and MTC/ABAG in addressing the nexus of land use planning, transportation planning, and air quality in vulnerable and disadvantaged communities as directed by Assembly Bill (AB) 617. Particular focus will be on helping to develop and implement elements of local community greenhouse gas monitoring and/or reduction strategies created pursuant to AB 617.
- Working with the BARC member agencies to better coordinate capacity-building, community participation, and outreach efforts in the Bay Area’s most vulnerable and disadvantaged communities;
- Assisting the BARC Chair in preparing agendas, supporting materials and minutes for BARC Governing Board meetings, and;
- Assisting with other initiatives as directed by the BARC Chair and Governing Board; and
- Supporting the development and implementation of BARC Shared Work Plan through strategic activities with the assistance of consultants, as appropriate.

WHEREAS, BAAQMD has committed \$312,608 for the above stated purpose, with BARC member agencies the Association of Bay Area Governments (ABAG) and the Bay Conservation and Development Commission (BCDC) providing additional supporting funds, for a total project budget of \$893,166 to conduct tasks listed above, in addition to any others jointly agreed to between MTC and BAAQMD;

NOW, THEREFORE, MTC and BAAQMD hereto agree as follows:

1. The BAAQMD agrees to provide MTC with three hundred twelve thousand six hundred eight dollars (\$312,608) within 120 days of the effective date of this Agreement. Payment shall be made to MTC as the address listed below:

Metropolitan Transportation Commission  
Accounting Department  
375 Beale Street, Suite 800  
San Francisco, CA 94105

In the event that there is, for any reason, a lower cost for the BARC Executive Director and BARC Program Coordinator and consultant services than the full budgeted \$893,166, MTC will reimburse the BAAQMD a proportional amount based on the contributions to the overall budget made by MTC and BAAQMD.

Refunds to the BAAQMD shall be made payable to the BAAQMD at the address listed below:

BAAQMD  
Accounting Department  
375 Beale Street, Suite 600  
San Francisco, CA 94105

2. The parties agree to work cooperatively to provide guidance to the BARC Executive Director through the implementation of the contract period.
3. Except as described in Section 1, all notices or other communications to either party by the other shall be given when made in writing and delivered or mailed to such party at their respective addresses as follows:

To MTC:                      Attention: Brad Paul  
Deputy Executive Director, Local Government Services  
Metropolitan Transportation Commission  
375 Beale Street, Suite 800  
San Francisco, CA 94105

To BAAQMD:                Attention: Gregory Nudd  
Bay Area Air Quality Management District  
375 Beale Street, Suite 800  
San Francisco, CA 94105

4. This Agreement may only be amended in writing executed by both parties.



IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

METROPOLITAN TRANSPORTATION  
COMMISSION

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

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Therese W. McMillan, Executive Director

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Alexander Crockett,  
Interim Executive Officer/APCO

Approved as to form:  
BAAQMD District Counsel

By: \_\_\_\_\_  
Adan Schwartz  
Acting District Counsel

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Report of the Legislative Committee Meeting of March 14, 2022

RECOMMENDED ACTION

1. Adopt the position of **SUPPORT** on Assembly Bill 2206 (Lee);
2. Adopt the position of **OPPOSE** on Assembly Bill 2563 (Quirk); and
3. Adopt the position of **OPPOSE** on Senate Bill 1393 (Archuleta).

BACKGROUND

None.

DISCUSSION

The Legislative Committee met on Monday, March 14, 2022, and approved the minutes of February 14, 2022. This meeting was conducted under procedures in accordance with Assembly Bill 361. Members of the Committee participated by teleconference.

The Committee then received and discussed an oral presentation from Alan Abbs, Legislative Officer, summarizing bills that are being sponsored by the Air District. These bills' topics included: raising penalty limits for air quality violations at refineries; changes to environmental review of new school sitings; and revising Air District Board member compensation limits to include active transportation compensation.

The Committee then received and discussed the staff presentation *Consideration of New Bills*, including: **Assembly Bill 2206 (Lee)** – *Employee parking*; **Assembly Bill 2563 (Quirk)** - *Air pollution: permits: mobile fueling on-demand tank vehicles*; and **Senate Bill 1393 (Archuleta)** - *Energy: appliances: local requirements*. Mr. Abbs also listed other bills that the Air District is monitoring. The Committee recommends the Board:

1. Adopt the position of **SUPPORT** on Assembly Bill 2206 (Lee);
2. Adopt the position of **OPPOSE** on Assembly Bill 2563 (Quirk); and

3. Adopt the position of **OPPOSE** on Senate Bill 1393 (Archuleta).

The next meeting of this Committee will be held on Monday, April 11, 2022, at 1:00 p.m., via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021). This concludes the Chair's Report of the Legislative Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Legislative Committee March 14, 2022 Meeting Memorandums

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Pauline Russo Cutter and Members  
of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: March 14, 2022

Re: Approval of the Legislative Platform for 2022

RECOMMENDED ACTION

The Legislative Committee (Committee) will consider approving the attached Legislative Platform for 2022.

BACKGROUND

The Legislative Platform is an attempt to provide overall advocacy principles to the Committee and Board of Directors, as well as provide guidance to Air District staff for this legislative year.

DISCUSSION

The platform is divided into three sections – state budget, state legislation, and federal legislation. The platform does not commit the Air District to positions on every legislative proposal in the listed categories but does provide a metric for use in bringing proposals to the Committee for discussion.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Alan Abbs  
Reviewed by: Jack P. Broadbent

ATTACHMENTS:

1. Legislative Platform for 2022

LEGISLATIVE COMMITTEE  
MEETING OF 03/14/2022



## Legislative Platform (2022)

### State Budget

1. **State Funding for Clean Air Projects:** Advocate for new and continued funding for investment in projects that reduce air pollution and exposure in the Bay Area. The Air District will pursue funding to support programs in the Bay Area Region from all available sources, including Carl Moyer, the Greenhouse Gas Revenue Fund, Assembly Bill (AB) 118, and the Air Pollution Control Fund.
2. **AB 617 Community Air Protection Implementation and Incentive Funding:** Advocate for adequate and continuous funding to support the Air District's AB 617 Community Air Protection Program. The state should provide necessary resources to fund the emissions inventory, regulatory, administrative, air monitoring, and community outreach activities necessary to effectively implement AB 617 requirements. The 2021/22 budget includes \$50 million (M) and \$260M statewide for implementation and incentives, respectively. When possible, the Air District will advocate support for continued funding and/or increases to funding.
3. **Carl Moyer/Mobile Source Incentive Fund/AB 118 Reauthorization:** The Carl Moyer Memorial Air Quality Standards Program, the AB 923 Program (also known as the Air District's Mobile Source Incentive Fund [MSIF]), and the California Energy Commission's AB 118 Program currently sunset at the end of 2023. The Air District will strongly advocate for extension of Moyer and 923 as part of the state budget process or through a separate policy bill.
4. **Wildfire Smoke Public Health Response:** The Air District sponsored AB 836 Wildfire Smoke Clean Air Centers Pilot Program by Assemblymember Wicks in 2019, which received funding in the state budget for 2020/21 for \$5M. The Air District will strongly advocate for continued funding.
5. **Support for Air District Activities Related to Wildfire Mitigation:** The passage of Senate Bill (SB) 1260 in 2018 has provided funding for air districts to support prescribed fire and other forest health activities by land managers. The Air District will continue to advocate for this funding.
6. **Clean Tech Financing:** Support proposals to provide financing assistance to clean technology projects, and if possible, funding for the Air District's Climate Tech Finance Program.
7. **Low-Carbon Transportation Incentives:** Support proposals for mobile source incentive programs that accelerate the turnover of older and more polluting diesel engines with cleaner alternatives, including zero emission alternatives, that reduce emissions of greenhouse gases, criteria pollutants and precursors, and toxic air contaminants.
8. **Commercial Harbor Craft Funding:** Advocate for new dedicated incentive funding for commercial harbor craft in order to meet requirements of CARB regulations to reduce diesel particulate matter.



## Legislative Platform (2022)

### State Legislation

1. **Vehicle Emissions and Congestion Relief:** Support legislative proposals that encourage active transportation, reduce vehicle miles traveled, and reduce emissions in the transportation sector. Oppose legislative proposals that roll back existing smog check and vehicle maintenance requirements.
2. **Climate Change:** Support legislative proposals that align with the Air District's 2017 Bay Area Clean Air Plan, including limiting fossil fuel combustion, stopping methane leaks, advancing zero-emission vehicle usage, advancing clean fuel adoption, accelerate low carbon buildings, supporting Community Choice Aggregation programs, and building energy efficiency in both new and existing buildings.
3. **AB 617 Community Air Protection Program:** Support legislative proposals that seek to reduce emissions and exposure in overburdened communities consistent with the framework of the Federal Clean Air Act and California Clean Air Act.
4. **Wildfire Smoke Public Health Response:** Support legislative proposals that would improve indoor air quality in public and non-public spaces through improved filtration or weatherization, especially in vulnerable and disadvantaged communities.
5. **Emergency Backup Generation:** Support legislative proposals that seek to reduce diesel particulate emissions in backup generation through use of cleaner generation. Oppose legislative proposals that restrict air district regulatory authority of diesel backup generators.
6. **Toxic Air Emissions:** Support legislative proposals to reduce emissions and exposure of air toxics. Oppose legislation that would potentially result in increases of exposure to air toxic emissions in the Bay Area Region.
7. **Wildfire Smoke Mitigation/Prescribed Fire:** Support legislative proposals to proactively reduce smoke from catastrophic wildfires through responsible fuel management policies, including the use of prescribed fire.
8. **Stationary Source Greenhouse Gas Authority:** Support legislative proposals to allow local air district the authority to establish stationary source greenhouse gas limits.
9. **Land Use:** Monitor legislative proposals that have the potential to directly affect local and regional air quality goals.



## Legislative Platform (2022)

### Federal Legislation

1. **Federal Funding for Air District Clean Air Programs:** Advocate for continuous and increased funding for Air District programs that reduce emissions and exposure, or that support monitoring and planning efforts in the Bay Area Region, including federal 103 and 105 grants, Diesel Emission Reduction Act grants, and Targeted Airshed Grants.
2. **Wildfire Smoke Public Health Response:** Support federal level efforts, including legislative efforts, to improve wildfire smoke public health response and indoor air quality in the Bay Area Region.
3. **Clean Transportation Programs:** Support efforts to secure funding for clean transportation infrastructure in the Bay Area in federal transportation bills and economic stimulus bills.
4. **Clean Energy Programs:** Support efforts to promote clean energy technology through incentive funding or tax credits, especially in disadvantaged communities in the Bay Area. Support proposals to provide financing assistance to clean technology projects, and if possible, funding for the Air District's Climate Tech Finance Program.
5. **Particulate Matter Standards:** Support efforts to review EPA's 2020 decision to leave federal PM<sub>2.5</sub> unchanged, per recommendations of Air District Board and Advisory Committee.
6. **Vehicle Emission Standards:** Support efforts to develop more stringent vehicle emission standards that align with current California standards for light duty, medium duty, and heavy-duty vehicles. Support efforts to retain California vehicle emission standard authority.
7. **Climate Change:** Support federal level efforts, including legislative efforts, that align with the Air District's 2017 Bay Area Clean Air Plan, including limiting fossil fuel combustion, stopping methane leaks, advancing zero-emission vehicle usage, advancing clean fuel adoption, accelerate low carbon buildings, supporting Community Choice Aggregation programs, and building energy efficiency in both new and existing buildings.
8. **Leaded Aviation Gas:** Support efforts to cause EPA to adopt an endangerment finding for leaded aviation gas. Support additional regulatory and incentive programs to promote use of lower lead and no-lead alternatives.



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Pauline Russo Cutter and Members  
of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: March 14, 2022

Re: Air District-Sponsored Bills

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

This year, the Air District is sponsoring the following three bills:

- Assembly Bill (AB) 1897 (Wicks) - Nonvehicular air pollution control: refineries: penalties.
- AB 2214 (C. Garcia) - California Environmental Quality Act: schoolsites: acquisition of property.
- AB 2721 (Lee) - Bay Area Air Quality Management District: district board: compensation and expenses.

DISCUSSION

*AB 1897 (Wicks) - Nonvehicular air pollution control: refineries: penalties.*

CapitolTrack Bill Summary: Current law prohibits a person from discharging from nonvehicular sources air contaminants or other materials that cause injury, detriment, nuisance, or annoyance to the public, or that endanger the comfort, repose, health, or safety of the public, or that cause, or have a natural tendency to cause, injury or damage to business or property, as specified. Under existing law, a person who violates this provision is guilty of a misdemeanor, as specified, or is strictly liable for a civil penalty of not more than \$10,000, unless that person alleges by affirmative defense and establishes that the act was not the result of intentional or negligent conduct, in which case the person is strictly liable for a civil penalty of not more than \$5,000. A person who violates this provision and who acts negligently, knowingly, willfully and intentionally, or with reckless disregard, is liable for a civil penalty in a greater amount, as specified. This bill would make a person who violates this provision liable for a civil penalty of not more than \$30,000 if the violation results from a discharge from a stationary source required by federal law to be included in an operating permit program established pursuant to Title V of

the federal Clean Air Act, and the stationary source is a refinery, the discharge results in a severe disruption to the community, the discharge contains or includes one or more toxic air contaminants, as specified, and 25 or more people are exposed to the discharge.

Current Status: AB 1897 was introduced by Assemblymember Wicks on February 9, 2022, and has been referred to Assembly Committees on Natural Resources and Judiciary. As of this writing, it has not been scheduled for a hearing.

*AB 2214 (C. Garcia) - California Environmental Quality Act: schoolsites: acquisition of property.*

CapitolTrack Bill Summary: Would require the governing board or body of a charter school or private school, before acquiring title to property for a new schoolsite or for an addition to a present schoolsite, to give notice in writing of the proposed acquisition to the planning commission. The bill would also require the planning commission to investigate the proposed site and submit a written report to the governing board or body of the charter school or private school, as provided. The bill would make the provisions relating to school districts also applicable to charter schools and private schools.

Current Status: AB 2214 was introduced by Assemblymember Cristina Garcia on February 15, 2022, and has not yet been referred to a committee. As of this writing, it has not been scheduled for a hearing.

*AB 2721 (Lee) - Bay Area Air Quality Management District: district board: compensation and expenses.*

CapitolTrack Bill Summary: Current law establishes the Bay Area Air Quality Management District, which is vested with the authority to regulate air emissions located in the boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara and portions of the Counties of Solano and Sonoma. Current law establishes a district board to govern the district and prescribes the membership of the district board. Current law authorizes the district board to provide, by ordinance, compensation for board members for attending meetings or while on official business of the district and also requires board members to receive actual and necessary expenses incurred in the performance of their duties, as specified. This bill would state the intent of the Legislature to enact subsequent legislation that would make changes to the compensation and expenses that members of the district board receive in the performance of their board duties.

Current Status: AB 2721 was introduced by Assemblymember Lee on February 18, 2022, and has not yet been referred to a committee. As of this writing, it has not been scheduled for a hearing.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Alan Abbs  
Reviewed by: Jack P. Broadbent

ATTACHMENTS:

1. AB 1897 (Wicks) - Bill Text
2. AB 2214 (C. Garcia) - Bill Text
3. AB 2721 (Lee) - Bill Text

**ASSEMBLY BILL****No. 1897****Introduced by Assembly Member Wicks**

February 9, 2022

An act to amend Sections 42400.7, 42402, 42402.1, 42402.2, 42402.3, and 42403 of, and to add Section 42402.6 to, the Health and Safety Code, relating to nonvehicular air pollution.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1897, as introduced, Wicks. Nonvehicular air pollution control: refineries: penalties.

Existing law prohibits a person from discharging from nonvehicular sources air contaminants or other materials that cause injury, detriment, nuisance, or annoyance to the public, or that endanger the comfort, repose, health, or safety of the public, or that cause, or have a natural tendency to cause, injury or damage to business or property, as specified. Under existing law, a person who violates this provision is guilty of a misdemeanor, as specified, or is strictly liable for a civil penalty of not more than \$10,000, unless that person alleges by affirmative defense and establishes that the act was not the result of intentional or negligent conduct, in which case the person is strictly liable for a civil penalty of not more than \$5,000. A person who violates this provision and who acts negligently, knowingly, willfully and intentionally, or with reckless disregard, is liable for a civil penalty in a greater amount, as specified. Existing law precludes prosecution under specified statutes if civil penalties are recovered pursuant to the above provisions for the same offense.

This bill would make a person who violates this provision liable for a civil penalty of not more than \$30,000 if the violation results from a

discharge from a stationary source required by federal law to be included in an operating permit program established pursuant to Title V of the federal Clean Air Act, and the stationary source is a refinery, the discharge results in a severe disruption to the community, the discharge contains or includes one or more toxic air contaminants, as specified, and 25 or more people are exposed to the discharge. The bill would additionally make a person who violates this provision liable for a civil penalty of not more than \$100,000 for a subsequent violation within a 12-month period. The bill would prohibit this provision from applying if the violation is caused by unforeseen and unforeseeable criminal acts, acts of war, acts of terrorism, or civil unrest. The bill would additionally preclude prosecution under specified statutes if civil penalties are recovered pursuant to this provision.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 42400.7 of the Health and Safety Code  
2 is amended to read:  
3 42400.7. (a) The recovery of civil penalties pursuant to  
4 Section 39674, 42401, 42402, 42402.1, 42402.2, 42402.3, ~~or~~  
5 ~~42402.4~~ 42402.4, *or* 42402.6 precludes prosecution under Section  
6 42400, 42400.1, 42400.2, 42400.3, 42400.3.5, or 42400.4 for the  
7 same offense. When a district refers a violation to a prosecuting  
8 agency, the filing of a criminal complaint is grounds requiring the  
9 dismissal of ~~any~~ a civil action brought pursuant to this article for  
10 the same offense.  
11 (b) If the pending civil action described in subdivision (a)  
12 includes a request for injunctive relief, that portion of the civil  
13 action shall not be dismissed upon the filing of a criminal complaint  
14 for the same offense.  
15 SEC. 2. Section 42402 of the Health and Safety Code is  
16 amended to read:  
17 42402. (a) Except as provided in Sections 42402.1, 42402.2,  
18 42402.3, ~~and 42402.4, any~~ 42402.4, *and* 42402.6, a person who  
19 violates this part, ~~any~~ an order issued pursuant to Section 42316,  
20 ~~or any~~ a rule, regulation, permit, or order of a district, including a  
21 district hearing board, or of the state board issued pursuant to Part  
22 1 (commencing with Section 39000) to Part 4 (commencing with

Section 41500), inclusive, is strictly liable for a civil penalty of not more than five thousand dollars (\$5,000).

(b) (1) A person who violates ~~any~~ a provision of this part, ~~any~~ an order issued pursuant to Section 42316, or ~~any~~ a rule, regulation, permit or order of a district, including a district hearing board, or of the state board issued pursuant to Part 1 (commencing with Section 39000) to Part 4 (commencing with Section 41500), inclusive, is strictly liable for a civil penalty of not more than ten thousand dollars (\$10,000).

(2) (A) If a civil penalty in excess of five thousand dollars (\$5,000) for each day in which a violation occurs is sought, there is no liability under this subdivision if the person accused of the violation alleges by affirmative defense and establishes that the violation was caused by an act that was not the result of intentional conduct or negligent conduct.

(B) Subparagraph (A) does not apply to a violation of a federally enforceable ~~requirements~~ *requirement* that ~~occur~~ *occurs* at a Title V source in a district in which a Title V permit program has been fully approved.

(C) Subparagraph (A) does not apply to a person who is determined to have violated an annual facility emissions cap established pursuant to a market-based incentive program adopted by a district pursuant to subdivision (b) of Section 39616.

(c) A person who owns or operates ~~any~~ a source of air contaminants in violation of Section 41700 that causes actual injury, as defined in subdivision (d) of Section 42400, to the health and safety of a considerable number of persons or the public, is liable for a civil penalty of not more than fifteen thousand dollars (\$15,000).

(d) Each day during ~~any~~ a portion of which a violation occurs is a separate offense.

SEC. 3. Section 42402.1 of the Health and Safety Code is amended to read:

42402.1. (a) ~~Any~~ *Except as provided in Section 42402.6, a* person who negligently emits an air contaminant in violation of this part or ~~any~~ a rule, regulation, permit, or order of the state board or of a district, including a district hearing board, pertaining to emission regulations or limitations is liable for a civil penalty of not more than twenty-five thousand dollars (\$25,000).

(b) ~~Any~~A person who negligently emits an air contaminant in violation of Section 41700 that causes great bodily injury, as defined ~~by~~ *in subdivision (f) of Section 12022.7 of the Penal Code,* to ~~any~~ a person or that causes the death of ~~any~~ a person, is liable for a civil penalty of not more than one hundred thousand dollars (\$100,000).

(c) Each day during ~~any~~ a portion of which a violation occurs is a separate offense.

SEC. 4. Section 42402.2 of the Health and Safety Code is amended to read:

42402.2. (a) ~~Any~~*Except as provided in Section 42402.6, a* person who emits an air contaminant in violation of ~~any~~ a provision of this part, or ~~any order, rule, regulation, or permit~~ *a rule, regulation, permit, or order* of the state board or of a district, including a district hearing board, pertaining to emission regulations or limitations, and who knew of the emission and failed to take corrective action, as defined in subdivision (b) of Section 42400.2, within a reasonable period of time under the circumstances, is liable for a civil penalty of not more than forty thousand dollars (\$40,000).

(b) ~~Any~~A person who owns or operates ~~any~~ a source of air contaminants in violation of Section 41700 that causes great bodily injury, as defined ~~by~~ *in subdivision (f) of Section 12022.7 of the Penal Code,* to ~~any~~ a person or that causes the death of ~~any~~ a person, and who knew of the emission and failed to take corrective action, as defined in subdivision (b) of Section 42400.2, within a reasonable period of time under the circumstances, is liable for a civil penalty not to exceed two hundred fifty thousand dollars (\$250,000).

(c) Each day during ~~any~~ a portion of which a violation occurs is a separate offense.

SEC. 5. Section 42402.3 of the Health and Safety Code is amended to read:

42402.3. (a) ~~Any~~*Except as provided in Section 42402.6, a* person who willfully and intentionally emits an air contaminant in violation of this part or ~~any~~ a rule, regulation, permit, or order of the state board, or of a district, including a district hearing board, pertaining to emission regulations or limitations, is liable for a civil penalty of not more than seventy-five thousand dollars (\$75,000).

(b) ~~Any~~ A person who willfully and intentionally, or with reckless disregard for the risk of great bodily injury, as defined by ~~in subdivision (f) of~~ Section 12022.7 of the Penal Code, to, or death of, ~~any~~ a person, emits an air contaminant in violation of Section 41700 that results in an unreasonable risk of great bodily injury to, or death of, ~~any~~ a person, is liable for a civil penalty of not more than one hundred twenty-five thousand dollars (\$125,000). If the violator is a corporation, the maximum penalty may be up to five hundred thousand dollars (\$500,000).

(c) ~~Any~~ A person who willfully and intentionally, or with reckless disregard for the risk of great bodily injury, as defined by ~~in subdivision (f) of~~ Section 12022.7 of the Penal Code, to, or death of, ~~any~~ a person, emits an air contaminant in violation of Section 41700 that causes great bodily injury, as defined by ~~in subdivision (f) of~~ Section 12022.7 of the Penal Code, to ~~any~~ a person or that causes the death of ~~any~~ a person, is liable for a civil penalty of not more than two hundred fifty thousand dollars (\$250,000). If the violator is a corporation, the maximum penalty may be up to one million dollars (\$1,000,000).

(d) Each day during ~~any~~ a portion of which a violation occurs is a separate offense.

SEC. 6. Section 42402.6 is added to the Health and Safety Code, to read:

42402.6. (a) (1) A person is liable for a civil penalty of not more than thirty thousand dollars (\$30,000) if the person violates Section 41700 and all of the following occur:

(A) (i) The discharge is from a Title V source that is a refinery.

(ii) For purposes of this subparagraph, “refinery” means an establishment that is located on one or more contiguous or adjacent properties that processes a petroleum or alternative feedstock to produce a more usable product such as gasoline, diesel fuel, aviation fuel, lubricating oil, asphalt, petrochemical feedstock, or other similar product.

(B) The discharge results in a severe disruption to the community, including, but not limited to, residential displacement, shelter in place, evacuation, or destruction of property.

(C) The discharge contains or includes one or more toxic air contaminants, as identified by the state board pursuant to Section 39657.

(D) Twenty-five or more persons are exposed to the discharge.



(2) A person shall be liable for a civil penalty of not more than one hundred thousand dollars (\$100,000) for a discharge subject to paragraph (1) if that discharge occurs within 12 months of a prior discharge subject to paragraph (1).

(b) Except as provided in subdivision (b) of Section 42402.2 or subdivision (b) or (c) of Section 42402.3, a civil penalty described in subdivision (a) shall apply on the initial date of a violation.

(c) If a violation of subdivision (a) continues to occur subsequent to the initial date of the violation, the civil penalty described in Section 42402, 42402.1, 42402.2, or 42402.3 shall apply to those subsequent days.

(d) The civil penalty described in paragraphs (1) and (2) of subdivision (a) shall not apply if the violation is caused by unforeseen and unforeseeable criminal acts, acts of war, acts of terrorism, or civil unrest.

(e) Moneys collected pursuant to this section shall be expended in support of air quality programs, including, but not limited to, programs to research or mitigate the effects of air pollution.

SEC. 7. Section 42403 of the Health and Safety Code is amended to read:

42403. (a) The civil penalties prescribed in Sections 39674, 42401, 42402, 42402.1, 42402.2, ~~and 42402.3~~ 42402.3, ~~and 42402.6~~ shall be assessed and recovered in a civil action brought in the name of the people of the State of California by the Attorney General, by ~~any~~ a district attorney, or by the attorney for ~~any~~ the district in which the violation occurs in ~~any~~ a court of competent jurisdiction.

(b) In determining the amount of *the civil penalty* assessed, the court, or in reaching ~~any~~ a settlement, the district, shall take into consideration all relevant circumstances, including, but not limited to, the following:

- (1) The extent of harm caused by the violation.
- (2) The nature and persistence of the violation.
- (3) The length of time over which the violation occurs.
- (4) The frequency of past violations.
- (5) The record of maintenance.
- (6) The unproven or innovative nature of the control equipment.
- (7) ~~Any action~~ *Action, if any*, taken by the defendant, including the nature, extent, and time of response of the cleanup and construction undertaken, to mitigate the violation.

- 1     (8) The financial burden to the defendant.

LEGISLATIVE COMMITTEE  
MEETING OF 03/14/2022

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**ASSEMBLY BILL**

**No. 2214**

**Introduced by Assembly Member Cristina Garcia**

February 15, 2022

An act to amend Section 21151.2 of the Public Resources Code, relating to environmental quality.

LEGISLATIVE COUNSEL'S DIGEST

AB 2214, as introduced, Cristina Garcia. California Environmental Quality Act: schoolsites: acquisition of property.

(1) The California Environmental Quality Act requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment, or to adopt a negative declaration if it finds that the project will not have that effect.

Existing law requires the governing board of a school district, before acquiring title to property for a new schoolsite or for an addition to a present schoolsite, to give notice in writing of the proposed acquisition to the planning commission. Existing law requires the planning commission to investigate the proposed site and submit a written report to the governing board of the school district, as provided. Existing law prohibits the governing board from acquiring title to the property until the report of the planning commission has been received.

This bill would also require the governing board or body of a charter school or private school, before acquiring title to property for a new schoolsite or for an addition to a present schoolsite, to give notice in writing of the proposed acquisition to the planning commission. The bill would also require the planning commission to investigate the

proposed site and submit a written report to the governing board or body of the charter school or private school, as provided. The bill would make the provisions relating to school districts also applicable to charter schools and private schools.

(2) To the extent that this bill would impose new duties on local agencies, this bill would constitute 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, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. 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 21151.2 of the Public Resources Code  
2 is amended to read:  
3 21151.2. (a) To promote the *health and* safety of pupils and  
4 comprehensive community ~~planning~~ *planning*, the governing board  
5 *or body* of each school ~~district~~ *district, charter school, or private*  
6 *school shall*, before acquiring title to property for a new ~~school~~  
7 *site schoolsite* or for an addition to a present ~~school site~~, *shall*  
8 *schoolsite*, give the planning commission having jurisdiction notice  
9 in writing of the proposed acquisition. ~~The~~  
10 (b) *The* planning commission shall investigate the proposed site  
11 and within 30 days after receipt of the notice shall submit to the  
12 governing board *or body of the school district, charter school, or*  
13 *private school* a written report of the investigation and its  
14 recommendations concerning acquisition of the site.  
15 ~~The~~  
16 (c) *The* governing board *or body of the school district, charter*  
17 *school, or private school* shall not acquire title to the property until  
18 the report of the planning commission has been received. ~~If~~  
19 (d) *If* the report does not favor the acquisition of the property  
20 for a ~~school site~~, *schoolsite*, or for an addition to a present ~~school~~  
21 *site, schoolsite*, the governing board *or body of the school district*

1 *district, charter school, or private school* shall not acquire title to  
2 the property until 30 days after the commission's report is received.

3 SEC. 2. If the Commission on State Mandates determines that  
4 this act contains costs mandated by the state, reimbursement to  
5 local agencies and school districts for those costs shall be made  
6 pursuant to Part 7 (commencing with Section 17500) of Division  
7 4 of Title 2 of the Government Code.

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**ASSEMBLY BILL**

**No. 2721**

**Introduced by Assembly Member Lee**

February 18, 2022

An act relating to the Bay Area Air Quality Management District.

LEGISLATIVE COUNSEL'S DIGEST

AB 2721, as introduced, Lee. Bay Area Air Quality Management District: district board: compensation and expenses.

Existing law establishes the Bay Area Air Quality Management District, which is vested with the authority to regulate air emissions located in the boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara and portions of the Counties of Solano and Sonoma. Existing law establishes a district board to govern the district and prescribes the membership of the district board. Existing law authorizes the district board to provide, by ordinance, compensation for board members for attending meetings or while on official business of the district and also requires board members to receive actual and necessary expenses incurred in the performance of their duties, as specified.

This bill would state the intent of the Legislature to enact subsequent legislation that would make changes to the compensation and expenses that members of the district board receive in the performance of their board duties.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. In order to promote active transportation, reduce  
2     air pollution, and protect public health in the bay area region, it is  
3     the intent of the Legislature to enact subsequent legislation that  
4     would make changes to the compensation and expenses that  
5     members of the board of the Bay Area Air Quality Management  
6     District receive in the performance of their board duties.

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**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Pauline Russo Cutter and Members  
of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: March 14, 2022

Re: Consideration of New Bills

RECOMMENDED ACTION

Approve staff's recommendation of support for the following bill(s):

- Assembly Bill (AB) 2206 (Lee) - Employee parking.

Approve staff's recommendation of opposition for the following bill(s):

- AB 2563 (Quirk) - Air pollution: permits: mobile fueling on-demand tank vehicles.
- Senate Bill (SB) 1393 (Archuleta) - Energy: appliances: local requirements.

BACKGROUND

This is the second year of the two-year 2021-2022 Legislative Session. The last day for bills to be introduced this year was February 18, 2022. Bills can be heard in committee 31 days after being introduced, with most bills being heard in committee beginning in mid-March.

Attached is the matrix of bills that the Air District is currently tracking and has been arranged by category.

DISCUSSION

Staff will provide the Committee a brief summary and status of bills on the attached list and will recommend bills to support and oppose during the session. Staff will review other bills that may be of interest to the Committee. Specifically, staff will plan to discuss the following bills:

*AB 2206 (Lee) - Employee parking.*

CapitolTrack Bill Summary: Current law requires, in any air basin designated as nonattainment for certain air quality standards, an employer of 50 persons or more that provides a parking subsidy to employees, to also offer a parking cash-out program, as provided. This bill would require a lessor that enters into or renews a lease with an employer subject to the requirement



above, on or after January 1, 2023, to list the amount of parking costs as a separate line item in the lease or provide a list of parking costs to the lessee within 30 days after the lease is entered into or renewed.

*AB 2563 (Quirk) - Air pollution: permits: mobile fueling on-demand tank vehicles.*

CapitolTrack Bill Summary: Would, except as provided, require air pollution control and air quality management districts to establish a mobile fueling on-demand tank vehicle uniform permit program for mobile fueling on-demand tank vehicle operations, as defined. The bill would require that a mobile fueling on-demand tank vehicle uniform permit program provide, among other things, a consolidated permitting process for an operation that requires more than one permit and an expedited permit review and fee schedule. By placing additional duties upon air pollution control and air quality management districts, and expanding the scope of existing crimes, the bill would impose a state-mandated local program.

*SB 1393 (Archuleta) - Energy: appliances: local requirements.*

CapitolTrack Bill Summary: Current law requires the State Energy Resources Conservation and Development Commission to take specified actions to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy, including the energy associated with the use of water, and to manage energy loads to help maintain electrical grid reliability. This bill would require a city, including a charter city, or county to submit an application to, and receive approval from, the commission before the city or county could require that a fossil fuel-fired appliance be replaced with an electric appliance upon the alteration or retrofit of a residential or nonresidential building, except when the requirement includes specified exemptions, as specified.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Alan Abbs  
Reviewed by: Jack P. Broadbent

ATTACHMENTS:

1. Bills of Interest Matrix - As of March 4, 2022
  2. AB 2206 (Lee) - Bill Text
  3. AB 2563 (Quirk) - Bill Text
  4. SB 1393 (Archuleta) - Bill Text
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LEGISLATIVE COMMITTEE  
MEETING OF 03/14/2022

Bill #	Author	Subject	Last Amended	Last Status - As of 3/4/2022	Location	Notes	Position	Priority (Low/Medium/High)	Category
<a href="#">AB 1749</a>	Garcia, Cristina	Community Air Protection Blueprint: community emissions reduction programs: toxic air contaminants and criteria air pollutants.		2/10/2022-Referred to Com. on NAT. RES.	2/10/2022-A. NAT. RES.			Medium	AB 617
<a href="#">AB 284</a>	Rivas, Robert	California Global Warming Solutions Act of 2006: climate goal: natural and working lands.	7/14/2021	9/10/2021-Failed Deadline pursuant to Rule 61(a)(15). (Last location was INACTIVE FILE on 9/2/2021)(May be acted upon Jan 2022)	9/10/2021-S. 2 YEAR			Low	Climate Change
<a href="#">AB 1369</a>	Bennett	Buy Clean California Act: eligible materials: product-specific global warming potential emissions.	1/12/2022	2/1/2022-In Senate. Read first time. To Com. on RLS. for assignment.	2/1/2022-S. RLS.			Low	Climate Change
<a href="#">AB 1395</a>	Muratsuchi	The California Climate Crisis Act.	9/3/2021	9/10/2021-Failed Deadline pursuant to Rule 61(a)(15). (Last location was INACTIVE FILE on 9/10/2021)(May be acted upon Jan 2022)	9/10/2021-S. 2 YEAR			Low	Climate Change
<a href="#">AB 1676</a>	Burke	Greenhouse gases: carbon capture, utilization, and sequestration.		1/21/2022-From printer. May be heard in committee February 20.	1/20/2022-A. PRINT	Intent Bill		Low	Climate Change
<a href="#">AB 2360</a>	Arambula	Climate change and public health funding working group.		2/17/2022-From printer. May be heard in committee March 19.	2/16/2022-A. PRINT	Intent Bill		Low	Climate Change
<a href="#">AB 2442</a>	Rivas, Robert	California Global Warming Solutions Act of 2006: state board.		2/18/2022-From printer. May be heard in committee March 20.	2/17/2022-A. PRINT	Spot Bill		Low	Climate Change
<a href="#">AB 2446</a>	Holden	Embodied carbon emissions: construction materials.		3/3/2022-Referred to Com. on NAT. RES.	3/3/2022-A. NAT. RES.			Low	Climate Change
<a href="#">AB 2532</a>	Bennett	Scoping plan: compliance and implementation: reports.		2/18/2022-From printer. May be heard in committee March 20.	2/17/2022-A. PRINT			Low	Climate Change
<a href="#">AB 2578</a>	Cunningham	Climate strategy: carbon capture, utilization, and sequestration.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Intent Bill		Low	Climate Change
<a href="#">AB 2674</a>	Villapudua	California Global Warming Solutions Act of 2006: Low Carbon Fuel Standard regulations.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	Climate Change
<a href="#">AB 2700</a>	McCarty	Climate change: scoping plan.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	Climate Change
<a href="#">AB 2722</a>	Grayson	Greenhouse gases: work-from-home option.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	Climate Change
<a href="#">AB 2809</a>	Carrillo	Greenhouse gases: refrigerants.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Spot Bill		Low	Climate Change
<a href="#">AB 2944</a>	Petrie-Norris	Greenhouse gases: carbon capture, utilization, and sequestration.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Intent Bill		Low	Climate Change
<a href="#">SB 260</a>	Wiener	Climate Corporate Accountability Act.	1/3/2022	1/26/2022-Read third time. Passed. (Ayes 23. Noes 7.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.	1/26/2022-A. DESK			Medium	Climate Change
<a href="#">SB 852</a>	Dodd	Climate resilience districts: formation: funding mechanisms.		2/7/2022-Art. IV, Sec. 8(a) of the Constitution dispensed with. (Ayes 31. Noes 6.) Joint Rule 55 suspended. (Ayes 31. Noes 6.)	1/26/2022-S. GOV. & F.			Low	Climate Change
<a href="#">SB 905</a>	Skinner	Decarbonized Cement and Geologic Carbon Sequestration Demonstration Act.	2/18/2022	3/2/2022-Re-referred to Coms. on E.Q., ED., and N.R. & W.	3/2/2022-S. E.Q.			Low	Climate Change
<a href="#">SB 989</a>	Hertzberg	Transformative Climate Communities Program: climate community plans.		2/23/2022-Referred to Com. on RLS.	2/14/2022-S. RLS.			Low	Climate Change
<a href="#">SB 1020</a>	Atkins	California Global Warming Solutions Act of 2006: scoping plan.		2/23/2022-Referred to Com. on E.Q.	2/23/2022-S. E.Q.			Low	Climate Change
<a href="#">SB 1068</a>	Laird	Climate change.		2/23/2022-Referred to Com. on RLS.	2/15/2022-S. RLS.			Low	Climate Change
<a href="#">SB 1075</a>	Skinner	Hydrogen: green hydrogen: emissions of greenhouse gases.		2/24/2022-Referral to Com. on E.Q. rescinded because of the limitations placed on committee hearings due to ongoing health and safety risks of the COVID-19 virus.	2/24/2022-S. E.Q.			Low	Climate Change
<a href="#">SB 1101</a>	Caballero	Carbon capture, utilization, and sequestration framework.		2/23/2022-Referred to Com. on RLS.	2/16/2022-S. RLS.	Intent Bill		Low	Climate Change
<a href="#">SB 1136</a>	Portantino	California Environmental Quality Act: expedited environmental review: climate change regulations.		2/23/2022-Referred to Com. on RLS.	2/16/2022-S. RLS.	Spot Bill		Low	Climate Change
<a href="#">SB 1145</a>	Laird	California Global Warming Solutions Act of 2006: greenhouse gas emissions: dashboard.	3/1/2022	3/1/2022-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.	2/16/2022-S. RLS.	Intent Bill		Low	Climate Change
<a href="#">SB 1206</a>	Skinner	Hydrofluorocarbon gases: sale or distribution.		3/2/2022-Referred to Com. on E.Q.	3/2/2022-S. E.Q.			Low	Climate Change
<a href="#">SB 1230</a>	Limón	Greenhouse gas emissions: transportation.		3/2/2022-Referred to Com. on RLS.	2/17/2022-S. RLS.	Intent Bill		Low	Climate Change
<a href="#">SB 1297</a>	Cortese	Low-embodied carbon building materials: carbon sequestration.		3/2/2022-Referred to Coms. on E.Q. and N.R. & W.	3/2/2022-S. E.Q.			Low	Climate Change
<a href="#">SB 1301</a>	Becker	Building performance standards.		3/2/2022-Referred to Com. on RLS.	2/18/2022-S. RLS.	Intent Bill		Low	Climate Change
<a href="#">SB 1347</a>	Hueso	California Global Warming Solutions Act of 2006.		3/2/2022-Referred to Com. on RLS.	2/18/2022-S. RLS.	Spot Bill		Low	Climate Change
<a href="#">SB 1399</a>	Wieckowski	Carbon capture and storage pilot program: industrial facilities.		2/22/2022-From printer.	2/18/2022-S. RLS.			Low	Climate Change
<a href="#">AB 1814</a>	Grayson	Transportation electrification: community choice aggregators.		2/18/2022-Referred to Com. on U. & E.	2/18/2022-A. U. & E.			Low	Energy
<a href="#">AB 2075</a>	Ting	Energy: electric vehicle charging standards.		3/3/2022-Referred to Coms. on NAT. RES. and U. & E.	3/3/2022-A. NAT. RES.			Low	Energy
<a href="#">AB 2204</a>	Boerner Horvath	Clean energy: Office of Clean Energy Workforce.		3/3/2022-Referred to Coms. on L. & E. and U. & E.	3/3/2022-A. L. & E.			Low	Energy

Bill #	Author	Subject	Last Amended	Last Status - As of 3/4/2022	Location	Notes	Position	Priority (Low/Medium/High)	Category
<a href="#">AB 2316</a>	Ward	Community Renewable Energy Program.		3/3/2022-Referred to Com. on U. & E.	3/3/2022-A. U. & E.			Low	Energy
<a href="#">AB 2587</a>	Garcia, Eduardo	Energy: firm zero-carbon resources: procurement.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	Energy
<a href="#">AB 2724</a>	Bennett	Green hydrogen.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Intent Bill		Low	Energy
<a href="#">AB 2892</a>	Bigelow	Biodiesel fuels: renewable diesel fuel.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	Energy
<a href="#">SB 1039</a>	Wieckowski	Clean energy and pollution reduction objectives.		2/23/2022-Referred to Com. on RLS.	2/15/2022-S. RLS.	Spot Bill		Low	Energy
<a href="#">SB 1112</a>	Becker	Energy suppliers: notice and recordation of a decarbonization charge.		2/23/2022-Referred to Com. on E., U. & C.	2/23/2022-S. E. U., & C.			Low	Energy
<a href="#">SB 1156</a>	Grove	Motor Vehicle Fuel Tax: Diesel Fuel Tax: inflation adjustment.		2/18/2022-From printer.	2/17/2022-S. RLS.			Low	Energy
<a href="#">SB 1164</a>	Stern	Energy: building energy efficiency: document repository and registry.		3/2/2022-Referred to Coms. on E., U. & C. and E.Q.	3/2/2022-S. E. U., & C.			Low	Energy
<a href="#">SB 1291</a>	Archuleta	Green electrolytic hydrogen.		3/2/2022-Referred to Com. on RLS.	2/18/2022-S. RLS.	Spot Bill		Low	Energy
<a href="#">SB 1393</a>	Archuleta	Energy: appliances: local requirements.		2/22/2022-From printer.	2/18/2022-S. RLS.		Propose Oppose	Medium	Energy
<a href="#">AB 1001</a>	Garcia, Cristina	Environment: mitigation measures for air and water quality impacts: environmental justice.	1/24/2022	2/1/2022-In Senate. Read first time. To Com. on RLS. for assignment.	2/1/2022-S. RLS.			Medium	Environmental Justice
<a href="#">AB 1966</a>	Muratsuchi	Fossil fuel-dependent workers: California Equitable Just Transition Fund.		2/11/2022-From printer. May be heard in committee March 13.	2/10/2022-A. PRINT	Intent Bill		Low	Environmental Justice
<a href="#">AB 2108</a>	Rivas, Robert	Water policy: environmental justice and tribal community representation.		2/24/2022-Referred to Com. on E.S. & T.M.	2/24/2022-A. E.S. & T.M.			Low	Environmental Justice
<a href="#">AB 2419</a>	Bryan	Environmental justice: federal Infrastructure Investment and Jobs Act: Justice40 Oversight Committee.		3/3/2022-Referred to Coms. on NAT. RES. and E.S. & T.M.	3/3/2022-A. NAT. RES.			Low	Environmental Justice
<a href="#">AB 1897</a>	Wicks	Nonvehicular air pollution control: refineries: penalties.		2/18/2022-Referred to Coms. on NAT. RES. and JUD.	2/18/2022-A. NAT. RES.		Air District-Sponsored	High	General-Air District
<a href="#">AB 2141</a>	Garcia, Eduardo	Air pollution: best available retrofit control technology.		2/15/2022-From printer. May be heard in committee March 18.	2/15/2022-A. PRINT	Spot Bill		Medium	General-Air District
<a href="#">AB 2563</a>	Quirk	Air pollution: permits: mobile fueling on-demand tank vehicles.		2/18/2022-From printer. May be heard in committee March 20.	2/17/2022-A. PRINT		Propose Oppose	Medium	General-Air District
<a href="#">AB 2649</a>	Garcia, Cristina	Air pollution.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Spot Bill		Medium	General-Air District
<a href="#">AB 2721</a>	Lee	Bay Area Air Quality Management District: district board: compensation and expenses.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Intent Bill	Air District-Sponsored	High	General-Air District
<a href="#">AB 2836</a>	Garcia, Eduardo	Carl Moyer Memorial Air Quality Standards Attainment Program.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Spot Bill		Medium	General-Air District
<a href="#">AB 2840</a>	Reyes	Sacramento Metropolitan Air Quality Management District: air quality improvement strategy.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Spot Bill		Low	General-Air District
<a href="#">AB 2852</a>	Bloom	Air pollution control districts and air quality management districts.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Spot Bill		Medium	General-Air District
<a href="#">AB 2910</a>	Cunningham	Agriculture: produce markets.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Spot Bill		Medium	General-Air District
<a href="#">SB 1095</a>	Durazo	Air quality: rules and regulations: socioeconomic impacts assessment.		2/23/2022-Referred to Com. on E.Q.	2/23/2022-S. E.Q.			Medium	General-Air District
<a href="#">SB 1235</a>	Borgeas	Air pollution: portable equipment: emergency events.		3/2/2022-Referred to Com. on E.Q.	3/2/2022-S. E.Q.			Medium	General-Air District
<a href="#">AB 363</a>	Medina	Carl Moyer Memorial Air Quality Standards Attainment Program.	7/5/2021	7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was TRANS. on 6/28/2021)(May be acted upon Jan 2022)	7/14/2021-S. 2 YEAR			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 965</a>	Levine	Building standards: electric vehicle charging infrastructure.	6/29/2021	9/10/2021-Failed Deadline pursuant to Rule 61(a)(15). (Last location was INACTIVE FILE on 9/10/2021)(May be acted upon Jan 2022)	9/10/2021-S. 2 YEAR			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 1389</a>	Reyes	Alternative and Renewable Fuel and Vehicle Technology Program.	9/3/2021	9/10/2021-Failed Deadline pursuant to Rule 61(a)(15). (Last location was INACTIVE FILE on 9/7/2021)(May be acted upon Jan 2022)	9/10/2021-S. 2 YEAR			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 1644</a>	Burke	Greenhouse Gas Reduction Fund: California Jobs Plan Act of 2021		1/20/2022-Referred to Coms. on L. & E. and NAT. RES.	1/20/2022-A. L. & E.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 1738</a>	Boerner Horvath	Building standards: installation of electric vehicle charging stations: existing buildings.		2/10/2022-Referred to Coms. on H. & C.D. and ED.	2/10/2022-A. H. & C.D.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 1771</a>	Ward	Zero-emission vehicles: grants.		3/3/2022-Referred to Coms. on REV. & TAX. and H. & C.D.	3/3/2022-A. REV. & TAX	Spot Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 1778</a>	Garcia, Cristina	State transportation funding: freeway widening: poverty and pollution: Department of Transportation.		2/10/2022-Referred to Com. on TRANS.	2/10/2022-A. TRANS.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 1873</a>	Boerner Horvath	Personal Income Tax Law: Corporation Tax Law: credits: electric vehicle charging stations.		2/18/2022-Referred to Com. on REV. & TAX.	2/18/2022-A. REV. & TAX			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2061</a>	Ting	Transportation electrification: electric vehicle charging infrastructure.		2/24/2022-Referred to Coms. on TRANS. and U. & E.	2/24/2022-A. TRANS.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2074</a>	Gipson	Air Quality Improvement Program: micromobility devices.		2/24/2022-Referred to Com. on TRANS.	2/24/2022-A. TRANS.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade

Bill #	Author	Subject	Last Amended	Last Status - As of 3/4/2022	Location	Notes	Position	Priority (Low/Medium/High)	Category
<a href="#">AB 2101</a>	Flora	Whole orchard recycling projects: carbon offsets.		2/24/2022-Referred to Com. on NAT. RES.	2/24/2022-A. NAT. RES.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2111</a>	Bigelow	Motor vehicles: air pollution.		2/15/2022-From printer. May be heard in committee March 17.	2/14/2022-A. PRINT			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2197</a>	Mullin	Caltrain electrification project: funding.		2/24/2022-Referred to Com. on TRANS.	2/24/2022-A. TRANS.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2350</a>	Grayson	Vehicular air pollution: Zero-Emission Aftermarket Conversion Project.		3/3/2022-Referred to Coms. on TRANS. and NAT. RES.	3/3/2022-A. TRANS.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2358</a>	O'Donnell	Alternative vehicle and vessel technologies: funding programs: commercial harbor craft.		3/3/2022-Referred to Com. on TRANS.	3/3/2022-A. TRANS.			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2554</a>	O'Donnell	Air pollution: assistance program: drayage vehicles.		2/18/2022-From printer. May be heard in committee March 20.	2/17/2022-A. PRINT			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2562</a>	Bennett	Clean Transportation Program: hydrogen-fueling stations.		2/18/2022-From printer. May be heard in committee March 20.	2/17/2022-A. PRINT			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2622</a>	Mullin	Sales and use taxes: exemptions: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit buses.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2690</a>	Boerner Horvath	Vehicular air pollution: emissions standards.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Spot Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2703</a>	Muratsuchi	Zero-emission fueling station reliability standards: transportation: low-income and disadvantaged community financial assistance.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2737</a>	Carrillo	Air pollution: purchase of new drayage and short-haul trucks: incentive programs: eligibility: labor standards.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Spot Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2793</a>	Muratsuchi	California Greenhouse Gas Cap-and-Trade Program.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Intent Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2798</a>	Fong	Freight: development projects.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2802</a>	Muratsuchi	Air pollution: carbon tax and dividend.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Intent Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2807</a>	Bonta, Mia	Transportation funding programs: eligibility: public transportation ferries.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2862</a>	Muratsuchi	California Global Warming Solutions Act of 2006: offset credits.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Intent Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2928</a>	Cooper	Vehicles: retirement and replacement.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2953</a>	Salas	Air pollution: drayage vehicles: registry.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Intent Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 2954</a>	Cunningham	Vehicular air pollution: State Air Resources Board: regulations.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Spot Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 45</a>	Portantino	Short-lived climate pollutants: organic waste reduction goals: local jurisdiction assistance.	1/3/2022	1/24/2022-Read third time. Passed. (Ayes 36. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.	1/24/2022-A. DESK			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 542</a>	Limón	Sales and use taxes: exemption: medium- or heavy-duty zero-emission trucks.	5/25/2021	1/18/2022-Read third time. Passed. (Ayes 33. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.	1/18/2022-A. DESK			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 726</a>	Gonzalez	Alternative fuel and vehicle technologies: sustainable transportation.	8/30/2021	9/10/2021-Failed Deadline pursuant to Rule 61(a)(15). (Last location was INACTIVE FILE on 9/7/2021)(May be acted upon Jan 2022)	9/10/2021-A. 2 YEAR			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 771</a>	Becker	Sales and Use Tax Law: zero emissions vehicle exemption.	5/11/2021	9/10/2021-Failed Deadline pursuant to Rule 61(a)(15). (Last location was DESK on 5/26/2021)(May be acted upon Jan 2022)	9/10/2021-A. 2 YEAR			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 894</a>	Jones	Off-highway vehicles.		3/2/2022-Set for hearing March 22.	2/9/2022-S. TRANS.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 922</a>	Wiener	California Environmental Quality Act: exemptions: transportation-related projects.		2/16/2022-Referred to Com. on E.Q.	2/16/2022-S. E.Q.			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 932</a>	Portantino	General plans: circulation element: bicycle and pedestrian plans and traffic calming plans.		2/16/2022-Referred to Coms. on GOV. & F. and TRANS.	2/16/2022-S. GOV. & F.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 942</a>	Newman	Low Carbon Transit Operations Program: free or reduced fare transit program.		3/2/2022-Set for hearing March 22.	2/16/2022-S. TRANS.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 1010</a>	Skinner	Air pollution: state vehicle fleet: zero-emission vehicles.		2/23/2022-Referred to Coms. on G.O. and E.Q.	2/23/2022-S. G.O.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 1086</a>	Melendez	California Global Warming Solutions Act of 2006: market-based compliance mechanism.		2/23/2022-Referred to Com. on RLS.	2/15/2022-S. RLS.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 1104</a>	Gonzalez	Governor's Office of Business and Economic Development: Office of Freight.		2/23/2022-Referred to Coms. on B., P. & E.D. and TRANS.	2/23/2022-S. B., P. & E.D.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 1203</a>	Becker	State Air Resources Board: Fluorinated Gases Emission Reduction Incentive Program.		3/2/2022-Referred to Com. on RLS.	2/17/2022-S. RLS.	Spot Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 1217</a>	Allen	State-Regional Collaborative for Climate, Equity, and Resilience.		3/2/2022-Referred to Coms. on E.Q., TRANS., and HOUSING.	3/2/2022-S. E.Q.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 1251</a>	Gonzalez	Electric Vehicle Equity Ombudsperson.		3/2/2022-Referred to Coms. on G.O., TRANS., and E., U. & C.	3/2/2022-S. G.O.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 1258</a>	Allen	Clean Transportation Program: autonomous vehicles.		3/2/2022-Referred to Coms. on E., U. & C. and TRANS.	3/2/2022-S. E. U., & C.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 1294</a>	Cortese	Air pollution: purchase of new drayage and short-haul trucks: incentive programs: eligibility.		3/2/2022-Referred to Com. on RLS.	2/18/2022-S. RLS.	Spot Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade

Bill #	Author	Subject	Last Amended	Last Status - As of 3/4/2022	Location	Notes	Position	Priority (Low/Medium/High)	Category
<a href="#">SB 1305</a>	Laird	State vehicle fleet: alternative fuel vehicles.		3/2/2022-Referred to Com. on G.O.	3/2/2022-S. G.O.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 1329</a>	Newman	Hydrogen-fueled vehicles.		3/2/2022-Referred to Com. on RLS.	2/18/2022-S. RLS.	Spot Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 1391</a>	Kamlager	Greenhouse Gas Reduction Fund: investment plan.		2/22/2022-From printer.	2/18/2022-S. RLS.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">SB 1482</a>	Allen	Building standards: electric vehicle charging infrastructure.		2/22/2022-From printer.	2/18/2022-S. RLS.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
<a href="#">AB 983</a>	Garcia, Eduardo	Public contracts: construction projects: community workforce agreements: battery manufacturing and lithium-based technology.	6/15/2021	7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was GOV. & F. on 6/22/2021)(May be acted upon Jan 2022)	7/14/2021-S. 2 YEAR			Low	Other
<a href="#">AB 1240</a>	Ting	Indoor air pollution.	1/24/2022	2/1/2022-In Senate. Read first time. To Com. on RLS. for assignment.	2/1/2022-S. RLS.			Medium	Other
<a href="#">AB 1624</a>	Ting	Budget Act of 2022.		1/20/2022-Referred to Com. on BUDGET.	1/10/2022-A. BUDGET			High	Other
<a href="#">AB 1717</a>	Aguar-Curry	Public works: definition.		2/3/2022-Referred to Com. on L. & E.	2/3/2022-A. L. & E.			Low	Other
<a href="#">AB 1944</a>	Lee	Local government: open and public meetings.		2/18/2022-Referred to Com. on L. GOV.	2/18/2022-A. L. GOV.		Support	Low	Other
<a href="#">AB 2056</a>	Grayson	Bar pilots: pilotage rates: pilot boat surcharge.		2/24/2022-Referred to Com. on TRANS.	2/24/2022-A. TRANS.			Low	Other
<a href="#">AB 2076</a>	Rivas, Luz	Extreme Heat and Community Resilience Program: Extreme Heat Hospitalization and Death Reporting System.		2/24/2022-Referred to Coms. on NAT. RES. and HEALTH.	2/24/2022-A. NAT. RES.			Low	Other
<a href="#">AB 2206</a>	Lee	Employee parking.		2/24/2022-Referred to Com. on TRANS.	2/24/2022-A. TRANS.		Propose Support	Medium	Other
<a href="#">AB 2214</a>	Garcia, Cristina	California Environmental Quality Act: schoolsites: acquisition of property.		2/24/2022-Referred to Coms. on NAT. RES. and ED.	2/24/2022-A. NAT. RES.		Air District-Sponsored	High	Other
<a href="#">AB 2219</a>	Smith	State Air Resources Board: members.		2/24/2022-Referred to Com. on NAT. RES.	2/24/2022-A. NAT. RES.			Low	Other
<a href="#">AB 2237</a>	Friedman	Regional transportation plan: Active Transportation Program.		3/3/2022-Referred to Coms. on TRANS. and NAT. RES.	3/3/2022-A. TRANS.			Low	Other
<a href="#">AB 2449</a>	Rubio, Blanca	Open meetings: local agencies: teleconferences.		3/3/2022-Referred to Com. on L. GOV.	3/3/2022-A. L. GOV.			Low	Other
<a href="#">AB 2620</a>	Valladares	Income taxes: credits: telecommuting: transfer of funds.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	Other
<a href="#">AB 2647</a>	Levine	Local government: open meetings.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	Other
<a href="#">AB 2770</a>	Villapudua	Local government finance.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Spot Bill		Low	Other
<a href="#">AB 2816</a>	Ting	Gas storage wells: reportable leaks: regulations.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	Other
<a href="#">AB 2878</a>	Aguar-Curry	California Environmental Quality Act.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT	Spot Bill		Low	Other
<a href="#">SB 560</a>	Rubio	Climate Pollution Reduction in Homes Initiative: grants.	5/20/2021	1/24/2022-Read third time. Passed. (Ayes 33. Noes 1.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.	1/24/2022-A. DESK			Medium	Other
<a href="#">SB 778</a>	Becker	Buy Clean California Act: Environmental Product Declarations: concrete.	6/21/2021	7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was A. & A.R. on 6/24/2021)(May be acted upon Jan 2022)	7/14/2021-A. 2 YEAR			Low	Other
<a href="#">SB 833</a>	Dodd	Community Energy Resilience Act of 2022.		1/19/2022-Referred to Com. on E., U. & C.	1/19/2022-S. E. U., & C.			Low	Other
<a href="#">SB 840</a>	Skinner	Budget Act of 2022.		1/11/2022-From printer.	1/10/2022-S. BUDGET & F.R.			High	Other
<a href="#">SB 1100</a>	Cortese	Open meetings: orderly conduct.		2/23/2022-Referred to Coms. on GOV. & F. and JUD.	2/23/2022-S. GOV. & F.			Low	Other
<a href="#">SB 1117</a>	Becker	State Public Defender: grants.	3/3/2022	3/3/2022-From committee with author's amendments. Read second time and amended. Re-referred to Com. on GOV. & F.	2/23/2022-S. GOV. & F.			Low	Other
<a href="#">SB 1118</a>	Borgeas	California Environmental Quality Act: judicial relief.		2/23/2022-Referred to Com. on RLS.	2/16/2022-S. RLS.	Spot Bill		Low	Other
<a href="#">SB 1132</a>	Wieckowski	Air quality health planning.		2/23/2022-Referred to Com. on RLS.	2/16/2022-S. RLS.	Spot Bill		Low	Other
<a href="#">SB 1314</a>	Limón	Toxic air contaminants: human exposure.		3/2/2022-Referred to Com. on RLS.	2/18/2022-S. RLS.	Spot Bill		Low	Other
<a href="#">SB 1372</a>	Stern	Regulations.		2/22/2022-From printer.	2/18/2022-S. RLS.			Low	Other
<a href="#">AB 2232</a>	McCarty	School facilities: heating, ventilation, and air conditioning systems.		3/3/2022-Referred to Coms. on ED. and HIGHER ED.	3/3/2022-A. ED.			Medium	Wildfire/PSPS
<a href="#">AB 2243</a>	Garcia, Eduardo	Occupational safety and health standards: heat illness: wildfire smoke.		3/3/2022-Referred to Com. on L. & E.	3/3/2022-A. L. & E.			Low	Wildfire/PSPS
<a href="#">AB 2258</a>	Wood	Property Assessed Clean Energy program: wildfire safety improvements.		3/3/2022-Referred to Coms. on L. GOV. and B. & F.	3/3/2022-A. L. GOV.			Low	Wildfire/PSPS
<a href="#">AB 2387</a>	Garcia, Eduardo	State Drinking Water, Wastewater Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.		3/3/2022-Referred to Coms. on W., P., & W. and NAT. RES.	3/3/2022-A. W., P., & W.			Low	Wildfire/PSPS
<a href="#">AB 2538</a>	Rivas, Robert	State Warning Center: wildfire smoke notification.		2/18/2022-From printer. May be heard in committee March 20.	2/17/2022-A. PRINT			Low	Wildfire/PSPS

Bill #	Author	Subject	Last Amended	Last Status - As of 3/4/2022	Location	Notes	Position	Priority (Low/Medium/High)	Category
<a href="#">AB 2550</a>	Arambula	State Air Resources Board: ambient air quality standards: programs, rules, and regulations.		2/18/2022-From printer. May be heard in committee March 20.	2/17/2022-A. PRINT	Spot Bill		Medium	Wildfire/PSPS
<a href="#">AB 2645</a>	Rodriguez	Local emergency plans: integration of access and functional needs: community resilience centers.		2/19/2022-From printer. May be heard in committee March 21.	2/18/2022-A. PRINT			Low	Wildfire/PSPS
<a href="#">SB 1264</a>	Dahle	Property Assessed Clean Energy program: wildfire safety improvements.		3/2/2022-Referred to Com. on GOV. & F.	3/2/2022-S. GOV. & F.			Low	Wildfire/PSPS
<a href="#">SB 1266</a>	Borgeas	Income taxes: credits: designated wildfire zones.		2/22/2022-From printer.	2/18/2022-S. RLS.			Low	Wildfire/PSPS
Total Active Bills 144							Low: Medium: High:	116 23 5	

LEGISLATIVE COMMITTEE  
MEETING OF 03/14/2022

**ASSEMBLY BILL**

**No. 2206**

**Introduced by Assembly Member Lee**

February 15, 2022

An act to amend Section 43845 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 2206, as introduced, Lee. Employee parking.

Existing law requires, in any air basin designated as nonattainment for certain air quality standards, an employer of 50 persons or more that provides a parking subsidy to employees, to also offer a parking cash-out program, as provided.

This bill would require a lessor that enters into or renews a lease with an employer subject to the requirement above, on or after January 1, 2023, to list the amount of parking costs as a separate line item in the lease or provide a list of parking costs to the lessee within 30 days after the lease is entered into or renewed.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 43845 of the Health and Safety Code is
- 2 amended to read:
- 3 43845. (a) In any air basin designated as a nonattainment area
- 4 pursuant to Section 39608, each employer of 50 persons or more
- 5 who provides a parking subsidy to employees, shall offer a parking
- 6 cash-out program. ~~“Parking cash-out program” means an~~



1 ~~employer-funded program under which an employer offers to~~  
2 ~~provide a cash allowance to an employee equivalent to the parking~~  
3 ~~subsidy that the employer would otherwise pay to provide the~~  
4 ~~employee with a parking space.~~

5 (b) A parking cash-out program may include a requirement that  
6 ~~an employee participants certify~~ *participant certifies that they the*  
7 *participant* will comply with guidelines established by the  
8 employer designed to avoid neighborhood parking problems, with  
9 a provision that ~~employees~~ *an employee that is not complying in*  
10 *compliance* with the guidelines will no longer be eligible for the  
11 parking cash-out program.

12 (c) (1) *A lessor shall do either of the following for any lease,*  
13 *entered into or renewed on or after January 1, 2023, with a lessee*  
14 *who is an employer subject to subdivision (a), that offers parking*  
15 *to the employer:*

16 (A) *List the amount of parking costs as a separate line item in*  
17 *the lease.*

18 (B) *Provide a list of parking costs to the lessee within 30 days*  
19 *after the lease is entered into or renewed.*

20 (2) *Paragraph (1) does not create a right for an employee to*  
21 *access, review, or challenge a lease, or a proposed lease, entered*  
22 *into between an employer and a lessor. Upon the request of an*  
23 *employee, an employer shall give to that employee the parking*  
24 *cost information received from the lessor pursuant to paragraph*  
25 *(1).*

26 (e)

27 (d) As used in this section, the following terms have the  
28 following meanings:

29 (1) "Employee" means an employee of an employer subject to  
30 this section.

31 (2) "Employer" means an employer of 50 persons or more who  
32 provides a parking subsidy to employees.

33 (3) "Parking cash-out program" means an employer-funded  
34 program pursuant to which an employer offers to provide a cash  
35 allowance to an employee equivalent to the parking subsidy that  
36 the employer would otherwise pay to provide the employee with  
37 a parking space.

38 (2)

39 (4) "Parking subsidy" means the difference between the  
40 out-of-pocket amount paid by an employer on a regular basis in

1 order to secure the availability of an employee parking space not  
2 owned by the employer and the price, if any, charged to an  
3 employee for use of that space.

4 ~~(d)~~

5 (e) Subdivision (a) does not apply to any employer who, on or  
6 before January 1, 1993, has leased employee parking, until the  
7 expiration of that lease or unless the lease permits the employer  
8 to reduce, without penalty, the number of parking spaces subject  
9 to the lease.

10 ~~(e)~~

11 (f) It is the intent of the Legislature, in enacting this section,  
12 that the cash-out requirements apply only to ~~employers who an~~  
13 *employer that* can reduce, without penalty, the number of paid  
14 parking spaces ~~they maintain~~ *it maintains* for the use of ~~their~~ *its*  
15 employees and instead provide ~~their~~ *its* employees *with* the cash-out  
16 option described in this section.

17 ~~(f)~~

18 (g) (1) The state board may impose the civil penalty described  
19 in Section 43016 for a violation of this section.

20 (2) (A) A city, county, or air district may also adopt, by  
21 ordinance or resolution, a penalty or other mechanism to ensure  
22 that an employer within the jurisdiction of that city, county, or air  
23 district is in compliance with this section.

24 (B) If a city, county, or air district establishes a penalty, the  
25 governing body shall also establish procedures for providing notice  
26 to ~~employers an employer that are~~ *is* in violation of this section  
27 and for appeal by the employer of any penalty imposed.

28 (C) If a city, county, or air district establishes a penalty pursuant  
29 to this paragraph, a penalty may be imposed on an employer  
30 pursuant to paragraph (1) or this paragraph, but not both. If a  
31 penalty is imposed on an employer pursuant to both paragraph (1)  
32 and this paragraph, only the penalty imposed by the state board  
33 shall apply.

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**ASSEMBLY BILL**

**No. 2563**

**Introduced by Assembly Member Quirk**  
**(Coauthors: Assembly Members Berman, Flora, and Grayson)**  
(Coauthor: Senator Cortese)

February 17, 2022

An act to add Section 42324 to the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 2563, as introduced, Quirk. Air pollution: permits: mobile fueling on-demand tank vehicles.

Existing law authorizes air pollution control districts and air quality management districts to establish, by regulation, a permit system to require that before any person builds, erects, alters, replaces, operates, or uses any article, machine, equipment, or other contrivance which may cause the issuance of air contaminants, the person obtain a permit from the district. Existing law requires air pollution control and air quality management districts, except county districts with a population of less than 250,000, to establish, by regulation, a program to provide for the expedited review of permits. A person who violates these requirements, or any rules, regulation, permit, or order of a district is guilty of a misdemeanor.

This bill would, except as provided, require air pollution control and air quality management districts to establish a mobile fueling on-demand tank vehicle uniform permit program for mobile fueling on-demand tank vehicle operations, as defined. The bill would require that a mobile fueling on-demand tank vehicle uniform permit program provide, among other things, a consolidated permitting process for an operation that

requires more than one permit and an expedited permit review and fee schedule. By placing additional duties upon air pollution control and air quality management districts, and expanding the scope of existing crimes, the 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 specified reasons.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) It is in the interest of the people of the state to enact laws  
4 which promote development of new technologies or improve  
5 existing technologies that further the development of alternative  
6 and renewable fuel infrastructure connected with existing fleets,  
7 public transit, and existing transportation corridors. Research,  
8 development, and commercialization of alternative fuel  
9 infrastructure in California has the potential to strengthen  
10 California's economy by providing job growth and helping to  
11 reduce the state's vulnerability to petroleum price volatility.

12 (b) Air pollution control districts and air quality management  
13 districts play a vital and important oversight function in protecting  
14 public health and the environment by regulating nonvehicular  
15 emission sources under their jurisdiction.

16 (c) Retail gasoline dispensing operations of mobile fueling  
17 on-demand tank vehicles is growing at a rapid rate across the state  
18 and is in need of rules and regulations adopted by each district  
19 under a uniform framework that ensure adherence to the strictest  
20 emission control standards established by the state necessary to  
21 achieve and maintain state and federal ambient air quality  
22 standards.

23 (d) Each district may impose separate and sometimes  
24 inconsistent emission control requirements and require separate  
25 permits to operate mobile fueling on-demand tank vehicles that  
26 are used at various sites throughout the state.

1 (e) That multiplicity of permits and regulatory requirements  
2 that can apply to mobile fueling on-demand tank vehicles imposes  
3 a complex and costly burden on California businesses that use,  
4 hire, provide, and manufacture the equipment associated with  
5 mobile fueling on-demand tank vehicles.

6 (f) Ensuring that district oversight is transparent and accountable  
7 to Californians and is focused on public health, safety, and the  
8 environment requires reforming the responsibilities of the districts  
9 for mobile fueling on-demand tank vehicles.

10 (g) Mobile fueling on-demand tank vehicle operations have  
11 attributes of both mobile sources and stationary sources of air  
12 pollution. Uniform district air pollution permit and emission control  
13 programs are needed to reflect the unique operating characteristics  
14 of the equipment while providing authority to enforce emission  
15 reduction measures to be applied to existing in-state, out-of-state,  
16 and newly manufactured mobile fueling on-demand tank vehicles.

17 (h) A vast majority of air pollution control districts and air  
18 quality management districts across the state currently have rules  
19 that exempt mobile fueling operations from their rules or  
20 regulations so long as the cargo tank capacity does not exceed 250  
21 gallons. These rules were originally intended to exempt a narrow  
22 scope of small-quantity uses within industries, such as agriculture  
23 and construction. With the recent growth in retail mobile fueling,  
24 these exemptions are now being exploited by some mobile fueling  
25 on-demand tank vehicle operators to conduct unregulated  
26 commercial retail gasoline dispensing across various districts.  
27 Unregulated mobile fueling operations often use standard pickup  
28 trucks or vans to transport small quantity containers of gasoline,  
29 circumventing routine fire safety inspections or emission control  
30 standards. This unregulated practice threatens public health and  
31 safety, and its impact has been determined by the South Coast Air  
32 Quality Management District to be up to 40 times worse for the  
33 environment compared to regulated aspects of the industry.  
34 Establishing a uniform permitting program for mobile fueling  
35 on-demand tank vehicle sources will require each district to review  
36 and adopt rules and regulations necessary to ensure exemptions  
37 are not used outside of their intended purposes.

38 SEC. 2. Section 42324 is added to the Health and Safety Code,  
39 to read:

1 42324. (a) For purposes of this section, “mobile fueling  
2 on-demand tank vehicle” means a tank truck or trailer that is  
3 equipped with an onboard cargo tank system designed to load,  
4 transport, and transfer gasoline directly from the onboard cargo  
5 tank into a motor vehicle fuel tank and emits less than 10 tons per  
6 year of any single pollutant and less than 20 tons per year of all  
7 pollutants.

8 (b) (1) In addition to the requirements of Sections 42322 and  
9 42322.5, each district shall establish a mobile fueling on-demand  
10 tank vehicle uniform permit program for mobile fueling on-demand  
11 tank vehicle operations located in its jurisdiction that requires those  
12 operations to adhere to the strictest emission control standards  
13 established by the state for the loading, storage, and transfer of  
14 gasoline from those vehicles. A mobile fueling on-demand tank  
15 vehicle uniform permit program adopted pursuant to this section  
16 shall consist of all of the following:

17 (A) A consolidated permitting process for a source requiring  
18 more than one permit that provides that the operation will be  
19 permitted on a single-facility or project-basis as a single-volume  
20 source, provides a single point of contact for the permit applicant,  
21 and allows an operation to be reviewed and permitted on a single,  
22 consolidated schedule.

23 (B) An expedited permit review and fee schedule, based upon  
24 the types and amount of pollution emitted from operations. To  
25 comply with this subdivision, a district shall classify operations  
26 within its jurisdiction as minor, moderate, and major sources of  
27 air pollution, and shall establish a permit action schedule that sets  
28 forth specific deadlines, based on each classification, for an air  
29 pollution control officer to notify a permit applicant in writing of  
30 the approval or disapproval of a permit application.

31 (C) Uniform applicability determination standards for new  
32 source review.

33 (D) Uniform definitions of modification, major modification,  
34 routine maintenance or repair, and replacement.

35 (E) Uniform calculation methodology, thresholds, and other  
36 procedures of new source review applied pursuant to the toxic air  
37 contaminant limitations established in the district.

38 (F) Uniform definitions and requirements applied under new  
39 source review regulations.

1 (G) Uniform requirements to obtain new source review or other  
2 permits to construct or operate prior to commencement of  
3 construction or operation.

4 (H) Uniform requirements for best available control technology  
5 (BACT).

6 (I) Uniform requirements for air quality impact analysis.

7 (J) Uniform requirements for recordkeeping, monitoring, and  
8 reporting in a manner that would not make recordkeeping,  
9 monitoring, or reporting less representative, enforceable, or  
10 publicly accessible.

11 (K) A uniform fee schedule based upon reasonable costs  
12 necessary to administer enforcement for the total throughput of  
13 operations in the district.

14 (2) In adoption rules and regulations pursuant to paragraph (1),  
15 a district shall distinguish between retail and nonretail mobile  
16 fueling on-demand vehicle operations.

17 (c) Rules and regulations adopted pursuant to this section do  
18 not apply to mobile fueling on-demand tank vehicle that is used  
19 primarily for the fueling of implements of agriculture or husbandry.

20 (d) This section does not apply to either of the following:

21 (1) A district that has already instituted, by regulation, a  
22 permitting process for retail mobile fueling on-demand tank vehicle  
23 operations located in its jurisdiction and that requires those  
24 operations to adhere to the strictest emission control standards  
25 established by the state through the application of a commercially  
26 available emission limitation or control technique that has been  
27 certified by the state board and achieved in practice for the loading,  
28 storage, and transfer of gasoline from those vehicles.

29 (2) A district that has explicitly exempted retail mobile fueling  
30 on-demand tank vehicle operations, including mobile refueling or  
31 any other vehicle to vehicle refueling, from applicable rules or  
32 regulations of the district.

33 SEC. 3. No reimbursement is required by this act pursuant to  
34 Section 6 of Article XIII B of the California Constitution because  
35 a local agency or school district has the authority to levy service  
36 charges, fees, or assessments sufficient to pay for the program or  
37 level of service mandated by this act or because costs that may be  
38 incurred by a local agency or school district will be incurred  
39 because this act creates a new crime or infraction, eliminates a  
40 crime or infraction, or changes the penalty for a crime or infraction,

- 1 within the meaning of Section 17556 of the Government Code, or
- 2 changes the definition of a crime within the meaning of Section 6
- 3 of Article XIII B of the California Constitution.

LEGISLATIVE COMMITTEE  
MEETING OF 03/14/2022

O



**Introduced by Senator Archuleta**  
(Principal coauthor: Assembly Member Rodriguez)

February 18, 2022

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An act to add Section 25233 to the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1393, as introduced, Archuleta. Energy: appliances: local requirements.

Existing law requires the State Energy Resources Conservation and Development Commission to take specified actions to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy, including the energy associated with the use of water, and to manage energy loads to help maintain electrical grid reliability. Existing law requires the commission, in furtherance of that purpose, to prescribe, by regulation, standards for minimum levels of operating efficiency to promote the use of energy- and water-efficient appliances whose use, as determined by the commission, requires a significant amount of energy or water on a statewide basis.

This bill would require a city, including a charter city, or county to submit an application to, and receive approval from, the commission before the city or county could require that a fossil fuel-fired appliance be replaced with an electric appliance upon the alteration or retrofit of a residential or nonresidential building, except when the requirement includes specified exemptions, as specified.

The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 25233 is added to the Public Resources  
2 Code, to read:  
3 25233. (a) For purposes of this section, the following  
4 definitions apply:  
5 (1) “Local government agency” means a city, including a charter  
6 city, or county.  
7 (2) “Low- and median-income consumers” means those  
8 consumers with annual household incomes of 130 percent or less  
9 of the area median income, as published by the Department of  
10 Housing and Community Development pursuant to Section 50093  
11 of the Health and Safety Code, for the jurisdiction in which the  
12 requirement would apply.  
13 (3) “Skilled and trained workforce” has the same meaning as  
14 defined in Section 2601 of the Public Contract Code.  
15 (b) (1) Except as provided in paragraph (2), before a local  
16 government agency may require that a fossil fuel-fired appliance  
17 be replaced with an electric appliance upon the alteration or retrofit  
18 of a residential or nonresidential building, or amending that  
19 requirement, the local government agency shall submit an  
20 application to, and receive approval from, the commission pursuant  
21 to this section.  
22 (2) Paragraph (1) does not apply if the requirement, or the  
23 amendment to that requirement, includes exemptions for all of the  
24 following:  
25 (A) Where compliance would be technically infeasible.  
26 (B) Where compliance would not be cost effective.  
27 (C) Where compliance would disproportionately impact low-  
28 and median-income consumers.  
29 (D) Where compliance would adversely impact a skilled and  
30 trained workforce.  
31 (E) Where compliance would increase costs for ratepayers of a  
32 local publicly owned electric utility or electrical corporation.  
33 (3) A requirement may include exemptions in addition to those  
34 specified in paragraph (2).

1 (c) An application submitted pursuant to subdivision (b) shall  
2 include all of the following:

3 (1) The text of the requirement.

4 (2) A list of the jurisdictions that share a border with the local  
5 government agency and that have adopted or proposed  
6 requirements the same as or similar to the requirement.

7 (3) The local government agency's findings and supporting  
8 analyses on the energy savings and life-cycle cost effectiveness  
9 of the requirement. These findings and supporting analyses shall  
10 separately analyze the economic impact of the requirement on low-  
11 and median-income consumers.

12 (4) A statement or finding by the local government agency that  
13 the requirement will require appliances to be designed to consume  
14 no more energy than those permitted in buildings pursuant to  
15 regulations otherwise adopted pursuant to Section 25402 or  
16 25402.1.

17 (5) A finding by the local government agency that the  
18 requirement is life-cycle cost effective and technically feasible  
19 based on those products commercially available in California and  
20 will not further diminish the comparable effectiveness of the  
21 appliance being replaced.

22 (6) A statement or finding by the local government agency  
23 describing any exemptions from the requirement and analyzing if  
24 compliance with the requirement, in certain circumstances, could  
25 be technically infeasible, not be cost effective, disproportionately  
26 impact low- and median-income consumers, adversely impact a  
27 skilled and trained workforce, or increase costs for ratepayers of  
28 a local publicly owned electric utility or electrical corporation.

29 (7) Any findings, determinations, declarations, or reports,  
30 including any negative declarations or environmental impact  
31 reports, required pursuant to the California Environmental Quality  
32 Act (Division 13 (commencing with Section 21000)).

33 (d) In determining whether to approve or deny an application  
34 submitted pursuant to subdivision (b), the commission shall do  
35 both of the following:

36 (1) Consider and analyze the totality of the requirement,  
37 including any exemptions, to determine whether the requirement  
38 would be technically feasible, be cost effective, disproportionately  
39 impact low- and median-income consumers, adversely impact a  
40 skilled and trained workforce, or increase costs for ratepayers of

1 a local publicly owned electric utility or electrical corporation.  
2 The commission shall not approve an application for a requirement  
3 if the commission determines that the requirement, or any portion  
4 of the requirement, is not technically feasible, is not cost effective,  
5 disproportionately impacts low- and median-income consumers,  
6 adversely impacts a skilled and trained workforce, or increases  
7 costs for ratepayers of a local publicly owned electric utility or  
8 electrical corporation.

9 (2) Approve the application only upon determining that the local  
10 government agency's requirement is consistent with federal and  
11 state law.

12 SEC. 2. The Legislature finds and declares that Section 1 of  
13 this act adding Section 25233 to the Public Resources Code  
14 addresses a matter of statewide concern rather than a municipal  
15 affair as that term is used in Section 5 of Article XI of the  
16 California Constitution. Therefore, Section 2 of this act applies to  
17 all cities, including charter cities.

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**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Report of the Administration Committee Meeting of March 16, 2022

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

None.

DISCUSSION

The Administration Committee met on Wednesday, March 16, 2022, approved the minutes of February 16, 2022. This meeting was conducted under procedures authorized by Assembly Bill 361. Members of the Committee participated by teleconference.

The Committee then received and discussed the presentation *Management Audit Update*, given by both Air District staff and George Skiles and Linda McCallum from Sjoborg Evashenk, the contractor hired by the Air District to conduct the audit. Committee members expressed concern regarding the way in which ten of the 26 FYE 2022 positions were filled (as of March 2022) and requested that the sixteen remaining vacant positions be put on hold.

The Committee then interviewed nine candidates for five seats on the Air District's Hearing Board (three vacancies and two positions set to expire in coming months.) *The Committee recommends the Board approve:*

1. The re-appointment of Dr. Peter Chiu, as Principal Member in the Medical category of the Hearing Board;
2. The re-appointment of Valerie Armento, as Principal Member in the Attorney category of the Hearing Board;

3. The appointment of Jeffrey Lee, as Alternate Member in the Attorney category of the Hearing Board; and
4. The appointment of Amelia Timbers, as Principal Member A in the Public category of the Hearing Board.

The next meeting of the Administration Committee will be on Wednesday, April 20, 2022, at 11:00 am, via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021). This concludes the Chair Report of the Administration Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Administration Committee March 16, 2022 Meeting Memorandums

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Administration Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: March 16, 2022

Re: Management Audit Update and Fiscal Year Ending (FYE) 2022 Staffing  
Authorization Review

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On June 16, 2021, the Board of Directors (Board) approved a workplan to initiate a management audit and the scope of work to procure services for a management audit, acknowledging the following priorities: evaluating the Air District's current hiring process, analyzing Air District divisions that are asking for the greatest numbers of new staffing positions, include a performance audit and risk evaluation. The vendor selection team for the auditor would include Board Members Carole Groom and Margaret Abe-Koga, as well as one community member appointed by the Community Equity, Health, and Justice Committee, another appointed by the Stationary Source and Impacts Committee, and a subject matter expert in management audits.

On June 30, 2021, the Air District issued a Request for Qualifications for Management Audit Services which closed on July 21, 2021. During the open period, the Air District received six proposals from various vendors.

On December 15, 2021, the Air District Board reviewed the scores attributed to each vendor by the selection panel and authorized the execution of a contract with the highest scoring vendor, Sjoberg Evashenk, for management audit services in an amount not to exceed \$250,000.

DISCUSSION

The initial task order under the contract calls for a first deliverable in March 2022 to inform new FYE 2022 staffing authorization, and a second deliverable in May 2022 which will provide information regarding Air District-wide risk and rank the Air District's divisions for further audit priority.

Sjoberg Evashenk began work on the FYE 2022 staffing authorization review and risk assessment deliverables in January 2022, and the Management Auditor will present the FYE 2022 staffing authorization review to the Committee during today's meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: John Chiladakis

Reviewed by: Jack P. Broadbent and George Skiles (Sjoberg Evashenk)

ATTACHMENTS:

None



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Administration Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: March 16, 2022

Re: Conduct Interviews and Consider Recommending Board of Directors Approval of  
Candidates for Appointment to the Air District's Hearing Board

RECOMMENDED ACTION

Conduct interviews and consider recommending Board of Directors approval of candidates for appointment to the Air District's Hearing Board.

BACKGROUND

Pursuant to Section 40800 of the California Health and Safety Code, the Air District is required to maintain a Hearing Board consisting of five members including, one member who is a professional engineer registered as such pursuant to the Professional Engineers Act (Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code), one member from the medical profession whose specialized skills, training, or interests are in the fields of environmental medicine, community medicine, or occupational/toxicologic medicine, one member admitted to the practice of law in this state, and two public members. The Air District Board of Directors may also appoint one alternate for each member. The alternate shall have the same qualifications, specified in Section 40801, as the member for whom such person is the alternate. The alternate may serve only in the absence of the member, and for the same term as the member. It has been the Air District's practice to fill all ten seats of the Hearing Board.

Pursuant to Division I, Section 8.6 of the Air District's Administrative Code, Hearing Board Member terms are limited to fifteen (15) consecutive years, with reappointment possible after a three-year absence.

DISCUSSION

There are currently three vacancies: 1) Principal Member A in the Public category; 2) Alternate Member in the Attorney category; and 3) Alternate Member in the Professional Engineer category. The Air District also recruited for two additional Hearing Board positions set to expire April 16, 2022, and May 7, 2022: 4) Principal Member in the Attorney category; and 5) Principal Member in the Medical category. As a result, there are five positions to fill. Staff

initiated a recruitment to fill these positions. After extensive recruitment and outreach efforts, staff received ten applications. Staff have assessed the candidates' experience and education relative to the position for which the candidates applied and have top candidates with the most relevant qualifications to proceed to interviews with the Administration Committee Meeting.

Interviews of the candidates will occur during the Administration Committee meeting of March 16, 2022. The length of each interview will be approximately 15 minutes. The application materials submitted by the candidates will be provided to you for your review.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Anitra Gibson  
Reviewed by: Maricela Martinez

ATTACHMENTS:

1. Hearing Board Member Interview Packet



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

# HEARING BOARD INTERVIEWS

## ADMINISTRATION COMMITTEE

March 16, 2022



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**invites applications for the position of:**  
**HEARING BOARD MEMBER**

An Equal Opportunity Employer

**SALARY:**

Hourly | Biweekly | Monthly | Annually

**OPENING DATE:** 01/26/22

**CLOSING DATE:** 02/25/22 05:00 PM

**DESCRIPTION:**

The Bay Area Air Quality Management District (Air District) is a regional government agency, committed to achieving clean air to protect the public's health and the environment. The Air District accomplishes this goal through regulation of industrial facilities and various outreach and incentive programs designed to encourage clean air choices.

The Air District's jurisdiction encompasses all of seven counties - Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara and Napa, and portions of two others - southwestern Solano and southern Sonoma.

The Hearing Board is established by state law and consists of five members and their alternates - an attorney, a professional engineer, a member from the medical profession, and two members of the public.

The Air District is currently recruiting for the following five (5) Hearing Board seats:

- Principal in the Public category;
- Principal in the Attorney category;
- Principal in the Medical category;
- Alternate in the Attorney category; and
- Alternate in the Professional Engineer category

**EXAMPLES OF DUTIES FOR THIS POSITION:**

The Hearing Board is a quasi-judicial body that rules on particular cases that affect only individual facilities. It is authorized to hear requests for variance relief, permit revocation, abatement orders, and appeals by permit applicants, or by interested third parties, concerning the issuance or denial of permits.

These are volunteer positions. There is no salary. Members of the Hearing Board receive a stipend of \$400 per meeting day, plus travel expenses, if applicable.

**MINIMUM QUALIFICATIONS:**

The applicants for the Hearing Board are evaluated based on their qualifications to serve as representatives for their profession, field of endeavor, or the community, as the case may be.

**HOW TO APPLY & SELECTION CRITERIA:**

Hearing Board members serve a term of three years and may be reappointed to a maximum of fifteen consecutive years. The Hearing Board can meet as often as 1-3 times a week depending on the volume of cases filed, usually on Tuesdays, at the Air District's office at 375 Beale Street, San Francisco, CA 94105. Meetings are being held virtually during the COVID pandemic.

**Interviews are held during the Air District's Board of Director's Administration Committee Meeting.** If you are selected for an interview, our staff will contact you to request your presence at this meeting/interview.

**HOW TO APPLY & SELECTION CRITERIA:**

Interested individuals must submit the following materials no later than 5:00p.m. on **Friday, February 25, 2022:**

- 1) A completed BAAQMD Hearing Board application, along with;
- 2) A chronological resume

Applications are accepted online. For an application, contact the Human Resources Office at (415) 749-4667 or you may download a copy at our website at [www.baaqmd.gov/jobs](http://www.baaqmd.gov/jobs). Completed application packets should be returned to: Bay Area Air Quality Management District, Human Resources Office, 375 Beale Street, Suite 600, San Francisco, CA 94105. Faxes will be accepted, as long as a hard copy original is submitted by mail or in person by the filing deadline.

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APPLICATIONS MAY BE FILED ONLINE AT:  
<http://www.baaqmd.gov>

Job #AG159  
HEARING BOARD MEMBER  
AG

OUR OFFICE IS LOCATED AT:  
375 Beale Street Suite 600  
San Francisco, CA 94105  
415-749-4980  
415-749-4980  
[HR\\_Staff@baaqmd.gov](mailto:HR_Staff@baaqmd.gov)

An Equal Opportunity Employer

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**HEARING BOARD MEMBER Supplemental Questionnaire**

- \* 1. Please describe any experience or education that directly relates to air quality. Also describe any experience on Boards.
- \* 2. Please list professional, trade, or business associations held which relate to the Hearing Board category for which you are applying.
- \* 3. Please list relevant accomplishment, publications, or awards.
- \* 4. Do you have any commitments which would prevent you from meeting the attendance requirements of the Hearing Board?
- \* Required Question

## HEARING BOARD INTERVIEW BINDER TABLE OF CONTENTS

March 16, 2022

- Hearing Board Vacancy Announcement
- Hearing Board Member Roster/Attendance Sheet
- Applicants' Application Materials, Interview Questions and Evaluation Forms:

### Public (Principal & Alternate) Category

1:00 pm to 1:15 pm

Lori Ellen Cannon - Vallejo

[Mooncougar60@gmail.com](mailto:Mooncougar60@gmail.com)

Public (Primary or Alternate) Category

1:15 pm to 1:30 pm

Aaron Reaven – Oakland

[aaronreaven@hotmail.com](mailto:aaronreaven@hotmail.com)

Public (Primary or Alternate) Category

1:30 pm to 1:45 pm

Avin M Sharma – South SF

[avinsharma.as@gmail.com](mailto:avinsharma.as@gmail.com)

Public (Primary or Alternate) Category

1:45 pm to 2:00 pm

Amelia C Timbers - Martinez

[actimbers@gmail.com](mailto:actimbers@gmail.com)

Public (Primary or Alternate) Category

Public (Principal) Category

2:00 pm to 2:15 pm

Elizabeth Patterson - Benicia  
[elopato29@gmail.com](mailto:elopato29@gmail.com)  
Public (Primary) Category

Public & Attorney (Principal & Alternate) Category

2:15 pm to 2:30 pm

Jeffrey K Lee - Benicia  
[jeffreylee.mail@gmail.com](mailto:jeffreylee.mail@gmail.com)  
Public (Primary or Alternate) Category  
Attorney (Primary or Alternate) Category

Public & Attorney (Principal) Category

2:30 pm to 2:45 pm

Mister Phillips - Richmond  
[mister\\_phillips@hotmail.com](mailto:mister_phillips@hotmail.com)  
Public (Primary) Category  
Attorney (Primary) Category

Attorney (Principal) Category

2:45 pm to 3:00 pm

Valerie J Armento - Sunnyvale  
[valeriearmento@yahoo.com](mailto:valeriearmento@yahoo.com)  
Attorney (Primary) Category

Medical (Principal) Category

3:00 pm to 3:15 pm

Peter Y Chiu – Palo Alto

[pychiu@stanford.edu](mailto:pychiu@stanford.edu)

Medical (Primary) Category

ADMINISTRATION COMMITTEE  
MEETING OF 03/16/2022



Hearing Board Attendance from 2017 - 2021 (Current Members Only)

Hearing Date	Armento	Toole O'Neil	Tan	Chiu	Fortney	Conrad	Timbers
2017							
4/18/2017	X	Not present		X			
5/30/2017	X	Not present	X	X			
7/11/2017	X	X	X	X			
10/24/2017	X	X	X	X			
2018							
1/9/2018	X	X	Not present	Not present			
2/6/2018	X	X	Not present	X			
2019							
4/16/2019	X	X	Not present	X	X		
5/7/2019	X	X	Not present	X	X		
7/23/2019	X	X	X	X	Not present		
12/10/2019	X	X	Not present	X	X		
2020							
NO HEARINGS HELD							
2021							
1/12/2021	X	X	x	X	X	Not present	Not present
1/26/2021	X	X	Not present	X	X	Not present	X
4/20/2021	X	X	Not present	X	X	Not present	Not present

Gray indicates that the member was not yet appointed to the Hearing Board

## **HEARING BOARD INTERVIEW QUESTIONS**

### **March 16, 2022**

1. You have applied for the Public category on the Hearing Board. Please summarize how your experience and perspective will assist the Hearing Board in reviewing and deciding cases.
2. Please discuss your knowledge and experience regarding air quality matters.
3. Please discuss your experience serving on other Boards or Commissions.
4. What interests you the most about the opportunity to serve on the Air District's Hearing Board?
5. Is there anything in your personal or professional background that would conflict with serving on the Hearing Board? For example, do you have client relationship with a facility permitted by the District? Or do you have a relationship with an air quality advocacy organization that could potentially bring a case to the Hearing Board? Do you feel you will be able to identify a specific conflict if one arises and to recuse yourself from that matter as appropriate?
6. The Hearing Board may in the future meet as often as two to three times a month, almost always on Tuesdays. Meetings typically run three hours, and on very rare occasions, all day. In addition, Hearing Board members may spend approximately two hours reviewing materials in advance of a hearing. Are you comfortable making a time commitment on this scale?
7. Will you be able to put aside any personal biases and judge cases based on the law and the facts?
8. Are there other questions that any Committee Member would like to ask?

9. Do you have any comments or other information that you would like to share with the Committee before we conclude the interview?

ADMINISTRATION COMMITTEE  
MEETING OF 03/16/2022



## HEARING BOARD INTERVIEW EVALUATION FORM

<b>NAME OF APPLICANT:</b>		<b>CANDIDATE FOR CATEGORY:</b>				
Lori Ellen Cannon		Public (Primary or Alternate)				
This section is to be completed after the applicant has been interviewed. Please record the extent to which you feel the applicant possesses or has demonstrated the qualities listed below.						
		<b>Outstanding</b>	<b>Above Average</b>	<b>Average</b>	<b>Below Average</b>	<b>Unacceptable</b>
1. <b>Education:</b> Extent to which the applicant's level of educational attainment will enable the applicant to contribute to the Hearing Board's goal and objectives.						
2. <b>Work Experience:</b> Extent to which the applicant's work experience can be applied to the responsibilities of the position.						
3. <b>Air Quality Related Experience:</b> Extent to which the applicant has experience, knowledge, and/or interest in air quality related matters.						
4. <b>Experience on other Boards:</b> Extent to which the applicant has experience serving on other Boards or Commissions.						
5. <b>Interest:</b> Extent to which the applicant's interest can be applied to personal and/or professional goals.						
6. <b>Communication:</b> Extent to which the applicant is able to present and communicate ideas and abilities.						
7. <b>Availability:</b> Extent to which the applicant can commit to the time necessary to carry out the responsibilities of the position.						
<b>COMMENTS</b>						
<b>SIGNATURE</b>					<b>DATE</b>	

## AG159 - HEARING BOARD MEMBER

**Contact Information -- Person ID: 49195586**

Name: Lori Ellen Cannon Address: [REDACTED]  
 Vallejo, California 94590  
 US

Home Phone: [REDACTED] Alternate Phone:  
 Email: [REDACTED] Notification Email  
 Preference:  
 Former Last Name: Month and Day of Birth: 05/26

**Personal Information**

Driver's License: Yes, California , C2352487 , Class C  
 Can you, after employment, submit proof of your legal right to work in the United States? Yes  
 What is your highest level of education? Bachelor's Degree

**Preferences**

Minimum Compensation:  
 Are you willing to relocate?

Types of positions you will accept:  
 Types of work you will accept:  
 Types of shifts you will accept:

**Objective****Education**

**College/University**  
 CSUEB  
 6/1987 - 1993  
 Hayward, California

Did you graduate: Yes  
 Major/Minor: Biological Science  
 Units Completed: 120 Quarter  
 Degree Received: Bachelor's

**Work Experience**

**Science Teacher**  
 9/1996 - 10/2009

Hours worked per week: 40  
 Monthly Salary: \$0.00  
 Name of Supervisor: Rosalyn Upshaw - Principal  
 May we contact this employer? No

West Contra Costa Unified School District  
 Richmond, California

**Duties**

Taught Biology, Physical Science in grades k-12.

**Reason for Leaving**

Disability Retired

**Registered Environmental Health Specialist**

5/1994 - 8/1996

Solano County Environmental Health  
 Fairfield , California 94533  
 707-784-6765

Hours worked per week: 40  
 Monthly Salary: \$3,500.00  
 # of Employees Supervised: 0  
 Name of Supervisor: Cliff Covey - REHS Department Head  
 May we contact this employer? Yes

**Duties**

\* REHS Registered Environmental Health Specialist

Inspect Food Facilities, wells, septic tanks, swimming pools, knowledge of San Francisco Bay Area Health Regulations, CEQA

**Reason for Leaving**

To pursue a career in teaching science

**Avionics Sensor Systems Specialist**

2/1978 - 9/1984

Hours worked per week: 40

Monthly Salary: \$0.00

May we contact this employer? Yes

United States Air Force

Hurlburt Field, , Florida

**Duties**

Performed maintenance and troubleshooting on Laser systems and FLIR on Jet Aircraft.

**Reason for Leaving**

Honorable Discharge

**Certificates and Licenses****Skills**

Office Skills

Typing: 40

Data Entry: 0

Languages

French - Speak, Read, Write

**Additional Information****References****Resume****Text Resume****Attachments****Agency-Wide Questions**

1. Q: How did you find out about this position?

A: Other

2. Q: If other, please tell us where.

A: Solano County jobs

3. Q: Are you currently legally authorized to work in the United States on a full-time basis?

A: Yes

4. Q: Are you related to any District employee or Board member?

A: No

5. Q: Do you now, or will you in the future, require sponsorship for employment visa status (e.g., H-1B visa status)?

A: No

6. Q: If related to a District employee or Board member, what is their name and their relationship to you?

A: Not related to anyone on Board

#### Supplemental Questions

1. Q: Please describe any experience or education that directly relates to air quality. Also describe any experience on Boards.

A: REHS with State of California  
Science Teacher

2. Q: Please list professional, trade, or business associations held which relate to the Hearing Board category for which you are applying.

A: REHS

3. Q: Please list relevant accomplishment, publications, or awards.

A: Teacher of the Month

4. Q: Do you have any commitments which would prevent you from meeting the attendance requirements of the Hearing Board?

A: No

## **HEARING BOARD INTERVIEW QUESTIONS**

### **March 16, 2022**

1. You have applied for the Public category on the Hearing Board. Please summarize how your experience and perspective will assist the Hearing Board in reviewing and deciding cases.
2. Please discuss your knowledge and experience regarding air quality matters.
3. Please discuss your experience serving on other Boards or Commissions.
4. What interests you the most about the opportunity to serve on the Air District's Hearing Board?
5. Is there anything in your personal or professional background that would conflict with serving on the Hearing Board? For example, do you have client relationship with a facility permitted by the District? Or do you have a relationship with an air quality advocacy organization that could potentially bring a case to the Hearing Board? Do you feel you will be able to identify a specific conflict if one arises and to recuse yourself from that matter as appropriate?
6. The Hearing Board may in the future meet as often as two to three times a month, almost always on Tuesdays. Meetings typically run three hours, and on very rare occasions, all day. In addition, Hearing Board members may spend approximately two hours reviewing materials in advance of a hearing. Are you comfortable making a time commitment on this scale?
7. Will you be able to put aside any personal biases and judge cases based on the law and the facts?
8. Are there other questions that any Committee Member would like to ask?



9. Do you have any comments or other information that you would like to share with the Committee before we conclude the interview?

ADMINISTRATION COMMITTEE  
MEETING OF 03/16/2022



NAME OF APPLICANT:  Aaron Reaven		CANDIDATE FOR CATEGORY:  Public (Primary or Alternate)				
This section is to be completed after the applicant has been interviewed. Please record the extent to which you feel the applicant possesses or has demonstrated the qualities listed below.						
		Outstanding	Above Average	Average	Below Average	Unacceptable
1. <b>Education:</b> Extent to which the applicant's level of educational attainment will enable the applicant to contribute to the Hearing Board's goal and objectives.						
2. <b>Work Experience:</b> Extent to which the applicant's work experience can be applied to the responsibilities of the position.						
3. <b>Air Quality Related Experience:</b> Extent to which the applicant has experience, knowledge, and/or interest in air quality related matters.						
4. <b>Experience on other Boards:</b> Extent to which the applicant has experience serving on other Boards or Commissions.						
5. <b>Interest:</b> Extent to which the applicant's interest can be applied to personal and/or professional goals.						
6. <b>Communication:</b> Extent to which the applicant is able to present and communicate ideas and abilities.						
7. <b>Availability:</b> Extent to which the applicant can commit to the time necessary to carry out the responsibilities of the position.						
COMMENTS						
SIGNATURE					DATE	

## AG159 - HEARING BOARD MEMBER

**Contact Information -- Person ID: 12996234**

Name:	Aaron Reaven	Address:	[REDACTED] Oakland, California 94609 US
Home Phone:	[REDACTED]	Alternate Phone:	
Email:	[REDACTED]	Notification Preference:	Email
Former Last Name:		Month and Day of Birth:	04/14

**Personal Information**

Driver's License:	Yes, California , N6542496 , Class C
Can you, after employment, submit proof of your legal right to work in the United States?	Yes
What is your highest level of education?	Bachelor's Degree

**Preferences**

Minimum Compensation:	\$30.00 per hour;
Are you willing to relocate?	Maybe
Types of positions you will accept:	Regular , Temporary , Seasonal
Types of work you will accept:	Full Time , Part Time , Per Diem
Types of shifts you will accept:	Day , Evening , Rotating , Weekends , On Call (as needed)

**Objective**

In both my teaching career and in my activities as a public citizen, I am increasingly focused on air quality and public health.

**Education**

<b>College/University</b> <i>New College of California</i> newcollege.edu 1/2001 - 11/2003 Santa Rosa, California	Did you graduate: Yes Major/Minor: Ecological Literacy in Public Education Degree Received: Bachelor's
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<b>College/University</b> <i>Yale University</i> Yale.edu 9/1970 - 6/1971 New Haven, CT, Connecticut	Did you graduate: No Major/Minor: Freshman liberal arts Degree Received: No Degree
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**Work Experience**

<b>Induction Cooktop Project Lead</b> 8/2021 - Present	Hours worked per week: 20 Monthly Salary: \$0.00 # of Employees Supervised: 0
West Oakland Environmental Indicators Project woeip.org 349 Mandela Parkway Oakland, California 94607 (510) 257-5640	Name of Supervisor: Brian Beveridge - WOEIP Co- Director May we contact this employer? Yes

**Duties**

I am the project leader for introducing induction cooktop equipment to OUSD classrooms and families. The project includes classroom lessons and Zoom cooking activities for which families have the option to borrow induction electric equipment.

**Reason for Leaving**

The program is still ongoing.

**Induction Cooktop Teaching Project**  
**Lead Curriculum developer**  
 6/2021 - 8/2021

California Climate Action Corps  
 486 36TH ST.  
 OAKLAND, California 94609

Hours worked per week: 40  
 Monthly Salary: \$0.00  
 Name of Supervisor: Megan Hollyfeld - Staff member of The Energy Coalition  
 May we contact this employer? Yes

**Duties**

The purpose of my fellowship was to develop lesson plans and gather teaching materials for a project that introduces public school students and families to induction electric cooking equipment.

**Reason for Leaving**

This was a 2-month fellowship, which paid a stipend but not a salary. The fellowship ended in early August.

**Science Prep Teacher and STIP**  
**Substitute**  
 8/2019 - 5/2021

Oakland Unified School District  
 ousd.org  
 7220 Krause Ave.  
 OAKLAND, California 94605  
 5106393202

Hours worked per week: 30  
 Monthly Salary: \$0.00  
 # of Employees Supervised: 0  
 Name of Supervisor: Aaron Reaven  
 May we contact this employer? Yes

**Duties**

As a science prep teacher, I taught a science lesson once per week with every classroom of every grade in the school.

**Reason for Leaving**

The school year ends in May.

**STIP substitute**  
 8/2019 - 5/2020

Oakland Unified School District  
 ousd.org  
 7220 Krause Ave.  
 OAKLAND, California 94605  
 5106393202

Hours worked per week: 40  
 Monthly Salary: \$4,000.00  
 Name of Supervisor: Byron Delcomb - Principal  
 May we contact this employer? Yes

**Duties**

Stip substitutes cover classes as necessary.

**Reason for Leaving**

School year ends in May.

**Certificates and Licenses**

Type: Emergency Teaching Credential

Number: 120006510

Issued by: California Commission on Teacher Credentialing

Date Issued: 12 /2003 Date Expires: 6 /2022

#### Skills

Office Skills

Typing:

Data Entry:

#### Additional Information

#### References

Professional

**Henry, Bandia**

Dean of Enrichment

4123 Lakeside Dr.

Richmond, California 94806

(510) 262-1511

[bhenry@mwacademy.org](mailto:bhenry@mwacademy.org)

#### Resume

Text Resume

#### Attachments

Attachment	File Name	File Type	Created By
2020 education resume.pdf	2020 education resume.pdf	Resume	Job Seeker

#### Agency-Wide Questions

1. Q: How did you find out about this position?

A: Other

2. Q: If other, please tell us where.

A: The opening was mentioned on a community email listserv that I belong to.

3. Q: Are you currently legally authorized to work in the United States on a full-time basis?

A: Yes

4. Q: Are you related to any District employee or Board member?

A: No

5. Q: Do you now, or will you in the future, require sponsorship for employment visa status (e.g., H-1B visa status)?

A: No

6. Q: If related to a District employee or Board member, what is their name and their relationship to you?

A: No relation.

#### Supplemental Questions

1. Q: Please describe any experience or education that directly relates to air quality. Also describe any experience on Boards.

A: After teaching about the human respiratory system for years, mostly with 5th graders, I have recently extended those lessons to examine air quality problems which can negatively affect respiratory health, often of children especially. My preparation for those lessons has come to include a wider reading of selected scientific studies and consultation with health experts. I have, for example, benefited greatly from the recent

mentoring of Dr. Stephanie Holm of UCSF's Pediatric Environmental Health Specialty Unit. I will be teaching some air quality lessons with a high school class soon, which will include the use of selected air pollution sensors. Those lessons will involve (and require) my further education about the science of sensors.

As far as experience on Boards, I served for over six years as a volunteer member of a Redevelopment Project Advisory Committee, from around 2005 until Redevelopment was abolished by Gov. Jerry Brown in 2011.

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**2. Q:** Please list professional, trade, or business associations held which relate to the Hearing Board category for which you are applying.

**A:** My current pre-occupation with teaching about air quality as it relates to science standards for grades 4-12 began as a project supported by a National Geographic grant that was awarded to an ongoing cohort of Oakland Unified School District teachers who are dedicated to teaching about environmental issues. That cohort has been a valuable professional association for my teaching career.

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**3. Q:** Please list relevant accomplishment, publications, or awards.

**A:** During my years of service on the Redevelopment Project Advisory Committee, I was recognized for one particularly innovative proposal. I developed a pilot program through which energy efficiency and renewable energy measures were recognized and included as contributors to housing affordability. If the Board would like to see the memo which described my proposal, I would be happy to share it.

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**4. Q:** Do you have any commitments which would prevent you from meeting the attendance requirements of the Hearing Board?

**A:** I have no commitments which would prevent me from meeting the attendance requirements. As I slowly transition toward semi-retirement, I am currently teaching only part-time. Thus, it would not be difficult for me to schedule my remaining teaching days and hours around the requirements of the Hearing Board.

**AARON REAVEN**

**Summary:** **Science Educator**  
I have taught weekly science classes for K - 6th grade classes; elective middle school science courses; high school interdisciplinary science classes; and adult nutrition and cooking classes (with the Alameda County Public Health Dept.)

**Experience:**

*Job Title* **Science Specialist Elementary School Teacher**  
*Employer* Markham Elementary School (OUSD)  
*Time Period* August, 2019 - March, 2020 (when Covid-19 shut down OUSD)  
*Duties* Taught FOSS curriculum & health science, nutrition based science lessons with all K-5<sup>th</sup> grade classes once per week.

*Job Title* **STIP Substitute Elementary School Teacher**  
*Employer* Lincoln Elementary School (OUSD)  
*Time Period* 2018-2019 school year  
*Duties* Supported teachers for coverage of all subjects in all grades (K-5)

*Job Title* **Lead Instructor and Oakland Program Coordinator**  
*Employer* Kids Cooking for Life (a non-profit organization)  
*Time Period* 2017-2018 school year, and intermittently over nine prior years.  
*Duties* Arrange, organize and teach cooking/nutrition programs in schools.

*Job Title* **Merritt College Adjunct Instructor**  
*Employer* MetWest HS-Merritt College, Oakland, CA  
*Time Period* September, 2015 through June, 2017  
*Duties* I was the collaborating co-instructor for two semesters and the sole lead instructor for two more semesters of a class on food literacy, and health and environmental science at MetWest High School (OUSD), in collaboration with Merritt College.

**Strongest Skills:** Curriculum design, selection and adaptation; collaboration; integration of hands-on projects; writing.

**Education:** Bachelor's degree - Yale University/New College of California, 2002  
B.A. Concentration in Ecological Literacy in Public Education  
Permaculture Design Certificate from OAEC, 2001  
Multiple Workshops, Seminars, etc., 2001-2020 and continuing

**References:** Available on request

## **HEARING BOARD INTERVIEW QUESTIONS**

### **March 16, 2022**

1. You have applied for the Public category on the Hearing Board. Please summarize how your experience and perspective will assist the Hearing Board in reviewing and deciding cases.
2. Please discuss your knowledge and experience regarding air quality matters.
3. Please discuss your experience serving on other Boards or Commissions.
4. What interests you the most about the opportunity to serve on the Air District's Hearing Board?
5. Is there anything in your personal or professional background that would conflict with serving on the Hearing Board? For example, do you have client relationship with a facility permitted by the District? Or do you have a relationship with an air quality advocacy organization that could potentially bring a case to the Hearing Board? Do you feel you will be able to identify a specific conflict if one arises and to recuse yourself from that matter as appropriate?
6. The Hearing Board may in the future meet as often as two to three times a month, almost always on Tuesdays. Meetings typically run three hours, and on very rare occasions, all day. In addition, Hearing Board members may spend approximately two hours reviewing materials in advance of a hearing. Are you comfortable making a time commitment on this scale?
7. Will you be able to put aside any personal biases and judge cases based on the law and the facts?
8. Are there other questions that any Committee Member would like to ask?



9. Do you have any comments or other information that you would like to share with the Committee before we conclude the interview?

ADMINISTRATION COMMITTEE  
MEETING OF 03/16/2022



## AG159 - HEARING BOARD MEMBER

**Contact Information -- Person ID: 190292**

Name: Avin M Sharma Address: [REDACTED]  
 South San Francisco, California 94080 US

Home Phone: [REDACTED] Alternate Phone: [REDACTED]

Email: [REDACTED] Notification Email Preference: [REDACTED]

Former Last Name: NA Month and Day of Birth: 08/29

**Personal Information**

Driver's License: Yes, California , B6943102 , Class C

Can you, after employment, submit proof of your legal right to work in the United States? Yes

What is your highest level of education? Doctorate

**Preferences**

Minimum Compensation: [REDACTED]

Are you willing to relocate? No

Types of positions you will accept: Regular

Types of work you will accept: Full Time

Types of shifts you will accept: Day

**Objective****Education**

**Graduate School**  
*Liberty University*  
 [Unspecified Start] - 12/2020  
 Lynchburg, Virginia

Did you graduate: Yes  
 Major/Minor: Business Administration - Finance  
 Units Completed: 60 Semester  
 Degree Received: Doctorate

**Graduate School**  
*Morehead State University*  
 1/2008 - 12/2010  
 Morehead, Kentucky

Did you graduate: Yes  
 Major/Minor: Business Administration  
 Units Completed: 51 Semester  
 Degree Received: Master's

**Graduate School**  
*San Francisco State University*  
 1/2004 - 12/2006  
 San Francisco, California

Did you graduate: Yes  
 Major/Minor: Engineering  
 Units Completed: 36 Semester  
 Degree Received: Master's

**College/University**  
*San Jose State University*  
 8/2001 - 5/2003  
 San Jose, California

Did you graduate: Yes  
 Major/Minor: Aerospace Engineering  
 Units Completed: 73 Semester  
 Degree Received: Bachelor's

**Work Experience**

**Senior Financial Analyst**  
 11/2019 - Present

Hours worked per week: 40  
 Monthly Salary: \$10,000.00  
 Name of Supervisor: Javier Junco - Finance Manager

Stanford University (University IT)  
 415 Broadway

May we contact this employer? Yes

Redwood City, California 94063  
000-000-0000

### Duties

Responsible for financial and administrative management of Enterprise Technology, Alumni and Development Applications Platform Transition (ADAPT) and System Governance Group (SGG) budgets ranging from \$6M-\$50M.

- Perform highly analytical, complex finance and control functions; multi-dimensional and complex reconciliations and related analysis; prepare or review and approve complex transactions and higher-level dollar value transactions.
- Develop complex budget and forecasting scenarios, long-range planning and analyses for financial reporting and presentations; design and run adhoc reports.
- Research, and synthesize data; interpolate results from large amounts of data, identify trends in data, draw conclusions, develop solutions, present and implement recommendations, and create follow up analyses.
- Identify and resolve unique issues with substantial significance; recognize exceptions, and conduct in-depth analysis using advanced technical knowledge and experience. Recommend and develop solutions that may require policy changes or the development of new processes; maintain broader organizational and university perspective in decision making.
- Make decisions regarding projects and programs affecting operational effectiveness, policies, or processes.
- Represent organization to client group(s) and external partners; serve as subject matter expert on matters that involve complex technical, financial, or subject matter expertise.
- Assess client and business needs, and formulate recommendations to determine approach to managing and completing processes.
- Define requirements, develop and implement complex test cases, perform system testing and analyze results. Participate in critical analysis of existing systems and processes, and see opportunities for operational improvement.

### Reason for Leaving

Currently employed.

### Research Administrator 3

8/2017 - 11/2019

Stanford University (School of Earth, Energy & Environmental Sciences)  
397 Panama Mall  
Stanford, California 94305  
000-000-0000

Hours worked per week: 40

Monthly Salary: \$8,400.00

Name of Supervisor: Lauren Nelson -  
Department Manager

May we contact this employer? Yes

### Duties

Responsible for planning, forecasting, monitoring, reconciliation, administrative management of all pre/post award activity for the portfolios of assigned faculty members and their research groups or affiliate groups. Liaise regularly with faculty, students, and campus partners, and serve as a primary point of contact for administration of research-related activities in compliance with sponsor, department, university guidelines, and government regulations. Guide staff members and serve as a backup to the Geological Science Department Manager.

- Prepare complex proposals within parameters of sponsored and non-sponsored research guidelines. Oversee and communicate submission process, both paper and electronic, resolve issues relating to proposal preparation and submittal process.
- Develop, prepare, and finalize project budgets, and provide budget justification; obtain cost sharing commitments and support.
- Serve as liaison and active partner between principal investigators, Office of Sponsored Research, research groups, and other departments; respond to sponsor inquiries; advise of new regulations.
- Collaborate with Office of Sponsored Research to ensure awards are set up properly and cost-sharing requirements are fulfilled; initiate cost transfers.
- Review and approve expenditures, advise on post-award spending and commitment activity, and oversee compliance related to fund and revenue.
- Develop and communicate reports supporting project status, create forecasting models, scenarios, and decision aides.
- Manage contract closeout process and audit inquiries; submit final report and certificates.

- Interpret complex university and government policies (FAR, Cost Accounting Standards, Office of Management and Budget circulars, sponsored guidelines, etc.) for project and university personnel and help guide other staff in interpreting complex policies.
- Identify and implement process improvements. Participate in and lead across campus projects. Train and advise on issues requiring specific technical expertise.
- Oversee and review work of other staff.
- Serve as a resource on subject area to principal investigator staff.

### Reason for Leaving

Promotion opportunity with Stanford UIT.

### Research Administrator 2

9/2015 - 8/2017

Stanford University (School of Engineering)  
475 Via Ortega  
Stanford, California 94305  
000-000-0000

Hours worked per week: 40

Monthly Salary: \$7,000.00

Name of Supervisor: Charles Jackson -  
Manager

May we contact this employer? Yes

### Duties

- Assisted in the preparation of proposals within parameters of sponsored and non-sponsored research guidelines.
- Developed, prepared, and finalized project budgets, and provided budget justification; obtained cost sharing commitments if applicable.
- Served as liaison and active partner between principal investigators, Office of Sponsored Research, research groups, and other departments; responded to sponsor inquiries.
- Collaborated with Office of Sponsored Research to ensure awards were set up properly, including cost-sharing awards.
- Coordinated, communicated submission process paper and electronic and reviewed for completeness and compliance.
- Reviewed and understood the terms and conditions of sponsored projects administered, including linked/footnoted terms and conditions not provided in hard copy or electronic copy.
- Reviewed and approved expenditures, monitored/advised on post award spending and commitment activity, and oversaw compliance related to fund and revenue including monthly expenditure statements, and facilitated quarterly review by principal investigators.
- Developed and communicated forecast reports supporting project status.
- Participated in contract closeout process and audit inquiries; submitted final reports and certificates.

### Reason for Leaving

Internal promotion.

### Budget Analyst (contractor)

4/2015 - 9/2015

Town of Hillsborough  
1600 Floribunda Ave  
Hillsborough, California 94010  
(650)375-7406

Hours worked per week: 30

Monthly Salary: \$60,000.00

Name of Supervisor: Marie Bernardo -  
Assistant Finance Director

May we contact this employer? Yes

### Duties

- Forecasted and modeled the budgetary revenues and expenditures of the Town.
- Created complex macros and worksheet flow to enable a linked budget model.
- Prepared charts, graphs, and other documents in excel, word and powerpoint to support budget presentation to Financial Advisory Committee and Town Council.
- Prepared account reconciliations such as fixed asset and planning deposit roll forwards.
- Posted journal entries into the general ledger.
- Prepared financial reports and analysis.
- Processed business license renewals and utility payments at peak periods.

**Reason for Leaving**

Full-time opportunity at Stanford University.

**Project Controller**

2/2011 - 12/2014

Veolia North America  
3798 Spinnaker Court  
Fremont, California 94538  
000-000-0000

Hours worked per week: 40  
Monthly Salary: \$8,000.00  
# of Employees Supervised: 3  
Name of Supervisor: Ray Jorgenson - Manager  
May we contact this employer? Yes

**Duties**

Responsible for managing a \$13 million-dollar Crystal Springs/San Andreas (CSSA) Transmission Upgrade Project in San Mateo, California for client San Francisco Public Utilities Commission.

- Guided and supervised 3 employees.
- Performed cost analysis related to project forecasting, contract pricing, financial forecasting, budgeting including validation of the projected fee and percent complete forecast.
- Successful in negotiating change orders in excess of \$20 million to maintain and improve contract profitability.
- Negotiated vendor and customer contracts and worked with legal to ensure compliance.
- Prepared and analyzed project related report that outlined financial position in the areas of funding and costs.
- Reviewed and processed labor and AP job cost transfers.
- Issued Requisitions for approval and Managed Purchase Order accruals and reconciled monthly.
- Acted as HR liaison for employees by reviewing timesheets and in addressing and resolving human resource issues.
- Strong experience with ADP payroll processes and reporting in Elation Systems for union craft employees.
- Completed and submitted Human Resource Commission Form 7 and Form 11 monthly to ensure compliance with contract modifications and workforce.
- Managed subcontractor compliance with terms and conditions of the contract (i.e. insurance, bonds, waivers, billing procedures).
- Analyzed P & L accounts and ledger reconciliation monthly as assigned by CFO.
- Provided year-end support to CFO for Reviewed Financial Statements requirements that included research and reconciliations.

**Reason for Leaving**

Laid-Off after completion of project.

**Project Engineer**

6/2005 - 2/2011

ARCADIS  
6872 Santa Teresa Blvd  
San Jose, California 95119  
000000000

Hours worked per week: 50  
Monthly Salary: \$6,666.00  
# of Employees Supervised: 1  
Name of Supervisor: Pat Keller - Certified Project Manager  
May we contact this employer? Yes

**Duties**

My tenure at ARCADIS comprised of task management, project control and engineering at Pratt & Whitney Rocketdyne (PWR) Decontamination, Decommissioning and Demolition (D3) Project in San Jose, CA.

- Guided and supervised 1 employee.
- Task Manager on Asset Management, Process Safety Documentation Projects and Thermal Decontamination program; leading design and implementation of specialized decontamination techniques for a \$4 million-dollar program.
- Responsible for tracking the program's \$90 million-dollar budget including monthly reporting with costs and forecasts to program manager. Calculated earned value cost and schedule indices and variance analysis to ensure contract objectives were met, resources were properly allocated, and operational efficiency was maximized.
- Developed and executed detailed engineering plans for the safe systematic assessment, decontamination, and demolition of over 241 buildings and associated equipment utilized in manufacturing of propellant.
- Reviewed subcontractor invoices and compared against daily work reports for billing accuracy.

- Demonstrated problem solving abilities; brought together subject matter experts from all aspects of the operation to reach consensus and determine a safe and effective path forward when faced with short fused issues.
- Responsible for compliance to federal, state, and local authorities impacting the design and implementation of work product.

**Reason for Leaving**

Better opportunity at Veolia North America.

**Certificates and Licenses**

Type: Six Sigma Black Belt Certification

Number:

Issued by: Management and Strategy Institute

Date Issued: 1 /2015    Date Expires:

Type: Stanford Advanced Project Management Certificate

Number:

Issued by: Stanford University

Date Issued: 11 /2015    Date Expires:

Type: Certified Scrum Master

Number:

Issued by: Agile Learning Labs

Date Issued: 10 /2016    Date Expires:

Type: Stanford Technical Leadership Program

Number:

Issued by:

Date Issued: 11 /2021    Date Expires:

**Skills**

Office Skills

Typing: 65

Data Entry: 0

Other Skills

MS Word Expert - 25 years and 0 months

Excel Expert - 20 years and 0 months

MS Access Expert - 19 years and 0 months

Outlook Expert - 17 years and 0 months

Oracle Financials Expert - 6 years and 0 months

Languages

Hindi - Speak, Read, Write

**Additional Information**

Additional Information

Specializing in financial/budget reporting and analysis, budget and contract development, research finance administration, project management/control, policy and procedure development, human resource administration and special project implementation. Demonstrated strategic leadership in planning, change management process and organizational and staff resources. Able

to solve problems, trouble shoot, think creatively and resolve conflicts. Outstanding writing skills to create compelling and widely read budget requests, funding agreements, and policy documents. Self-starter with the aptitude to take charge of multiple tasks; drive results; be a key player on a corporate team. Ability to demonstrate a high level of diplomacy in persuading and influencing a wide variety of people at various levels to achieve results in a collaborative decision-making environment.

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#### Volunteer Experience

South San Francisco City Council | South San Francisco, CA  
Commissioner – Housing Authority 10/2021 – Present

South San Francisco Unified School District | South San Francisco, CA  
Committee Member – Equity, Diversity, and Inclusion 08/2021 – Present

STANFORD UNIVERSITY | Stanford, CA  
Pre-Major Advisor 09/2016 – 12/2019

- Advise students one-on-one and inspire students to develop meaningful connections with faculty, making referrals to colleagues around campus.
- Expose students to opportunities and resources for intellectual exploration.
- Provide guidance to students in selecting courses and support student until s/he declares a major by the sophomore year.

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#### References

Professional  
**Wormley, Sharon**  
Retired  
650-464-0043

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Professional  
**Weisenberg, Lee**  
Manager  
(510) 435-8306

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Professional  
**Bernardo, Marie**  
Town of Hillsborough - Assistant Finance Director  
(650)296-4754

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Professional  
**Kochenderfer, Mykel**  
Professor (Stanford University)  
(650) 497-3574

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Professional  
**Alonso, Juan**  
Professor (Stanford University)  
(650) 723-9954

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Professional  
**Karkala, Ganesh**  
AVP - Stanford University  
510-676-6896

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Professional  
**Jorgenson, Ray**  
Officer  
951-551-5988

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Professional



**Keller, Patrick**  
Certified Project Manager  
3034713490

Professional  
**Murray, Hugh**  
Project Manager  
218-410-6139

**Resume****Text Resume****Attachments**

Attachment	File Name	File Type	Created By
Resume.pdf	Resume.pdf	Resume	Job Seeker

**Agency-Wide Questions**

1. Q: How did you find out about this position?

A: Other

2. Q: If other, please tell us where.

A: governmentjobs.com

3. Q: Are you currently legally authorized to work in the United States on a full-time basis?

A: Yes

4. Q: Are you related to any District employee or Board member?

A: No

5. Q: Do you now, or will you in the future, require sponsorship for employment visa status (e.g., H-1B visa status)?

A: No

6. Q: If related to a District employee or Board member, what is their name and their relationship to you?

A: NA

**Supplemental Questions**

1. Q: Please describe any experience or education that directly relates to air quality. Also describe any experience on Boards.

A: I possess a Doctorate in Business Administration Finance, MBA, Masters in Engineering, and BSc in Aerospace Engineering. Majority of my coursework in Masters in Engineering were in environmental.

Board experience: South San Francisco, CA

-Commissioner – Housing Authority for City of South San Francisco - 10/2021 – Present

-Committee Member South San Francisco Unified School District – Equity, Diversity, and Inclusion - 08/2021 – Present

2. Q: Please list professional, trade, or business associations held which relate to the Hearing Board category for which you are applying.

A: Not associated with any trade or business associations.

**3. Q:** Please list relevant accomplishment, publications, or awards.

A: -Stanford Technical Leadership Program  
-Stanford Certified Project Manager  
-Certified Scrum Master  
-Six Sigma Black Belt Professional

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**4. Q:** Do you have any commitments which would prevent you from meeting the attendance requirements of the Hearing Board?

A: No.

## SUMMARY

Specializing in research finance administration, project management/control, policy and procedure development, budget and contract development, financial/budget reporting and analysis, human resource administration and special project implementation. Demonstrated strategic leadership in planning, change management process and organizational and staff resources. Able to solve problems, trouble shoot, think creatively and resolve conflicts. Outstanding writing skills to create compelling and widely read budget requests, funding agreements, and policy documents. Self-starter with the aptitude to take charge of multiple tasks; drive results; be a key player on a corporate team. Ability to demonstrate a high level of diplomacy in persuading and influencing a wide variety of people at various levels to achieve results in a collaborative decision-making environment.

## SKILLS & EXPERTISE

Stanford Technical Leadership Program (STLP) •Stanford Certified Project Manager •Certified Scrum Master •Six Sigma Black Belt Professional •Oracle Financials •MS Office

## SCHOLASTIC

Doctor of Business Administration in Finance, LIBERTY UNIVERSITY   Lynchburg, VA	2020
Master of Business Administration, MOREHEAD STATE UNIVERSITY   Morehead, KY	2010
Masters in Engineering, Business Marketing SAN FRANCISCO UNIVERSITY   San Francisco, CA	2007
Bachelor of Science, Aerospace Engineering SAN JOSE UNIVERSITY   San Jose, CA	2003

## WORK EXPERIENCE

STANFORD UNIVERSITY   Redwood City, CA	
<b>Senior Financial Analyst</b> (University IT – Service Strategy)	11/2019 – Present
Responsible for financial and administrative management of Enterprise Technology, Alumni and Development Applications Platform Transition (ADAPT) and System Governance Group (SGG) budgets ranging from \$6M-\$50M.	
<ul style="list-style-type: none"> <li>• Perform highly analytical, complex finance and control functions; multi-dimensional and complex reconciliations and related analysis; prepare or review and approve complex transactions and higher-level dollar value transactions.</li> <li>• Research, and synthesize data; interpolate results from large amounts of data, identify trends in data, draw conclusions, develop solutions, present and implement recommendations, and create follow up analyses.</li> <li>• Develop complex budget and forecasting scenarios, long-range planning and analyses for financial reporting and presentations; design and run adhoc reports.</li> <li>• Identify and resolve unique issues with substantial significance; recognize exceptions, and conduct in-depth analysis using advanced technical knowledge and experience. Recommend and develop solutions that may require policy changes or the development of new processes; maintain broader organizational and university perspective in decision making.</li> <li>• Review, design, and implement appropriate internal control programs, research new regulations, and implement approved changes. Manage compliance program for area of responsibility, interpret internal policy and external regulations, and create and/or review complex compliance reports.</li> <li>• Lead and execute unit or cross functional projects and teams, make decisions regarding projects and programs affecting operational effectiveness, policies, or processes.</li> <li>• Engage in continuous critical analysis of existing systems and processes; make recommendations to achieve greater efficiencies and improve internal controls. Define requirements, develop and implement complex test cases, perform testing and analyze results.</li> <li>• Provide training on new financial systems. Represent organization to client group(s) and external partners; serve as subject matter expert on matters that involve complex technical, financial, or subject matter expertise.</li> <li>• Assess client and business needs, and formulate recommendations to determine approach to managing and completing processes.</li> <li>• Build and maintain desktop procedures and process documentation for area of responsibility. Define requirements, develop and implement complex test cases, perform system testing and analyze results. Participate in critical analysis of existing systems and processes, and see opportunities for operational improvement.</li> </ul>	

STANFORD UNIVERSITY   Stanford, CA	
<b>Research Administrator 3</b> (School of Earth, Energy & Environmental Sciences)	08/2017 – 11/2019
Responsible for planning, forecasting, monitoring, reconciliation, administrative management of all pre/post award activity for the	

portfolios of assigned faculty members and their research groups or affiliate groups. Liaise regularly with faculty, students, and campus partners, and serve as a primary point of contact for administration of research-related activities in compliance with sponsor, department, university guidelines, and government regulations. Guide staff members and serve as a backup to the Geological Science Department Manager.

- Prepare complex proposals within parameters of sponsored and non-sponsored research guidelines. Oversee and communicate submission process, both paper and electronic, resolve issues relating to proposal preparation and submittal process.
- Develop, prepare, and finalize project budgets, and provide budget justification; obtain cost sharing commitments and support.
- Serve as liaison and active partner between principal investigators, Office of Sponsored Research, research groups, and other departments; respond to sponsor inquiries; advise of new regulations.
- Collaborate with Office of Sponsored Research to ensure awards are set up properly and cost-sharing requirements are fulfilled; initiate cost transfers.
- Review and approve expenditures, advise on post-award spending and commitment activity, and oversee compliance related to fund and revenue.
- Develop and communicate reports supporting project status, create forecasting models, scenarios, and decision aides.
- Manage contract closeout process and audit inquiries; submit final report and certificates.
- Interpret complex university and government policies (FAR, Cost Accounting Standards, Office of Management and Budget circulars, sponsored guidelines, etc.) for project and university personnel and help guide other staff in interpreting complex policies.
- Identify and implement process improvements. Participate in and lead across campus projects. Train and advise on issues requiring specific technical expertise.
- Oversee and review work of other staff.
- Serve as a resource on subject area to principal investigator staff.

## **Research Administrator 2 (School of Engineering)**

09/2015 – 08/2017

- Assisted in the preparation of proposals within parameters of sponsored and non-sponsored research guidelines.
- Developed, prepared, and finalized project budgets, and provided budget justification; obtained cost sharing commitments if applicable.
- Served as liaison and active partner between principal investigators, Office of Sponsored Research, research groups, and other departments; responded to sponsor inquiries.
- Collaborated with Office of Sponsored Research to ensure awards were set up properly, including cost-sharing awards.
- Coordinated, communicated submission process paper and electronic and reviewed for completeness and compliance.
- Reviewed and understood the terms and conditions of sponsored projects administered, including linked/footnoted terms and conditions not provided in hard copy or electronic copy.
- Reviewed and approved expenditures, monitored/advised on post award spending and commitment activity, and oversaw compliance related to fund and revenue including monthly expenditure statements, and facilitated quarterly review by principal investigators.
- Developed and communicated forecast reports supporting project status.
- Participated in contract closeout process and audit inquiries; submitted final reports and certificates.

## **TOWN of HILLSBOROUGH | Hillsborough, CA**

### **Budget Analyst (contractor)**

04/2015 – 09/2015

- Forecasted and modeled the budgetary revenues and expenditures of the Town.
- Created complex macros and worksheet flow to enable a linked budget model.
- Prepared charts, graphs, and other documents in excel, word and powerpoint to support budget presentation to Financial Advisory Committee and Town Council.
- Prepared account reconciliations such as fixed asset and planning deposit roll forwards.
- Posted journal entries into the general ledger.
- Prepared financial reports and analysis.
- Processed business license renewals and utility payments at peak periods.

## **VEOLIA NORTH AMERICA | Fremont, CA**

### **Project Controller**

02/2011 – 12/2014

Responsible for managing a \$13 million-dollar Crystal Springs/San Andreas (CSSA) Transmission Upgrade Project in San Mateo, California for client San Francisco Public Utilities Commission.

- Guided and supervised 3 employees.
- Performed cost analysis related to project forecasting, contract pricing, financial forecasting, budgeting including validation of the projected fee and percent complete forecast.
- Successful in negotiating change orders in excess of \$20 million to maintain and improve contract profitability.



- Negotiated vendor and customer contracts and worked with legal to ensure compliance.
- Prepared and analyzed project related report that outlined financial position in the areas of funding and costs.
- Reviewed and processed labor and AP job cost transfers.
- Issued Requisitions for approval and Managed Purchase Order accruals and reconciled monthly.
- Acted as HR liaison for employees and Local 3 and 34 union employees by approving timesheets and in addressing and resolving human resource issues.
- Strong experience with ADP payroll processes and reporting in Elation Systems for union craft employees.
- Completed and submitted Human Resource Commission Form 7 and Form 11 monthly to ensure compliance with contract modifications and union workforce.
- Managed subcontractor compliance with terms and conditions of the contract (i.e. insurance, bonds, waivers, billing procedures).
- Analyzed P & L accounts and ledger reconciliation monthly as assigned by CFO.
- Provided year-end support to CFO for Reviewed Financial Statements requirements that included research and reconciliations.

ARCADIS | San Jose, CA

## Project Engineer

06/2005 – 02/2011

My tenure at ARCADIS comprised of task management, project control and engineering at Pratt & Whitney Rocketdyne (PWR) Decontamination, Decommissioning and Demolition (D3) Project in San Jose, CA.

- Guided and supervised 1 employee.
- Task Manager on Asset Management, Process Safety Documentation Projects and Thermal Decontamination program; leading design and implementation of specialized decontamination techniques for a \$4 million-dollar program.
- Responsible for tracking the program's \$90 million-dollar budget including monthly reporting with costs and forecasts to program manager. Calculated earned value cost and schedule indices and variance analysis to ensure contract objectives were met, resources were properly allocated, and operational efficiency was maximized.
- Developed and executed detailed engineering plans for the safe systematic assessment, decontamination, and demolition of over 241 buildings and associated equipment utilized in manufacturing of propellant.
- Reviewed subcontractor invoices and compared against daily work reports for billing accuracy.
- Demonstrated problem solving abilities; brought together subject matter experts from all aspects of the operation to reach consensus and determine a safe and effective path forward when faced with short fused issues.
- Responsible for compliance to federal, state, and local authorities impacting the design and implementation of work product.

## VOLUNTEER EXPERIENCE

South San Francisco City Council | South San Francisco, CA

### Commissioner – Housing Authority

10/2021 – Present

South San Francisco Unified School District | South San Francisco, CA

### Committee Member – Equity, Diversity, and Inclusion

08/2021 – Present

STANFORD UNIVERSITY | Stanford, CA

### Pre-Major Advisor

09/2016 – 12/2019

- Advise students one-on-one and inspire students to develop meaningful connections with faculty, making referrals to colleagues around campus.
- Expose students to opportunities and resources for intellectual exploration.
- Provide guidance to students in selecting courses and support student until s/he declares a major by the sophomore year.

## **HEARING BOARD INTERVIEW QUESTIONS**

### **March 16, 2022**

1. You have applied for the Public category on the Hearing Board. Please summarize how your experience and perspective will assist the Hearing Board in reviewing and deciding cases.
2. Please discuss your knowledge and experience regarding air quality matters.
3. Please discuss your experience serving on other Boards or Commissions.
4. What interests you the most about the opportunity to serve on the Air District's Hearing Board?
5. Is there anything in your personal or professional background that would conflict with serving on the Hearing Board? For example, do you have client relationship with a facility permitted by the District? Or do you have a relationship with an air quality advocacy organization that could potentially bring a case to the Hearing Board? Do you feel you will be able to identify a specific conflict if one arises and to recuse yourself from that matter as appropriate?
6. The Hearing Board may in the future meet as often as two to three times a month, almost always on Tuesdays. Meetings typically run three hours, and on very rare occasions, all day. In addition, Hearing Board members may spend approximately two hours reviewing materials in advance of a hearing. Are you comfortable making a time commitment on this scale?
7. Will you be able to put aside any personal biases and judge cases based on the law and the facts?
8. Are there other questions that any Committee Member would like to ask?

9. Do you have any comments or other information that you would like to share with the Committee before we conclude the interview?

ADMINISTRATION COMMITTEE  
MEETING OF 03/16/2022





NAME OF APPLICANT:		CANDIDATE FOR CATEGORY:				
Amelia C Timbers		Public (Primary or Alternate)				
This section is to be completed after the applicant has been interviewed. Please record the extent to which you feel the applicant possesses or has demonstrated the qualities listed below.						
		Outstanding	Above Average	Average	Below Average	Unacceptable
1. <b>Education:</b> Extent to which the applicant's level of educational attainment will enable the applicant to contribute to the Hearing Board's goal and objectives.						
2. <b>Work Experience:</b> Extent to which the applicant's work experience can be applied to the responsibilities of the position.						
3. <b>Air Quality Related Experience:</b> Extent to which the applicant has experience, knowledge, and/or interest in air quality related matters.						
4. <b>Experience on other Boards:</b> Extent to which the applicant has experience serving on other Boards or Commissions.						
5. <b>Interest:</b> Extent to which the applicant's interest can be applied to personal and/or professional goals.						
6. <b>Communication:</b> Extent to which the applicant is able to present and communicate ideas and abilities.						
7. <b>Availability:</b> Extent to which the applicant can commit to the time necessary to carry out the responsibilities of the position.						
COMMENTS						
SIGNATURE					DATE	



## AG159 - HEARING BOARD MEMBER

**Contact Information -- Person ID: 20625441**

Name: Amelia C Timbers Address: [REDACTED]  
 Martinez, California 94553  
 US

Home Phone: [REDACTED] Alternate Phone:

Email: [REDACTED] Notification Preference: Email

Former Last Name: Month and Day of Birth: 07/12

**Personal Information**

Driver's License: Yes, California , D2069961 , Class B

Can you, after employment, submit proof of your legal right to work in the United States? Yes

What is your highest level of education? Master's Degree

**Preferences**

Minimum Compensation: \$175,000.00 per year

Are you willing to relocate? Maybe

Types of positions you will accept: Regular

Types of work you will accept: Full Time

Types of shifts you will accept: Day

**Objective**

I am a multifaceted environmental professional with over 7 years of progressively responsible roles encompassing complex administration, program and project management. I bring well rounded government experience in transit, public works, sustainability, climate resilience, water compliance, programming and policy implementation, climate change and air quality, green infrastructure and solid waste.

**Education**

**Graduate School**  
*Vermont Law School*  
 10/2010 - 5/2013  
 South Royalton, Vermont

Did you graduate: Yes  
 Major/Minor: Environmental Law & Policy  
 Degree Received: Master's

**Graduate School**  
*Northeastern University School of Law*  
 9/2007 - 6/2011  
 Boston, Massachusetts

Did you graduate: Yes  
 Major/Minor: Juris Doctor (JD)  
 Degree Received: Doctorate

**Graduate School**  
*Northeastern University D'Amore-McKim School of Business*  
 9/2008 - 6/2011  
 Boston, Massachusetts

Did you graduate: Yes  
 Major/Minor: MBA  
 Degree Received: Master's

**College/University**  
*University of California Santa Cruz*  
 9/2002 - 6/2006  
 Santa Cruz, California

Did you graduate: Yes  
 Major/Minor: Environmental Studies  
 Degree Received: Bachelor's

**College/University** Did you graduate: Yes

University of California Santa Cruz  
9/2002 - 6/2006  
Santa Cruz, California

Major/Minor: Legal Studies  
Degree Received: Bachelor's

### Work Experience

#### Principal Planner, Sustainability 10/2018 - Present

San Mateo County Transit District  
<http://www.smctd.com/>  
1250 San Carlos Ave  
San Carlos, California 94070  
(650) 508-6200

Hours worked per week: 40  
Monthly Salary: \$9,600.00  
Name of Supervisor: Christy Wegener - Director,  
Planning  
May we contact this employer? No

#### Duties

Record of success increasing efficiency and reducing costs  
Produced 5 reports/studies in 3 years  
Under sustainability program Caltrain GHG 11%, maintained net negative GHG, reduced criteria air pollutants 10%, reduced facility energy use 7%  
Under sustainability program SamTrans reduced GHG 9%, reduced criteria air pollution 18%, and reduced facility natural gas use 23%  
Led Board approval for system-wide \$700k energy efficiency LED upgrade across Caltrain system saving \$250k annually  
Built interdepartmental, multi-organization "Green Team" to embed sustainability in business units  
Organized Bay Area transit sustainability officer working group

Transportation sustainability project management & program implementation: Sustainability "Department of one", Designed, planned, implemented, and managed sustainability projects and programs through SamTrans (San Mateo County bus service) and Caltrain (SF/ San Mateo/ Santa Clara commuter rail). Liaison to the Sustainability Division of the American Public Transportation Association (APTA) for the District, maintained District sustainability certifications, managed sustainability contracts with consultants, represented the District at events, managed District's biennial sustainability report production process. Led internal employee engagement on sustainability, planned organizational and executed events.

Zero emission bus and electrified rail energy planning/ energy policy development: PM for \$360k study of the energy procurement options to power 30MW+ electrified load supporting SamTrans' and Caltrain's transition from diesel to electricity. Led executive steering committee and staff advisory committee. Assessed renewable energy and energy storage technology investment opportunities, analyzed financial, operational, GHG, and other environmental implications of energy and procurement options. Led subsequent Energy Policy development, adoption, and implementation processes.

Climate Adaptation & Resilience: PM for SamTrans Adaptation & Resilience Plan. Developed and chaired SamTrans Adaptation & Resilience Advisory Team. Coordinated with regional San Mateo County stakeholders on Adaptation & Resilience: San Mateo County, BART, San Francisco, Bay Trail, BCDC, San Carlos, SFO, San Carlos Airport, more. Provided project support and climate resilience recommendations for battery electric bus infrastructure master plan, sat on technical advisory committee for zero emission bus 30% design project.

Supervisory: Oversaw consultant teams working on sustainability, energy and climate change issues. Led projects and laterally managed staff and executives for project execution.

Public speaking: Prepared and presented staff reports for both SamTrans and Caltrain's respective board meetings, made presentations regarding District sustainability activities in a variety of contexts.

#### Reason for Leaving

Presently employed

#### Senior Project Manager 2/2017 - 9/2018

Hours worked per week: 40  
Monthly Salary: \$6,000.00  
# of Employees Supervised: 1

City of Pinole  
<http://www.ci.pinole.ca.us>  
2131 Pear St.  
Pinole, California 94564  
(510) 724-9842

Name of Supervisor: Tamara - Miller  
May we contact this employer? No

**Duties**

Represented City on environmental issues: represented Pinole in regional waste management, clean water, sustainability, energy efficiency regional coordinating technical advisory committees. Liaised with regulators on behalf of Pinole, represented City on various compliance matters.

Project management & program implementation: supported capital planning and project execution. Implemented clean water, solid waste, energy and climate change related program activities.

Financial analysis: prepared draft department operating and capital budgets for supervisor review; project budgets; conducted budget analysis. Reviewed accounting records, prepared financial analyses and compliance for grants. Researched government grant opportunities, prepared grants.

Report writing: drafted analyses for City officials on a variety of topics including municipal ordinances and codes, facility recommendations, policy changes, more.

Collaboration with elected officials, executive staff: prepared analyses and resolutions for City Manager, City Engineer, City Planner, City Council. Presented at City Council, Planning Commission, Transportation and Parking Safety.

Stakeholder management: liaised with internal and external stakeholders. Collaborated with regional agency staff. Point of contact for public on various issues. Built relationships with community and advocacy groups. Communicated with regulators CalRecycle and the California Water Board.

Community coordination and outreach: prepared public notice, meeting materials, and advertisements. Planned meetings, City-wide events. Built relationships with neighborhood, community, and advocacy groups. Point of contact for public on various issues.

Supervision: managed CivicSpark climate fellow, FT 11-month position, summer intern.

**Reason for Leaving**

New opportunity.

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**Energy Program Manager**  
7/2013 - 2/2017

As You Sow  
<http://www.asyousow.org/>  
2150 Kittredge St  
Berkeley, California 94704  
5107358155

Hours worked per week: 40  
Monthly Salary: \$5,000.00  
# of Employees Supervised: 1  
Name of Supervisor: Danielle Fugere - President & Chief Counsel  
May we contact this employer? No

**Duties**

Corporate sustainability program management: coordinated, planned, executed numerous shareholder advocacy negotiations with large cross sections of stakeholders to improve Fortune 100-500 sustainability and climate change performance. Worked on behalf of shareholders with target company executive staff to reduce carbon emissions and increase use of renewable energy and low carbon technologies at companies including Semptra, Southern Company, Duke Energy, AEP, Portland General Electric, Ameren, Dominion Energy, First Energy, Arizona Public Service, Entergy, WGL, major banks, and many more.

Program resulted in coal firing reduced or halted at 4 power plants; EV charging infrastructure program launch; increased renewable energy and energy efficiency adoption; increased reporting on energy planning, sustainability, lobbying, water use, and clean technology adoption.

Energy Program management: Developed new projects; researched, sought, won grant funding; expanded corporate engagements; hired and managed staff.

Report writing: prepared reports for investors to encourage investment in innovative, low carbon technologies. Spoke at environmental finance conferences. Wrote reports for institutional investors. PM/ coauthor on "Unconventional Risks: The Growing Uncertainty of Oil Investments"; "Green Bonds Primer" on sustainable debt; "Cleantech Redefined". Annually, synthesized research on company data for reports to investors on company sustainability performance.

Environmental Justice: worked with frontline community groups and stakeholders including labor, NGOs, and activists regarding utility, oil, and gas issues in Arizona, Alabama, Ohio, Missouri, North Dakota, and California.

Public speaking: presented annually at shareholder meetings; presented at Sustainatopia on 'Rising to the Divest-Invest Challenge'; at Verge 2015 on green bonds; at "California Divestment Forum", at Presidio Graduate School and in Sacramento on green bonds.

Liaison to cities: communicated with cities to raise awareness of 'green bonds', a sustainable debt instrument, and encourage issuance.

Media: managed relationships with media; pitched stories; spoke with press on the record; program covered by Forbes, NYT, etc.

Financial analysis: reviewed financial statements from ~40 companies; synthesized financial data to create reports, engaged companies in dialogues on financial, environmental performance.

Supervisory: supervised 1 FT employee, 6 FT and PT interns and fellows, and contractors. Recruited, interviewed, hired, wrote reviews.

Fundraising: grant prospect research, writing and reporting; funder relationship management.

### Reason for Leaving

New opportunity.

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### Legal and Financial Analyst

5/2012 - 6/2013

Massachusetts State Treasurer and Receiver General  
<http://www.mass.gov/treasury/>  
 1 Ashburton Place  
 Boston, Massachusetts 02108  
 (617) 367-6900

Hours worked per week: 40

Monthly Salary: \$4,400.00

# of Employees Supervised: 0

Name of Supervisor: Deirdre Richardson - CFO

May we contact this employer? No

### Duties

Administered procurements. worked with senior staff on needs assessment, prepared Requests for Proposals, coordinated procurement process, drafted reports for Treasurer, administered contracts.

Relationship management: liaison to Treasury staff across divisions, bidders, consultants, vendors.

### Reason for Leaving

Returned to West Coast for family reasons.

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### The Energy Collective, Sustainable Cities Community Manager

2/2011 - 2/2012

Social Media Today  
 299 Mapelwood Ave  
 Maplewood, New Jersey 07040  
 (202) 331-2480

Hours worked per week: 40

Monthly Salary: \$5,250.00

# of Employees Supervised: 0

Name of Supervisor: Richard Murphy - Chief Editor

May we contact this employer? No

**Duties**

Cross-functional web management: handled outreach, content, and social media for TheEnergyCollective and SustainableCitiesCollective.

Editorial: curated, edited, posted content centered on energy, climate, technology, and municipal sustainability.

Webinar planning: planned and held several webinars that helped grow web traffic to sites.

Relationship management: liaison to dozens of contributors, media, contractors, partners.

**Reason for Leaving**

Was let go. Other cuts occurred at approximately the same time, I received a recommendation (attached), and was eligible for unemployment benefits.

**Legal Intern**

3/2010 - 5/2010

Federal Reserve Bank of Boston  
<https://www.bostonfed.org/Home.aspx>  
 600 Atlantic Avenue  
 Boston, Massachusetts 02110  
 (617) 973-3000

Hours worked per week: 40

Monthly Salary: \$0.00

# of Employees Supervised: 0

Name of Supervisor: Mary Bickerton - Assistant Vice President and Assistant General Counsel

May we contact this employer? No

**Duties**

Legal research & tasks: performed legal research on various topics including employment and banking law; performed legal tasks such as updating contracts.

**Reason for Leaving**

Defined internship term.

**Legal Intern**

9/2008 - 3/2009

Massachusetts Department of Energy Resources  
 100 Cambridge St Suite 1020  
 Boston, Massachusetts 02114  
 (617) 626-7300

Hours worked per week: 15

Monthly Salary: \$0.00

# of Employees Supervised: 0

Name of Supervisor: Rob Sydney - General Counsel

May we contact this employer? No

**Duties**

Law and policy: briefed supervisor on energy and climate legal issues.

Public information: Assisted the building of a database of municipal American Reinvestment Act grant opportunities. Logged public comments on proposed energy project.

**Reason for Leaving**

FT Student.

**Legal Intern**

5/2008 - 8/2008

San Francisco City Attorney, Energy and Telecommunications  
 1 Dr Carlton B Goodlett Pl,  
 San Francisco, California 94102  
 (415) 554-4700

Hours worked per week: 40

Monthly Salary: \$0.00

# of Employees Supervised: 0

Name of Supervisor: Jeanne Sole - Attorney

May we contact this employer? No

**Duties**

Policy: analyzed the implications of climate, water, and other laws on the City of San Francisco.  
 Legal support: supported attorneys in power purchase contract drafting for a 5 megawatt solar

project, now operating on the Sunset Reservoir, San Francisco. Supported lead attorney in hearing with PG&E before the CPUC to finance smart meter installation.

**Reason for Leaving**

Defined term internship.

**Certificates and Licenses****Skills**

Office Skills

Typing:

Data Entry:

Other Skills

Public Speaking Expert - 5 years and 0 months

San Mateo County LHMP Steering Committee Beginner - 0 years and 7 months

BAAQMD Hearing Board, Alternate Beginner - 0 years and 4 months

**Additional Information**

Publications

SamTrans Energy Procurement Strategy Study (PM, editor)

SamTrans & Caltrain Sustainability Reports 2020 (PM, editor)

Unconventional Risks: The Growing Uncertainty of Oil Investments (2016) (coauthor)

Green Bonds in Brief: Risk, Reward and Opportunity (2014)

[http://www.asyousow.org/ays\\_report/green-bonds-in-brief/](http://www.asyousow.org/ays_report/green-bonds-in-brief/) (coauthor)

Cleantech Redefined (2013)

[http://www.asyousow.org/ays\\_report/cleantech-redefined/](http://www.asyousow.org/ays_report/cleantech-redefined/) (contributing author)

Overdoing It: The Story of the Agricultural Exemption in the United States (2010)

[www.vjel.org/journal/pdf/VJEL10148.pdf](http://www.vjel.org/journal/pdf/VJEL10148.pdf) (author)

**References**

Professional

**McMahon, Betsy**

Development and Operations Manager, As

You Sow

(408) 355-4738

Professional

**Eisenhauer, William**

Former MA Treasury Financial and Legal

Analyst

978-608-1507

Professional

**Fugere, Danielle**

President & Chief Counsel

Oakland, California

(510) 735-8144

[dfugere@asyousow.org](mailto:dfugere@asyousow.org)

Professional

**Miller, Tamara**

Community Services Director/ City

Engineer

2131 Pear St

Pinole, California 94520  
(510) 724-8912  
[tmiller@ci.pinole.ca.us](mailto:tmiller@ci.pinole.ca.us)

Professional

**Sole, Jeanne**

Deputy Director of Power Resources

San Francisco, California

(408) 535-4867

[jeanne.sole@sanjoseca.gov](mailto:jeanne.sole@sanjoseca.gov)

#### Resume

Text Resume

#### Attachments

Attachment	File Name	File Type	Created By
Timbers Resume BAAQMD.pdf	Timbers Resume BAAQMD.pdf	Resume	Job Seeker

#### Agency-Wide Questions

1. Q: How did you find out about this position?

A: District Website

2. Q: If other, please tell us where.

A: N/A

3. Q: Are you currently legally authorized to work in the United States on a full-time basis?

A: Yes

4. Q: Are you related to any District employee or Board member?

A: No

5. Q: Do you now, or will you in the future, require sponsorship for employment visa status (e.g., H-1B visa status)?

A: No

6. Q: If related to a District employee or Board member, what is their name and their relationship to you?

A: N/A

#### Supplemental Questions

1. Q: Please describe any experience or education that directly relates to air quality. Also describe any experience on Boards.

A: My career has included significant work on sustainable energy and transportation, both of which have a direct bearing on air quality: • At As You Sow, I managed a program seeking improvements in Fortune 100 and 500 energy company sustainability practices. This included working with oil, gas and electric power companies to decarbonize existing portfolios and low carbon integrated resource planning. It also involved encouraging compliance with environmental laws, including air quality laws, as a means of protecting shareholders from regulatory risk. • At the City of Pinole, I analyzed the potential for the City to join a Community Choice Energy Program, a state program that allows supplements investor owned utility electric service with the formation of nonprofit entities for the purpose of customers opting in to procure low-or no carbon energy sources. The default energy service available through Community Energy Choice programs is less carbon intensive than the default energy service from PG&E, leading to increased clean energy generation which contributes to improved regional and statewide air quality. • At the San Mateo County Transit District, I administer sustainability

programming across the Caltrain (rail), Transit Authority (financing) and SamTrans (bus) divisions. These organizations seek to shift individuals from single occupancy vehicle use, the primary source of regional carbon emissions and air pollution, to public shared transit which produces air quality, health, quality of life and climate change reduction benefits. In addition to supporting this mission in a variety of projects, I am also leading the effort to develop an energy policy that will govern how the District's divisions procure energy for their electrified service in the future. Both rail and bus will consume a substantial amount of energy on a daily basis. What energy is procured to serve that load will result in meaningful climate and air pollution benefits or harms, and the carbon neutrality of the service will be determined by the source of electricity. In addition to this experience, I bring experience working constructively and productively with both the private sector and with the public sector on a variety of air quality issues. I have served as staff in an advisory capacity to the Caltrain and Samtrans board, to the City of Pinole City Council, and to the RecycleMore waste management JPA.

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- 2. Q:** Please list professional, trade, or business associations held which relate to the Hearing Board category for which you are applying.

A: n/a

- 
- 3. Q:** Please list relevant accomplishment, publications, or awards.

A: Unconventional Risks: The Growing Uncertainty of Oil Investments (2016) (coauthor)  
Green Bonds in Brief: Risk, Reward and Opportunity (2014)  
[http://www.asyousow.org/ays\\_report/green-bonds-in-brief/](http://www.asyousow.org/ays_report/green-bonds-in-brief/) (coauthor) Cleantech Redefined (2013) [http://www.asyousow.org/ays\\_report/cleantech-redefined/](http://www.asyousow.org/ays_report/cleantech-redefined/) (contributing author) Overdoing It: The Story of the Agricultural Exemption in the United States (2010) [www.vjel.org/journal/pdf/VJEL10148.pdf](http://www.vjel.org/journal/pdf/VJEL10148.pdf) (author)

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- 4. Q:** Do you have any commitments which would prevent you from meeting the attendance requirements of the Hearing Board?

A: I work a FT job. However I am familiar with the time commitment from being an alternate and do not anticipate any issues.



# Amelia Timbers

SF Bay Area

[REDACTED]

[REDACTED]

## PROFILE

I am a collaborative, creative environmental professional with 8+ years of progressively responsible roles leading executive teams and staff to administer complex projects and programs. I bring a track record of:

- Cross-functional and lateral project management across divisions, silos, and organizations
- Implementing and advancing strategically significant organizational initiatives
- Communicating complex technical concepts to executive staff, elected officials, and the public
- Experience in stormwater quality and MS4 management; solid and hazardous waste management and post-collection/ franchise agreement oversight, illegal dumping, climate action, sustainability planning, climate adaptation and resilience planning
- Successfully managing internal and external stakeholder relationships
- Aligning programming with equity goals

## RELEVANT EXPERIENCE

**Principal Planner, Sustainability** (October 2018-present; 2 years, 5 months)

*The San Mateo County Transit District (San Carlos, CA) operates Caltrain, SamTrans and the Transit Authority.*

**3+ years of program and project management**

**Managed project budgets up to \$360,000**

**Supervised consultant teams**

- **Record of success increasing efficiency and reducing costs**
  - Produced 5 reports/studies in 3 years
  - Under sustainability program Caltrain GHG 11%, maintained net negative GHG, reduced criteria air pollutants 10%, reduced facility energy use 7%
  - Under sustainability program SamTrans reduced GHG 9%, reduced criteria air pollution 18%, and reduced facility natural gas use 23%
  - Led Board approval for system-wide \$700k energy efficiency LED upgrade across Caltrain system saving \$250k annually
  - Built interdepartmental, multi-organization "Green Team" to embed sustainability in business units
  - Organized Bay Area transit sustainability officer working group

[REDACTED]

- **Transportation sustainability project management & program implementation:** Sustainability "Department of one" , Designed, planned, implemented, and managed sustainability projects and programs through SamTrans (San Mateo County bus service) and Caltrain (SF/ San Mateo/ Santa Clara commuter rail). Liaison to the Sustainability Division of the American Public Transportation Association (APTA) for the District, maintained District sustainability certifications, managed sustainability contracts with consultants, represented the District at events, managed District' s biennial sustainability report production process. Led internal employee engagement on sustainability, planned organizational and executed events.
- **Zero emission bus and electrified rail energy planning and policy development:** PM for \$360k study of the energy procurement options to power 30MW+ electrified load supporting SamTrans' and Caltrain' s transition from diesel to electricity. Led executive steering committee and staff advisory committee. Assessed renewable energy and energy storage technology investment opportunities, analyzed financial, operational, GHG, and other environmental implications of energy and procurement options. Led subsequent Energy Policy development, adoption, and implementation processes.
- **Climate Adaptation & Resilience:** PM for SamTrans Adaptation & Resilience Plan. Developed and chaired SamTrans Adaptation & Resilience Advisory Team. Coordinated with regional San Mateo County stakeholders on Adaptation & Resilience: San Mateo County, BART, San Francisco, Bay Trail, BCDC, San Carlos, SFO, San Carlos Airport, more. Provided project support and climate resilience recommendations for battery electric bus infrastructure master plan, sat on technical advisory committee for zero emission bus 30% design project.
- **Supervisory:** Oversaw consultant teams working on sustainability, energy and climate change issues. Led projects and laterally managed staff and executives for project execution.
- **Public speaking:** Prepared and presented staff reports for both SamTrans and Caltrain' s respective board meetings, made presentations regarding District sustainability activities in a variety of contexts.

**Senior Project Manager, Public Works** (February 2017-October 2018; 1 year 7 mos.)

*City of Pinole (Pinole, CA) is a municipality that provides services to citizens.*

**1 year 7 months environmental program administration**

**Budget analysis for department and project budgets**

**Supervised CivicSpark Fellow**

- **Represented City on environmental issues:** represented Pinole in regional solid waste management, clean water, sustainability, energy efficiency regional coordinating technical advisory committees. Liaised with regulators California Water Board and CalRecycle on behalf of Pinole, represented City on various compliance matters.
- **Implemented environmental projects & programs:** supported capital planning and project execution. Implemented stormwater quality management program, clean water policy development and program, hazard waste program, solid waste and post collection franchise agreement oversight support, energy and climate change program activities.

- **Financial analysis:** prepared draft department operating and capital budgets for supervisor review; project budgets; conducted budget analysis. Reviewed accounting records, prepared financial analyses and compliance for grants. Researched government grant opportunities, prepared grants.
- **Report writing:** drafted analyses for City officials on a variety of topics including municipal ordinances and codes, facility recommendations, policy changes, more.
- **Collaboration with elected officials, executive staff:** prepared analyses and resolutions for City Manager, City Engineer, City Planner, City Council. Presented at City Council, Planning Commission, Transportation and Parking Safety.
- **Stakeholder management:** liaised with internal and external stakeholders. Collaborated with regional agency staff. Point of contact for public on various issues. Built relationships with community groups.
- **Community coordination and outreach:** prepared public notice, meeting materials, and advertisements. Planned meetings, City-wide events. Built relationships with neighborhood, community, and advocacy groups. Point of contact for public on various issues.
- **Supervision:** managed CivicSpark climate fellow, FT 11-month position, summer intern.

**Energy Program Manager** (July 2013- February 2017; 3 years 7 mos.)

*As You Sow (Oakland, CA) promotes social corporate responsibility.*

**3 years 7 months program management**

**Financial analysis & reporting**

**Supervised FTE, fellows and interns**

- **Program management success:** expanded corporate engagement program focusing on improving sustainability performance at US electric power utilities. Results: coal firing halted/ reduced at 4 power plants; EV charging infrastructure program launched by utility; engaged utilities increased renewable energy and energy efficiency adoption, reporting transparency, conservation, and clean technology adoption.
- **Shareholder advocacy and stakeholder management:** planned, managed and executed 16+ shareholder advocacy campaigns pushing and for and negotiating deals for improved sustainability and climate change performance at major US oil, gas, and electric power utility companies. Coordinated groups of stakeholders including investors, NGOs, faith-based organizations, labor, politicians, etc.
- **Public speaking:** presented annually at shareholder meetings; at various conferences on green bonds.
- **Liaised with media:** point of contact for press regarding program; managed relationships with media; pitched stories; spoke with press on the record; program covered by Forbes, NYT, etc.
- **Liaison to cities:** communicated with cities to educate about 'green bonds', and encourage issuance.
- **Report writing:** Coauthor, PM on 3 studies in 3 years: "Unconventional Risks: The Growing Uncertainty of Oil Investments"; "Green Bonds Primer" on sustainable debt; "Cleantech Redefined". Annually, synthesized research on company data for reports to investors on company sustainability performance. Prepared numerous reports for institutional investors evaluating company sustainability performance.

- **Environmental Justice:** worked with diverse frontline community groups and stakeholders across 8+ states to align goals in negotiations with energy companies.
- **Financial analysis:** reviewed financial statements from ~40 companies; synthesized financial data into reports, engaged companies in dialogues on financial, environmental performance.
- **Supervisory:** supervised FT employee, PT employees and FT/PT fellows, contractors.
- **Fundraising:** grant prospect research, writing and reporting; funder relationship management.

**Legal and Financial Analyst** (May 2012 - June 2013; 1 year, 1 month)

*The Massachusetts Office of the Treasurer (Boston, MA) manages state assets.*

- **Administered procurements.** worked with senior staff on needs assessment, prepared Requests for Proposals, coordinated procurement process, drafted reports for Treasurer, administered contracts.

**Energy Collective Website Community & Content Curator** (February 2011 – February 2012; 1 year)

*Social Media Today (Maplewood, NJ) provides F500 B2B and B2C social media services.*

- **Cross-functional management:** handled editorial and social media for The Energy Collective and the Cities Collective, publishing domestic and international environmental policy content.

## BOARDS

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Bay Area Air Quality Management District Hearing Board, Alternate, Oct 2020-present

San Mateo County 2021 Local Hazard Mitigation Plan, Steering Committee Member

## EDUCATION

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*MBA, JD, Northeastern University*

*Masters of Environmental Law & Policy, Vermont Law School*

*B.A. Environmental Studies, B.A. Legal Studies, University of California Santa Cruz*

## PUBLICATIONS

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*Unconventional Risks: The Growing Uncertainty of Oil Investments (coauthor)*

[http://www.asyousow.org/ays\\_report/unconventional-risks-the-growing-uncertainty-of-oil-investments/](http://www.asyousow.org/ays_report/unconventional-risks-the-growing-uncertainty-of-oil-investments/)

*Green Bonds in Brief: Risk, Reward and Opportunity (2014)*

[http://www.asyousow.org/ays\\_report/green-bonds-in-brief/](http://www.asyousow.org/ays_report/green-bonds-in-brief/) (coauthor)

*Cleantech Redefined (2013)*

[http://www.asyousow.org/ays\\_report/cleantech-redefined/](http://www.asyousow.org/ays_report/cleantech-redefined/) (contributing author)

*Overdoing It: The Story of the Agricultural Exemption in the United States (2010)*

[www.vjel.org/journal/pdf/VJEL10148.pdf](http://www.vjel.org/journal/pdf/VJEL10148.pdf)

## **HEARING BOARD INTERVIEW QUESTIONS**

### **March 16, 2022**

1. You have applied for the Public category on the Hearing Board. Please summarize how your experience and perspective will assist the Hearing Board in reviewing and deciding cases.
2. Please discuss your knowledge and experience regarding air quality matters.
3. Please discuss your experience serving on other Boards or Commissions.
4. What interests you the most about the opportunity to serve on the Air District's Hearing Board?
5. Is there anything in your personal or professional background that would conflict with serving on the Hearing Board? For example, do you have client relationship with a facility permitted by the District? Or do you have a relationship with an air quality advocacy organization that could potentially bring a case to the Hearing Board? Do you feel you will be able to identify a specific conflict if one arises and to recuse yourself from that matter as appropriate?
6. The Hearing Board may in the future meet as often as two to three times a month, almost always on Tuesdays. Meetings typically run three hours, and on very rare occasions, all day. In addition, Hearing Board members may spend approximately two hours reviewing materials in advance of a hearing. Are you comfortable making a time commitment on this scale?
7. Will you be able to put aside any personal biases and judge cases based on the law and the facts?
8. Are there other questions that any Committee Member would like to ask?

9. Do you have any comments or other information that you would like to share with the Committee before we conclude the interview?

ADMINISTRATION COMMITTEE  
MEETING OF 03/16/2022



NAME OF APPLICANT:		CANDIDATE FOR CATEGORY:				
Elizabeth Patterson		Public (Primary)				
This section is to be completed after the applicant has been interviewed. Please record the extent to which you feel the applicant possesses or has demonstrated the qualities listed below.						
		Outstanding	Above Average	Average	Below Average	Unacceptable
1. <b>Education:</b> Extent to which the applicant's level of educational attainment will enable the applicant to contribute to the Hearing Board's goal and objectives.						
2. <b>Work Experience:</b> Extent to which the applicant's work experience can be applied to the responsibilities of the position.						
3. <b>Air Quality Related Experience:</b> Extent to which the applicant has experience, knowledge, and/or interest in air quality related matters.						
4. <b>Experience on other Boards:</b> Extent to which the applicant has experience serving on other Boards or Commissions.						
5. <b>Interest:</b> Extent to which the applicant's interest can be applied to personal and/or professional goals.						
6. <b>Communication:</b> Extent to which the applicant is able to present and communicate ideas and abilities.						
7. <b>Availability:</b> Extent to which the applicant can commit to the time necessary to carry out the responsibilities of the position.						
COMMENTS						
SIGNATURE					DATE	

## AG159 - HEARING BOARD MEMBER

**Contact Information -- Person ID: 49180264**

Name: Elizabeth Patterson Address: [REDACTED] Benicia, California 94510 US  
 Home Phone: [REDACTED] Alternate Phone:  
 Email: [REDACTED] Notification Preference: Email  
 Former Last Name: Patterson Month and Day of Birth: 01/29

**Personal Information**

Driver's License:  
 Can you, after employment, submit proof of your legal right to work in the United States? Yes  
 What is your highest level of education? Master's Degree

**Preferences**

Minimum Compensation: \$0.00 per hour; \$0.00 per year  
 Are you willing to relocate? No  
 Types of positions you will accept: Temporary  
 Types of work you will accept: Part Time  
 Types of shifts you will accept: Day , Evening , Night

**Objective****Education**

**Graduate School** Did you graduate: Yes  
*CA State University San Jose* Major/Minor: Urban and Regional Planning  
 [Unspecified Start] - [Unspecified End] Degree Received: Master's  
 San Jose, California

**Work Experience**

**staff environmental scientist** Hours worked per week: 40  
 1/2000 - 3/2019 Monthly Salary: \$0.00  
 May we contact this employer? Yes  
 State Department of Water Resources  
 Sacramento, California

**Duties**

land use planning and management lead for California Water Plan.

**Reason for Leaving**

retired

**Certificates and Licenses**

Type: American Institute Certified Planners (AICP)  
 Number:  
 Issued by:  
 Date Issued: 7 /1994 Date Expires: 7 /2008

**Skills**

Office Skills  
 Typing:  
 Data Entry:

**Additional Information**



**Additional Information**

Benicia Planning Commission  
Benicia City Council 2003 - 2007  
Benicia Mayor 2007-2020

**References****Resume****Text Resume****Attachments****Agency-Wide Questions**

1. Q: How did you find out about this position?

A: District Website  
Other

2. Q: If other, please tell us where.

A: Benicia residents

3. Q: Are you currently legally authorized to work in the United States on a full-time basis?

A: Yes

4. Q: Are you related to any District employee or Board member?

A: No

5. Q: Do you now, or will you in the future, require sponsorship for employment visa status (e.g., H-1B visa status)?

A: No

6. Q: If related to a District employee or Board member, what is their name and their relationship to you?

A: none

**Supplemental Questions**

1. Q: Please describe any experience or education that directly relates to air quality. Also describe any experience on Boards.

A: Original member of Benicia Good Neighbor Steering Committee and advocate for clean air by reducing air pollution. History of environmental AICP, elected office, state staff environmental scientist advocacy since 1970.

2. Q: Please list professional, trade, or business associations held which relate to the Hearing Board category for which you are applying.

A: AICP, elected office, state staff environmental scientist and served on numerous state, regional and local boards, commissions and committees.

3. Q: Please list relevant accomplishment, publications, or awards.

A: recognition by US Congress for service; recognition by CA State Legislature for service; created only land use tool developed for CA Water Plan (2009); while mayor achieved high level in Beacon Awards program for reducing green house gases; project manager at State Lands Commission for initiative that led to establishment of Delta Protection Commission.

**4. Q:** Do you have any commitments which would prevent you from meeting the attendance requirements of the Hearing Board?

**A:** I serve on Sacramento-San Joaquin Delta National Advisory Committee and there could be meeting date conflicts. Scheduling appropriate dates would avoid conflict.

## **HEARING BOARD INTERVIEW QUESTIONS**

### **March 16, 2022**

1. You have applied for the Public & Attorney categories on the Hearing Board. Please summarize how your experience and perspective will assist the Hearing Board in reviewing and deciding cases.
2. Please discuss your knowledge and experience regarding air quality matters.
3. Please discuss your experience serving on other Boards or Commissions.
4. What interests you the most about the opportunity to serve on the Air District's Hearing Board?
5. Is there anything in your personal or professional background that would conflict with serving on the Hearing Board? For example, do you have client relationship with a facility permitted by the District? Or do you have a relationship with an air quality advocacy organization that could potentially bring a case to the Hearing Board? Do you feel you will be able to identify a specific conflict if one arises and to recuse yourself from that matter as appropriate?
6. The Hearing Board may in the future meet as often as two to three times a month, almost always on Tuesdays. Meetings typically run three hours, and on very rare occasions, all day. In addition, Hearing Board members may spend approximately two hours reviewing materials in advance of a hearing. Are you comfortable making a time commitment on this scale?
7. Will you be able to put aside any personal biases and judge cases based on the law and the facts?
8. Are there other questions that any Committee Member would like to ask?

9. Do you have any comments or other information that you would like to share with the Committee before we conclude the interview?

ADMINISTRATION COMMITTEE  
MEETING OF 03/16/2022



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## HEARING BOARD INTERVIEW EVALUATION FORM

<b>NAME OF APPLICANT:</b>  Jeffrey K Lee		<b>CANDIDATE FOR CATEGORY:</b> Public - Primary or Alternate Attorney-Primary or Alternate				
This section is to be completed after the applicant has been interviewed. Please record the extent to which you feel the applicant possesses or has demonstrated the qualities listed below.						
		<b>Outstanding</b>	<b>Above Average</b>	<b>Average</b>	<b>Below Average</b>	<b>Unacceptable</b>
1. <b>Education:</b> Extent to which the applicant's level of educational attainment will enable the applicant to contribute to the Hearing Board's goal and objectives.						
2. <b>Work Experience:</b> Extent to which the applicant's work experience can be applied to the responsibilities of the position.						
3. <b>Air Quality Related Experience:</b> Extent to which the applicant has experience, knowledge, and/or interest in air quality related matters.						
4. <b>Experience on other Boards:</b> Extent to which the applicant has experience serving on other Boards or Commissions.						
5. <b>Interest:</b> Extent to which the applicant's interest can be applied to personal and/or professional goals.						
6. <b>Communication:</b> Extent to which the applicant is able to present and communicate ideas and abilities.						
7. <b>Availability:</b> Extent to which the applicant can commit to the time necessary to carry out the responsibilities of the position.						
<b>COMMENTS</b>						
<b>SIGNATURE</b>					<b>DATE</b>	



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## APPLICATION FOR HEARING BOARD

### Submit to:

Bay Area Air Quality Management District  
Attn: Human Resources Office  
375 Beale Street, Suite 600  
San Francisco, CA 94105  
(415) 749-4980

### 1. NAME

First Jeffrey Middle Kenton Last Lee

### 2. ADDRESS (If address is temporary, please indicate ☐)

Street [REDACTED] City San Francisco State CA Zip 94127

### 3. TELEPHONE NUMBER

Home Office Cell [REDACTED]

Email [REDACTED] Fax

### 4. Please indicate the Hearing Board category (or categories) for which you are applying:

- ☒ Attorney Member ☐ Medical Profession Member  
☐ Engineer Member ☒ Public Member

Please indicate if you are applying for the Principal Member position or the Alternate Member position:

- ☒ Principal Member ☒ Alternate Member

### 5. Do you have any commitments which would prevent you from meeting the attendance requirements of the Hearing Board? Please explain:

- I currently serve as a full-time state administrative law judge, but can schedule a recurring workday per week for Hearing Board service, presumably each Tuesday. I can also schedule an occasional additional weekday to serve - if provided with sufficient notice to submit a leave request to my employer.
- I will need to obtain a waiver from my employing agency to begin serving as a volunteer on the Hearing Board. In my recent experience, such a waiver was obtained within 2 weeks after submitting a request.

**6. EDUCATIONAL BACKGROUND**College, University, Business or  
Trade Schools Attended

From Mo/Yr – To Mo/Yr

Major

Degrees Received

Colgate University	08/1983 – 06/1987	Biology	A.B., Biology
Vermont Law School	08/1989 – 06/1992	Law	Juris Doctor (J.D.)
Vermont Law School	08/1989 – 06/1992	Environmental Law	Master of Studies in Environmental Laws (M.S.L.)

**7. REFERENCES**

Name

Address

Phone

1. Margaret Abe Koga	679 Church Street, Mountain View, CA 94041	650-291-0167
2. Mark Rigau	5120 Diamond Heights Blvd., San Francisco, CA 94131	415-744-6487
3. Lily Lim	10398 Vista Knoll Blvd., Cupertino, CA 95014	650-862-6762

**8. EMPLOYMENT HISTORY (Selected History – See attached resume for comprehensive history)**

FROM: Mo March Yr 2021

TO: Mo Present Yr

**Name and Address of Employer:**

California Unemployment Insurance Appeals Board

**Title of Position:**

Administrative Law Judge

Bay Area Office of Appeals

1515 Clay Street, Suite 902  
Oakland, CA 94612-1413**Brief Description of Responsibilities:**I preside as fact-finder and decision-maker in  
independent, quasi-judicial appeal proceedings  
arising from challenges to decisions by the California  
Employment Development Department.

FROM: Mo June Yr 2004

TO: Mo May Yr 2013

**Name and Address of Employer:**

GCA Law Partners

**Title of Position:**

Partner, Litigation Group

2570 W. El Camino Real, Suite 400  
Mountain View, CA 94040**Brief Description of Responsibilities:**I first-chaired matters involving court and agency  
litigation, including challenges to government agency  
actions and environmental regulation.

FROM: Mo Sept. Yr 1998

TO: Mo June Yr 2000

**Name and Address of Employer:**

Latham &amp; Watkins LLP

**Title of Position:**

Associate, Environment and Litigation Departments

555 11th Street NW #1000  
Washington, DC 20004**Brief Description of Responsibilities:**

		I represented and counseled clients in high-stakes, complex government enforcement and regulatory cases, including court and agency litigation involving environmental issues, and other matters.
<b>FROM: Mo August Yr 1993</b>	<b>TO: Mo Sept. Yr 1998</b>	
<b>Name and Address of Employer:</b> United States Department of Justice, Environment and Natural Resources Division		<b>Title of Position:</b> Trial Attorney
950 Pennsylvania Avenue NW Washington, DC 20530		<b>Brief Description of Responsibilities:</b>
		I first-chaired complex trials, appeals, and preliminary relief proceedings in high-profile environmental cases; investigated and prosecuted cases against violators of environmental laws; and defended federal agency actions and rules in court, including cases under the Clean Air Act.
<b>9. Please describe any experience or education that directly relates to air quality. Also describe any experience on Boards.</b>  <i>Please see attached Response to QUESTION 9.</i>		
<b>10. Please list professional, trade, or business associations held which relate to the Hearing Board category for which you are applying.</b>  <i>Please see attached Response to QUESTION 10.</i>		
<b>11. List relevant accomplishments, publications, or awards.</b>  <i>Please see attached Response to QUESTION 11.</i>		
<b>- PLEASE ATTACH RESUME -</b>		
I hereby certify that all statements made in this application are true and complete.		
DATE: <u>March 1, 2022</u>		SIGNATURE (In full): <u>/S/ Jeffrey Kenton Lee</u>



## BAAQMD Hearing Board Application Responses

Jeffrey K. Lee

### **QUESTION 9 -- Please describe any experience or education that directly relates to air quality. Also describe any experience on Boards.**

My background includes the following air quality education and experience:

- **Education** -- I earned a joint J.D. and Master of Studies in Environmental Law from Vermont Law School, and a bachelor's degree in Biology from Colgate University. My coursework included environmental physics, The Clean Air Act, and Toxic and Hazardous Substances classes.
- **Relevant Experience** -- My 27 years of legal experience include serving as an environmental trial and appellate attorney, and administrative law judge. I have practiced in public service, and with large and small law firms, primarily as lead counsel, gaining expertise in administrative law and procedure, and complex environmental regulation and technology issues. I served from 1993 -1998 as a Trial Attorney at the U.S. Department of Justice, Environmental Defense Section, earning awards for outstanding performance on high-profile cases involving national security, environmental justice, including Clean Air Act litigation. Entering private law practice in 1998, I handled complex environmental matters with Latham & Watkins' Washington, D.C. office, and later as a Litigation Partner with Silicon Valley legal boutique, GCA Law Partners.

My relevant **Board Service** experience includes the following organizations directly addressing agency adjudication proceedings, human health, vulnerable communities, and the environment:

- **City and County of San Francisco Assessment Appeals Board**, San Francisco, CA, *Board Commissioner and Hearing Officer*, appointed in November 2020 to term ending September 2023. Serve as an administrative law judge on three-member panels to hear evidence and determine fair and correct assessments of taxable real property in equalization appeals under California Revenue and Tax Codes.
- **Asian Americans for Community Involvement, Inc. ("AACI")**, Santa Clara County, CA. *Director*, Board of Directors, November 2010 – March 2017. Served as Chair, Nominations and Governance Committee; Member, Finance and Budget Committee; Member, Mergers and Acquisitions Committee; Member, Special Litigation Committee; and Member, CEO Search Committee. Silicon Valley's largest human health and services provider to vulnerable Asian Americans, AACI operates a medical clinic, mental health services, a domestic violence shelter, victims of torture center, and other programs open to people from all communities.

- **San Francisco Unified School District**, San Francisco, CA, *Director*, English Learner Advisory Committee Board of Directors, Fall 2017 – Spring 2020. Advised Board of Education on English-learner student and family programs pursuant to a U.S. Supreme Court consent decree. Represented vulnerable, at-risk San Francisco families and students.
- **Santa Clara Valley Water District, Independent Monitoring Committee**, Santa Clara County, CA, *Appointed Member*, July 2012 – July 2014. Provided oversight reports to taxpayers and Water District Board regarding agency use of special parcel tax revenue for clean, safe streams, flood protection, and local and regional environmental programs.

**QUESTION 10 -- Please list professional, trade, or business associations held which relate to the Hearing Board category for which you are applying.**

I am applying to fill an Attorney or Public Member role on the Hearing Board. My relevant activities include the following:

- **State of California**, Unemployment Insurance Appeals Board, San Francisco Bay Area Office, CA, *Administrative Law Judge*, March 2021 – present. I preside as fact-finder and decision-maker in independent, quasi-judicial appeal proceedings arising from challenges to disability and unemployment insurance benefit decisions by the California Employment Development Department.
- **GCA Law Partners LLP** (f/k/a General Counsel Associates LLP), Mountain View, CA *Partner*, Litigation Group, March 2005 – May 2013; *Of Counsel*, June 2004 – February 2005. I first-chaired matters involving court and agency litigation, including challenges to government agency actions and environmental regulation.
- **Latham & Watkins**, Washington, DC, *Associate*, Litigation and Environmental Departments, September 1998 – June 2000. I represented and counseled clients in high-stakes, complex government enforcement and regulatory cases, including court and agency litigation involving environmental issues, and other matters.
- **United States Department of Justice**, Washington, DC, *Trial Attorney*, Environment and Natural Resources Division, Defense Section, October 1993 – September 1998. I first-chaired complex trials, appeals, and preliminary relief proceedings in high-profile environmental cases; investigated and prosecuted cases against violators of environmental laws; and defended federal agency actions and rules in court, including cases under the Clean Air Act.
- **ICF International, Inc.** (f/k/a ICF, Inc.), Washington, DC, *Research Assistant*, August 1987 – August 1989. I prepared policy analyses, regulations, and official materials for environmental protection programs; and staffed National Incident Team directing *Exxon Valdez* oil spill and other national emergency responses.

**QUESTION 11 -- Please list relevant accomplishment, publications, or awards.**

My accomplishments relevant to air quality include serving as lead government counsel in the following federal air quality cases:

- ***United States v. Borden Chemical Company, Inc. and Borden Chemical Company, Inc. v. Carol Browner*** (M.D. La. 1998), Consolidated Case No. 3:1994-cv-00440-JVP (Chief Judge John V. Parker). I defended US EPA against a pre-enforcement challenge to a prospective (*i.e.*, non-final) imposition of a RCRA Boiler and Industrial Furnace Part B permit requirement by a notorious chemical company operating an unpermitted hazardous waste incinerator in Geismar, Louisiana. The facility was in the state's infamous "Cancer Alley" corridor, populated by predominantly low-income African American communities. The U.S. filed an enforcement action under the Clean Air Act and RCRA, for illegal air and groundwater releases. The case became publicly controversial as an early Environmental Justice case during the Clinton Administration. Our 1994 government Press Release stated:

The Geismar facility manufactures chemicals, including vinyl chloride, ammonia, and polyvinyl chloride (PVC), which is used for production of plastic pipes and other plastic products. The facility is located on the Mississippi River, in a highly industrialized area, with a predominantly African-American population.

"The Clinton Administration is committed to making sure that no company will realize unfair profits from polluting anywhere in the U.S., but particularly in minority and low-income communities that already face disproportionate risks," said EPA Administrator Carol M. Browner.

The cases went to trial for several days (on the U.S. affirmative claims first), settling during trial with an agreement by the company to dismiss the RCRA claim against EPA for which I was lead counsel.

- ***Motor and Equipment Manufacturers Association et al. v. Environmental Protection Agency*** and ***Motor and Equipment Manufacturers Association et al. v. Nichols*** (D.C. Cir. 1998), Consolidated Case Nos. 96-1392 and 96-1397 (Edwards, Wald, Rogers). I was the lead DOJ attorney for consolidated petitions for review by auto equipment companies to challenge EPA Clean Air Act rules governing onboard emissions diagnostic requirements and the Clean Air Act's "California Waiver."

# JEFFREY K. LEE

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San Francisco, CA 94127 • Mobile:

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## EXPERIENCE

### **State of California**, Unemployment Insurance Appeals Board, San Francisco Bay Area Office, CA

*Administrative Law Judge*, March 2021 – present

- Preside as fact-finder and decision-maker in independent, quasi-judicial appeal proceedings arising from challenges to disability and unemployment insurance benefit decisions by the California Employment Development Department.

### **JKL Law & Consulting**, San Francisco, CA

*Principal*, May 2014 – December 2021

- Provide arbitration, mediation, moot court, mock trial, and related dispute resolution services.

### **Live365, Inc.** (acquired by Media Creek, Inc.), Foster City, CA

*Senior Vice President, Legal and Business Affairs, and Chief Legal Officer*, May 2013 – May 2014;

*Outside Counsel* (on-site secondment), October 2012 – May 2013

- Built and led diverse 6-person Legal Department at pioneering, venture-funded global digital media network.
- Advised CEO, Board of Directors, and Executive Team on strategic, legal, and business issues.
- Resolved litigation under U.S. and international laws.
- Created and led legal functions for U.S. and international litigation and dispute resolution; public policy and regulatory affairs; contract and content license negotiations; intellectual property portfolio development and enforcement; government audits and investigations; risk and crisis management; employment matters; data security; product compliance and counseling; and cost-effective management of counsel and experts.

### **GCA Law Partners LLP** (f/k/a General Counsel Associates LLP), Mountain View, CA

*Partner*, Litigation Group, March 2005 – May 2013; *Of Counsel*, June 2004 – February 2005

- Provided strategic counseling and lead advocacy from initial dispute through ADR, trial, and appeal for emerging technology businesses, founders, and nonprofit clients.
- First-chaired matters involving challenges to government agency actions; environmental law; real estate, patent, trademark, copyright, trade secret, and other intellectual property rights; government and internal investigations; business disputes; and antitrust and unfair competition claims. Counseled clients regarding merger and acquisition activities. Created, led, and managed cost-effective legal and expert teams.

### **Day Casebeer Madrid & Batchelder** (merged with Howrey LLP), Cupertino, CA

*Senior Associate*, July 2000 – August 2003

- Represented biotechnology clients in high-stakes, complex trial and appeal cases, including patent, licensing, trade secret, and commercial disputes using offensive and defensive litigation.
- Assembled and managed attorney, expert, and staff teams.

### **Latham & Watkins**, Washington, DC

*Associate*, Litigation and Environmental Departments, September 1998 – June 2000

- Represented and counseled clients in high-stakes, complex government enforcement and regulatory cases, internal investigations, mergers and acquisitions, civil and administrative litigation, environmental, employment, securities, contract, fraud, fiduciary, trade secret, RICO, real estate, FOIA, and other matters.
- Assembled and managed client, attorney, and expert teams.

**United States Department of Justice**, Washington, DC

*Trial Attorney*, Environment and Natural Resources Division, Defense Section, October 1993 – September 1998

- Earned *Special Commendation* and *Special Achievement Award* for outstanding trial performance.
- First-chaired complex trials, appeals, and preliminary relief proceedings in high-profile environmental cases.
- Investigated and prosecuted cases against violators of environmental laws. Defended federal agency actions and rules. Advised agencies on regulatory, statutory, administrative, and constitutional law proposals.
- Assembled and led multi-agency teams of attorneys, investigators, experts, and public affairs officers.

**United States Court of Appeals for the Second Circuit**, New York, NY/Bridgeport, CT

*Law Clerk to the Honorable William H. Timbers*, United States Circuit Judge, 1992 – 93 Term

- Prepared court opinions, orders, and bench memoranda. Managed and trained subsequent term's law clerks.

**ICF International, Inc.** (f/k/a ICF, Inc.), Washington, DC

*Research Assistant*, August 1987 – August 1989

- Prepared policy analyses, regulations, and official materials for environmental protection programs.
- Staffed National Incident Team directing *Exxon Valdez* oil spill and other national emergency responses.

**SELECTED COMMUNITY SERVICE**

**City and County of San Francisco Assessment Appeals Board**, San Francisco, CA

*Board Commissioner and Hearing Officer*, appointed in November 2020 to term ending September 2023

- Serve as administrative law judge on three-member panels to hear evidence and determine fair and correct assessments of taxable real property in equalization appeals under California Revenue and Tax Codes.

**Superior Court of California**, Santa Clara County, CA

*Judge Pro Tem*, appointed to Small Claims and Traffic Divisions, November 2009 – present

*Judicial Arbitrator* (appointed), April 2007 – present

**City and County of San Francisco Department of Elections**, San Francisco, CA

*Election Precinct Poll Inspector*, October 2020 – November 2020

**Santa Clara Valley Water District, Independent Monitoring Committee**, Santa Clara County, CA

*Appointed Member*, July 2012 – July 2014

Provided oversight reports to taxpayers and Water District Board regarding agency use of special parcel tax revenue for clean, safe streams, flood protection, and local and regional environmental programs.

**Friends of the Urban Forest**, San Francisco, CA

*Community Planting Host Family*, June 2019 – present

**San Francisco Unified School District**, San Francisco, CA

*Director*, English Learner Advisory Committee Board of Directors, Fall 2017 – Spring 2020

- Advised Board of Education on English-learner student and family programs pursuant to U.S. Supreme Court *Lau v. Nichols* consent decree. Represented San Francisco schools and families.

**Commodore Sloat Elementary School**, San Francisco, CA

*Parent Organizer and Program Leader*, Fall 2014 – Spring 2020

- S.F. Bike Coalition, Safe Routes to School, *Walk and Roll to School Program*, Liaison and Organizer
- Historical Mock Trial: *U.S. v. William Ide, et al.* (1846 California Bear Flag Revolt), Creator and Instructor
- *A Day in San Francisco Superior Court*, Instructor and Organizer

**Asian Americans for Community Involvement**, Santa Clara County, CA

*Director*, Board of Directors, November 2010 – March 2017

- Chair, Nominations and Governance Committee for non-profit county health and social services provider.
- Member, Finance and Budget Committee; Mergers and Acquisitions Committee; Special Litigation Committee; and CEO Search Committee

**OCA – APA Advocates** (f/k/a Organization of Chinese Americans), Washington, DC

*National General Counsel*, January 2005 – January 2006; (*Acting*), April 2004 – December 2004

- Advised national social justice organization Board and Executive Director regarding legal and policy issues.
- Built and led 4-lawyer team to address litigation, employment, tax, corporate, sponsorship, and other matters.

**State Bar of California, Committee on Federal Courts**, San Francisco, CA

*Secretary*, 2004 – 2005; *Appointed Member*, 2002 – 2004

- Proposed, advised, and commented on revisions to federal district and circuit court rules and practice.

## EDUCATION

**Vermont Law School**, South Royalton, VT

Joint J.D., *cum laude*/Master of Studies in Environmental Law, *magna cum laude*, May 1992

*Vermont Law Review*, Senior Articles Editor and Managing Board Member

**Colgate University**, Hamilton, NY

A.B., Biology (minor: Philosophy), May 1987

Dean's Award; *Colgate Journal of Sciences*, Editor; Men's Tennis Team, Member; Judicial Board, Counselor; Faculty Candidate Evaluation Committee, Student Member; *Harlem Renaissance Center*, Resident

**Executive Education and Training:** *Boston University School of Management – Association of Corporate Counsel:*

*Mini MBA for In-House Counsel*, Los Angeles, CA, May 2014; *Chief Litigation Officer Summit*, Las Vegas, NV, March 2014; *Association of Corporate Counsel Institute for Advanced Corporate Counsel*, Burlingame, CA, April 2014; *Northern California Mediation Center – Essentials of Mediation*, San Rafael, CA, October 2014; *Association of Corporate Counsel Compliance Conference*, Northern California, June 2016 and June 2018

**State Bar Admissions:** California, District of Columbia, Pennsylvania

## **HEARING BOARD INTERVIEW QUESTIONS**

### **March 16, 2022**

1. You have applied for the Public & Attorney categories on the Hearing Board. Please summarize how your experience and perspective will assist the Hearing Board in reviewing and deciding cases.
2. Please discuss your knowledge and experience regarding air quality matters.
3. Please discuss your experience serving on other Boards or Commissions.
4. What interests you the most about the opportunity to serve on the Air District's Hearing Board?
5. Is there anything in your personal or professional background that would conflict with serving on the Hearing Board? For example, do you have client relationship with a facility permitted by the District? Or do you have a relationship with an air quality advocacy organization that could potentially bring a case to the Hearing Board? Do you feel you will be able to identify a specific conflict if one arises and to recuse yourself from that matter as appropriate?
6. The Hearing Board may in the future meet as often as two to three times a month, almost always on Tuesdays. Meetings typically run three hours, and on very rare occasions, all day. In addition, Hearing Board members may spend approximately two hours reviewing materials in advance of a hearing. Are you comfortable making a time commitment on this scale?
7. Will you be able to put aside any personal biases and judge cases based on the law and the facts?
8. Are there other questions that any Committee Member would like to ask?

9. Do you have any comments or other information that you would like to share with the Committee before we conclude the interview?

ADMINISTRATION COMMITTEE  
MEETING OF 03/16/2022





BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## HEARING BOARD INTERVIEW EVALUATION FORM

<b>NAME OF APPLICANT:</b>  Mister Phillips		<b>CANDIDATE FOR CATEGORY:</b> Public (Primary) Attorney (Primary)				
This section is to be completed after the applicant has been interviewed. Please record the extent to which you feel the applicant possesses or has demonstrated the qualities listed below.						
		<b>Outstanding</b>	<b>Above Average</b>	<b>Average</b>	<b>Below Average</b>	<b>Unacceptable</b>
1. <b>Education:</b> Extent to which the applicant's level of educational attainment will enable the applicant to contribute to the Hearing Board's goal and objectives.						
2. <b>Work Experience:</b> Extent to which the applicant's work experience can be applied to the responsibilities of the position.						
3. <b>Air Quality Related Experience:</b> Extent to which the applicant has experience, knowledge, and/or interest in air quality related matters.						
4. <b>Experience on other Boards:</b> Extent to which the applicant has experience serving on other Boards or Commissions.						
5. <b>Interest:</b> Extent to which the applicant's interest can be applied to personal and/or professional goals.						
6. <b>Communication:</b> Extent to which the applicant is able to present and communicate ideas and abilities.						
7. <b>Availability:</b> Extent to which the applicant can commit to the time necessary to carry out the responsibilities of the position.						
<b>COMMENTS</b>						
<b>SIGNATURE</b>					<b>DATE</b>	

## AG159 - HEARING BOARD MEMBER

**Contact Information -- Person ID: 14499211**

Name:	Mister Phillips	Address:	[REDACTED] Richmond, California 94804-1606 US
Home Phone:	[REDACTED]	Alternate Phone:	
Email:	[REDACTED]	Notification Preference:	Email
Former Last Name:		Month and Day of Birth:	05/03

**Personal Information**

Driver's License:	Yes, California , B5731597 , Class C
Can you, after employment, submit proof of your legal right to work in the United States?	Yes
What is your highest level of education?	Doctorate

**Preferences**

Minimum Compensation:	
Are you willing to relocate?	Maybe
Types of positions you will accept:	Regular , Temporary
Types of work you will accept:	Full Time , Part Time , Per Diem
Types of shifts you will accept:	Day

**Objective**

Experienced litigator and mediator with excellent organizational, leadership, research, writing, speaking, and interpersonal skills seeks judicial officer or quasi-judicial officer position.

**Education****Professional**

*U.C. Hastings College of the Law*  
<http://www.uchastings.edu/>  
 8/2000 - 5/2003  
 San Francisco, California

Did you graduate: Yes  
 Major/Minor: Law  
 Units Completed: 87 Semester  
 Degree Received: Professional

**College/University**

*San Francisco State University*  
<http://www.sfsu.edu/>  
 8/1998 - 5/2000  
 San Francisco, California

Did you graduate: Yes  
 Major/Minor: Double major: English and Political Science  
 Units Completed: 79 Semester  
 Degree Received: Bachelor's

**Work Experience****Attorney**

6/2005 - Present

Law Office of Mister Phillips  
[www.misterphillips.net](http://www.misterphillips.net)  
 180 Broadway, Ste D  
 Richmond, California 94804  
 510-556-1951

Hours worked per week: 35  
 Monthly Salary: \$0.00  
 # of Employees Supervised: 1  
 Name of Supervisor: N/A  
 May we contact this employer? Yes

**Duties**

Manage law practice; draft estate planning documents; provide general counsel services to small businesses; represent plaintiffs and defendants in civil litigation, including pleadings, discovery, depositions, law and motion, hearings, ADR, and trials; and provide litigation support to other law firms.

**Reason for Leaving**

I am not leaving.

**Certificates and Licenses**

Type: Law

Number: 228991

Issued by: State Bar of California

Date Issued: 12 /2003    Date Expires:

**Skills**

Office Skills

Typing:

Data Entry:

Other Skills

Mediation Expert - 19 years and 0 months

Litigation Expert - 17 years and 0 months

Legal research and writing Expert - 19 years and 0 months

**Additional Information**

Military Service

I was an intelligence officer in the U.S. Navy Reserve.

Volunteer Experience

CA Mock Trial Competition

Community Mediator

Discovery Facilitator

First 5 Contra Costa Children and Families Commission

NAACP Richmond, CA Branch

Richmond Promise Ad Hoc Committee

Rotary Club of Pinole

West Contra Costa Unified School District Governing Board

**References****Resume**

Text Resume

**Attachments**

Attachment	File Name	File Type	Created By
Resume.pdf	Resume.pdf	Resume	Job Seeker

**Agency-Wide Questions**

1. Q: How did you find out about this position?

A: Job board/website (list specific under "other")

2. Q: If other, please tell us where.

A: governmentjobs.com

**3. Q:** Are you currently legally authorized to work in the United States on a full-time basis?

A: Yes

**4. Q:** Are you related to any District employee or Board member?

A: No

**5. Q:** Do you now, or will you in the future, require sponsorship for employment visa status (e.g., H-1B visa status)?

A: No

**6. Q:** If related to a District employee or Board member, what is their name and their relationship to you?

A: N/A

### Supplemental Questions

**1. Q:** Please describe any experience or education that directly relates to air quality. Also describe any experience on Boards.

A: I do not have experience directly related to air quality. I have served on the boards of the following public and private agencies: First 5 Contra Costa Children and Families Commission, West Contra Costa Unified School District (past president), Rotary Club of Pinole (past president), NAACP Richmond, CA Branch, and Richmond Promise Ad Hoc Committee (past co-chair).

**2. Q:** Please list professional, trade, or business associations held which relate to the Hearing Board category for which you are applying.

A: Charles Houston Bar Association  
Contra Costa County Bar Association

**3. Q:** Please list relevant accomplishment, publications, or awards.

A: Judge George D. Carrol Community Service Award

**4. Q:** Do you have any commitments which would prevent you from meeting the attendance requirements of the Hearing Board?

A: No.

# Mister Phillips

## Attorney

### Contact

[REDACTED]  
Pinole, CA 94564  
[REDACTED]  
[REDACTED]

### Education

J.D.  
UC Hastings College of the  
Law  
2003  
San Francisco, CA

B.A.  
English and Political Science  
*Cum laude*  
San Francisco State University  
2000  
San Francisco, CA

### Bar Admissions

CA  
U.S. District Court, Central,  
Eastern, and Northern District  
of CA

### Key Skills

Legal research and writing  
Litigation  
Mediation

### Profile

Experienced litigator and mediator with excellent organizational, leadership, research, writing, speaking, and interpersonal skills seeks judicial officer or quasi-judicial officer position.

### Experience

*November 2016 – Present*  
Trustee • West Contra Costa Unified School District • Richmond, CA

- Preside over public meetings, including hearings and appeals.
- Interpret laws, regulations, policies, and procedures.
- Set organizational direction and goals.
- Adopt and monitor budget.
- Hire, supervise, and evaluate staff.
- Communicate with the public and news media.

*June 2005 – Present*  
Attorney • Law Office of Mister Phillips • Richmond, CA

- Manage law practice.
- Draft estate planning documents.
- Provide general counsel services to small businesses.
- Represent plaintiffs and defendants in civil litigation, including pleadings, discovery, depositions, law and motion, hearings, ADR, and trials.
- Provide litigation support to other law firms.

*August 2004 – January 2013*  
Intelligence Officer • U.S. Navy Reserve

- Collected and analyzed information.
- Created and gave presentations.
- Made recommendations to superiors.
- Supervised teams.
- Led General Military Training (GMT).



## Activities

CA Mock Trial Competition  
Community Mediator  
Discovery Facilitator

## Organizations

Charles Houston Bar  
Association  
Contra Costa County Bar  
Association  
NAACP Richmond, CA Branch  
Rotary Club of Pinole, CA

### *August 2003 – November 2004*

Esther Peterson Fellow • Consumers Union • Washington, DC

- Performed legal research and writing.
- Conducted bill analysis and tracking.
- Built coalitions.
- Legislative advocacy.

### *Spring 2003*

Student Mediator • U.C. Hastings College of the Law Mediation  
Clinic • San Francisco, CA

- Studied mediation theory and practice.
- Mediated small claims at San Francisco Superior Court.

### *Fall 2002*

Judicial Extern • U.S. Court of Appeals for the Ninth Circuit  
Office of Staff Attorneys • San Francisco, CA

- Reviewed case files.
- Performed legal research and writing.
- Presented recommendations to judges.
- Drafted memorandum dispositions.

### *Summer 2001*

Law Clerk • Fair Employment and Housing Commission • San  
Francisco, CA

- Reviewed case files.
- Performed legal research and writing.
- Presented recommendations to administrative law judges.

## **HEARING BOARD INTERVIEW QUESTIONS**

**March 16, 2022**

1. You have applied for the Attorney category on the Hearing Board. Please summarize how your experience and perspective will assist the Hearing Board in reviewing and deciding cases.
2. Please discuss your knowledge and experience regarding air quality matters.
3. Please discuss your experience serving on other Boards or Commissions.
4. What interests you the most about the opportunity to serve on the Air District's Hearing Board?
5. Is there anything in your personal or professional background that would conflict with serving on the Hearing Board? For example, do you have client relationship with a facility permitted by the District? Or do you have a relationship with an air quality advocacy organization that could potentially bring a case to the Hearing Board? Do you feel you will be able to identify a specific conflict if one arises and to recuse yourself from that matter as appropriate?
6. The Hearing Board may in the future meet as often as two to three times a month, almost always on Tuesdays. Meetings typically run three hours, and on very rare occasions, all day. In addition, Hearing Board members may spend approximately two hours reviewing materials in advance of a hearing. Are you comfortable making a time commitment on this scale?
7. Will you be able to put aside any personal biases and judge cases based on the law and the facts?
8. Are there other questions that any Committee Member would like to ask?

9. Do you have any comments or other information that you would like to share with the Committee before we conclude the interview?

ADMINISTRATION COMMITTEE  
MEETING OF 03/16/2022





NAME OF APPLICANT:  Valerie J Armento		CANDIDATE FOR CATEGORY: Attorney (Primary)				
This section is to be completed after the applicant has been interviewed. Please record the extent to which you feel the applicant possesses or has demonstrated the qualities listed below.		Outstanding	Above Average	Average	Below Average	Unacceptable
1. <b>Education:</b> Extent to which the applicant's level of educational attainment will enable the applicant to contribute to the Hearing Board's goal and objectives.						
2. <b>Work Experience:</b> Extent to which the applicant's work experience can be applied to the responsibilities of the position.						
3. <b>Air Quality Related Experience:</b> Extent to which the applicant has experience, knowledge, and/or interest in air quality related matters.						
4. <b>Experience on other Boards:</b> Extent to which the applicant has experience serving on other Boards or Commissions.						
5. <b>Interest:</b> Extent to which the applicant's interest can be applied to personal and/or professional goals.						
6. <b>Communication:</b> Extent to which the applicant is able to present and communicate ideas and abilities.						
7. <b>Availability:</b> Extent to which the applicant can commit to the time necessary to carry out the responsibilities of the position.						
COMMENTS						
SIGNATURE					DATE	

## AG159 - HEARING BOARD MEMBER

**Contact Information -- Person ID: 49024078**

Name:	Valerie J. Armento	Address:	[REDACTED] Sunnyvale, California 94087 US
Home Phone:	[REDACTED]	Alternate Phone:	
Email:	[REDACTED]	Notification Preference:	Email
Former Last Name:		Month and Day of Birth:	05/06

**Personal Information**

Driver's License:	Yes, California , S0433155 , Class C
Can you, after employment, submit proof of your legal right to work in the United States?	Yes
What is your highest level of education?	Doctorate

**Preferences**

Minimum Compensation:  
Are you willing to relocate?

Types of positions you will accept:  
Types of work you will accept:  
Types of shifts you will accept:

**Objective**

Applying for Principal Attorney position on Hearing Board which is part-time and governed by established practices, including compensation.

**Education**

<b>Professional</b> <i>Cornell University Law School</i> [Unspecified Start] - [Unspecified End] Ithaca, New York	Did you graduate: Yes Major/Minor: Degree Received: Professional
--	--

<b>Graduate School</b> <i>Cornell University</i> [Unspecified Start] - [Unspecified End] Ithaca, New York	Did you graduate: Yes Major/Minor: Degree Received: Master's
--	--

**Work Experience**

<b>City Attorney</b> 1/1991 - 8/2006  See Resume for Extensive Details Sunnyvale, California	Hours worked per week: 40 Monthly Salary: \$0.00 May we contact this employer?
--	--

**Duties**  
See resume

**Reason for Leaving**  
Retired

**Certificates and Licenses****Skills**

**Office Skills**

Typing:

Data Entry:

**Additional Information****References**

Professional

**Sullivan, Edmund**

Executive Officer

535 Alkire Avenue, Suite 100

Morgan Hill, California 95037

403-779-7261

[edmund.sullivan@scv-habitatagency.org](mailto:edmund.sullivan@scv-habitatagency.org)**Resume****Text Resume****Attachments**

<b>Attachment</b>	<b>File Name</b>	<b>File Type</b>	<b>Created By</b>
VJA Resume BAAQMD 1-2022.doc	VJA Resume BAAQMD 1-2022.doc	Resume	Job Seeker

**Agency-Wide Questions****1. Q:** How did you find out about this position?

A: District Employee

**2. Q:** If other, please tell us where.

A:

**3. Q:** Are you currently legally authorized to work in the United States on a full-time basis?

A: Yes

**4. Q:** Are you related to any District employee or Board member?

A: No

**5. Q:** Do you now, or will you in the future, require sponsorship for employment visa status (e.g., H-1B visa status)?

A: No

**6. Q:** If related to a District employee or Board member, what is their name and their relationship to you?

A: Not related to any District employee or Board member.

**Supplemental Questions****1. Q:** Please describe any experience or education that directly relates to air quality. Also describe any experience on Boards.

A: As in-house counsel for several Bay Area cities, I dealt with air quality issues in conjunction with specific development EIRs. As the general counsel for the Habitat Agency, I am involved with obtaining mitigation for nitrogen deposition. I have been on the Hearing Board since January 2007 (alternate) and since July 2015 (principal). I have participated in over 35 hearings. I attended a 2-day Advanced Hearing Board workshop in 2008.

**2. Q:** Please list professional, trade, or business associations held which relate to the Hearing Board category for which you are applying.

A: President, City Attorneys Dept., CalCities 2002-2003 (1st VP and 2d VP previous 2 years)  
President, Bay Area City Attorneys 1997  
Editorial Board Chair, Municipal Law Handbook, 1995 & 1996 Editions, Editorial Board 2004

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**3. Q:** Please list relevant accomplishment, publications, or awards.

A: Counsel and Council 2004 (co-author)  
Open and Public III: a user's guide to the Ralph M. Brown Act 2000 (co-author)  
Proposition 218 Implementation Guide 1997 (co-author)  
Municipal Law Handbook, 1994 (chapter editor), 1993 author and contributing editor

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**4. Q:** Do you have any commitments which would prevent you from meeting the attendance requirements of the Hearing Board?

A: I have always managed to adjust my schedule to accommodate Hearing Board sessions.

## VALERIE J. ARMENTO RESUME

Sunnyvale, CA

### Education

Graduate: Juris Doctor 1977  
Cornell University Law School; Ithaca, NY

Master of Regional Planning 1978  
Cornell University College of Architecture, Art & Planning

Undergraduate: Bachelor of Arts Phi Beta Kappa, Summa Cum Laude 1973  
Dartmouth College; Hanover, NH

### Bar Admissions

State of California (All Courts) 1977  
United States District Court, Northern District 1977  
United States Court of Appeals, Ninth Circuit 1977  
United States Supreme Court 1999

### Current Legal Services Contracts

Santa Clara Valley Habitat Agency General Counsel

Joint powers entity (County of Santa Clara and the Cities of Gilroy, Morgan Hill and San Jose) to implement the Santa Clara Valley Habitat Plan for the long-term protection of ecosystems and biodiversity within southern portion of Santa Clara Valley, and to provide incidental take authorization under the federal Endangered Species Act and the California Natural Community Conservation Act.

San Mateo County Pre-Hospital Emergency Medical Services Group General Counsel

A joint powers entity which provides first responder basic and advanced life support services prior to transport to the hospital throughout San Mateo County.

Burbank Sanitary District General Counsel

Provides sewer, solid waste and street sweeping services for unincorporated areas within City of San Jose.

## Employment History

City Attorney, City of Sunnyvale

January 1991 to mid-October 2004, retired

Full time in-house city attorney, redevelopment agency counsel and financing authority counsel for diverse charter city of 135,000 residents and employment base of approximately 150,000, located in the "Heart of Silicon Valley." Provided full range of attorney services. Advised seven elected Council members and the following appointed Boards and Commissions: Arts, Bicycle and Pedestrian Advisory, Library, Child Care Advisory, Heritage Preservation, Housing and Human Services, Parks and Recreation, Personnel and Planning.

City Attorney, City of South San Francisco

July 1986 to December 1990

Full time in-house city attorney and redevelopment agency counsel for general law city with a residential population of 52,000 and a sizable industrial and commercial sector. Provided full range of attorney services. Advised elected officials including five Council members, City Clerk and City Treasurer, as well as appointed Boards and Commissions: Historic Preservation, Library, Parking Place, Parks and Recreation, Personnel and Planning. In January 1987 assumed the duties of Risk Manager for general liability issues and served as City representative on the Board of Directors of the Association of Bay Area Governments Pooled Liability Assurance Network (ABAG PLAN).

Assistant City Attorney, City of Hayward

July 1983 to June 1986

Full time in-house assistant city attorney for full-service charter city of approximately 100,000 residents. Primary areas of responsibility were Airport (general aviation), Community and Economic Development, Fire, Personnel and Planning Departments. Handled complex litigation and arbitration matters. Legal advisor to Planning Commission. Served as Acting City Attorney in absence of City Attorney.

Deputy City Attorney, City of Fremont

October 1979 to June 1983

Full time in-house deputy city attorney for general law city with a population of roughly 90,000. Legal advisor to Planning Commission and Civil Service Board.

## Professional Activities

Bay Area Air Quality Management District, Hearing Board

July 2015 to present Attorney Member (Chair as of May 2017, Vice-chair June 2016)  
January 2007 to June 2015 Alternate Attorney Member

League of California Cities City Attorney Department

Nominating Committee Chair 2004

President 2002-2003

First Vice-President 2001-2002

Second Vice-President 2000-2001

Seminar 2000 Committee 1999-2001

## **HEARING BOARD INTERVIEW QUESTIONS**

**March 16, 2022**

1. You have applied for the Medical category on the Hearing Board. Please summarize how your experience and perspective will assist the Hearing Board in reviewing and deciding cases.
2. Please discuss your knowledge and experience regarding air quality matters.
3. Please discuss your experience serving on other Boards or Commissions.
4. What interests you the most about the opportunity to serve on the Air District's Hearing Board?
5. Is there anything in your personal or professional background that would conflict with serving on the Hearing Board? For example, do you have client relationship with a facility permitted by the District? Or do you have a relationship with an air quality advocacy organization that could potentially bring a case to the Hearing Board? Do you feel you will be able to identify a specific conflict if one arises and to recuse yourself from that matter as appropriate?
6. The Hearing Board may in the future meet as often as two to three times a month, almost always on Tuesdays. Meetings typically run three hours, and on very rare occasions, all day. In addition, Hearing Board members may spend approximately two hours reviewing materials in advance of a hearing. Are you comfortable making a time commitment on this scale?
7. Will you be able to put aside any personal biases and judge cases based on the law and the facts?
8. Are there other questions that any Committee Member would like to ask?

9. Do you have any comments or other information that you would like to share with the Committee before we conclude the interview?

ADMINISTRATION COMMITTEE  
MEETING OF 03/16/2022





NAME OF APPLICANT:  Peter Y Chiu		CANDIDATE FOR CATEGORY: Medical (Primary)				
This section is to be completed after the applicant has been interviewed. Please record the extent to which you feel the applicant possesses or has demonstrated the qualities listed below.		Outstanding	Above Average	Average	Below Average	Unacceptable
1. <b>Education:</b> Extent to which the applicant's level of educational attainment will enable the applicant to contribute to the Hearing Board's goal and objectives.						
2. <b>Work Experience:</b> Extent to which the applicant's work experience can be applied to the responsibilities of the position.						
3. <b>Air Quality Related Experience:</b> Extent to which the applicant has experience, knowledge, and/or interest in air quality related matters.						
4. <b>Experience on other Boards:</b> Extent to which the applicant has experience serving on other Boards or Commissions.						
5. <b>Interest:</b> Extent to which the applicant's interest can be applied to personal and/or professional goals.						
6. <b>Communication:</b> Extent to which the applicant is able to present and communicate ideas and abilities.						
7. <b>Availability:</b> Extent to which the applicant can commit to the time necessary to carry out the responsibilities of the position.						
COMMENTS						
SIGNATURE					DATE	

## AG159 - HEARING BOARD MEMBER

**Contact Information -- Person ID: 15297226**

Name: Peter Y Chiu Address: [REDACTED] Palo Alto, California 94303 US  
 Home Phone: [REDACTED] Alternate Phone: [REDACTED]  
 Email: [REDACTED] Notification Preference: Email  
 Former Last Name: Month and Day of Birth: 05/12

**Personal Information**

Driver's License: Yes, California , E0015658 , Class C  
 Can you, after employment, submit proof of your legal right to work in the United States? Yes  
 What is your highest level of education? Doctorate

**Preferences**

Minimum Compensation: \$0.00 per hour; \$0.00 per year  
 Are you willing to relocate? No  
 Types of positions you will accept: Regular  
 Types of work you will accept: Per Diem  
 Types of shifts you will accept: Day

**Objective****Education**

<b>Graduate School</b> <i>Stanford University</i> 8/1979 - 6/1983 Stanford, California	Did you graduate: Yes Major/Minor: Medicine Degree Received: Doctorate
<b>Graduate School</b> <i>University of California</i> 9/1972 - 6/1975 Berkeley, California	Did you graduate: Yes Major/Minor: Environmental Health/Administration Degree Received: Doctorate
<b>Graduate School</b> <i>University of California</i> 9/1969 - 6/1970 Berkeley, California	Did you graduate: Yes Major/Minor: Occupational Health Degree Received: Master's
<b>College/University</b> <i>University of California</i> 9/1967 - 6/1969 Berkeley, California	Did you graduate: Yes Major/Minor: Civil Engineering Degree Received: Bachelor's

**Work Experience**

<b>Board Member</b> 10/2013 - 7/2019  California State Board of Behavioral Sciences 1625 North Market Blvd, Suite S-200 Sacramento, California 95834	Hours worked per week: 4 Monthly Salary: \$100.00 # of Employees Supervised: 0 Name of Supervisor: NA May we contact this employer? Yes
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**Duties**

To protect and serve Californians by setting, communicating, and enforcing standards for safe and competent mental health practice.

**Reason for Leaving**

Term expired

**Senior Physician**

12/1990 - 11/2011

The Permanent Medical Group  
770 East Calaveras Blvd  
Milpitas, California 95035

Hours worked per week: 40

Monthly Salary: \$17,823.00

# of Employees Supervised: 10

Name of Supervisor: James Lin - Chief of Emergency Department

May we contact this employer? Yes

**Duties**

To provide medical care to Kaiser Health Plan members and non-members in the Occupational Medicine Dept and Emergency Dept.

**Reason for Leaving**

Early Retirement

**Family Physician**

6/1989 - 11/1990

The Good Samaritan Medical Group  
2585 Samaritan Dr  
San Jose, California 95124

Hours worked per week: 35

Monthly Salary: \$4,000.00

# of Employees Supervised: 5

May we contact this employer? No

**Duties**

To provide primary medical care to health insurance subscribers.

**Reason for Leaving**

To join a larger group practice

**Family Physician**

9/1986 - 6/1989

Chiu and Crawford, MD's  
San Jose, California

Hours worked per week: 35

Monthly Salary: \$3,000.00

# of Employees Supervised: 1

May we contact this employer? Yes

**Duties**

To provide primary medical care to insured and uninsured community members.

**Reason for Leaving**

To join a group practice

**Chief Resident Physician and Resident Physician**

6/1983 - 6/1986

San Jose Hospital  
San Jose, California

Hours worked per week: 60

Monthly Salary: \$2,000.00

# of Employees Supervised: 0

May we contact this employer? Yes

**Duties**

To provide inpatient and outpatient medical care to members of the community.

**Reason for Leaving**

Completed family medicine residency training

**Principal Environmental Engineer**  
9/1976 - 8/1979Association of Bay Area Governments  
Berkeley, CaliforniaHours worked per week: 40  
Monthly Salary: \$3,000.00  
# of Employees Supervised: 5  
May we contact this employer? Yes**Duties**

To plan, organize and direct environmental management programs for the Bay Area.

**Reason for Leaving**

To attend medical school

**Associate Water Quality Management Engineer**  
7/1974 - 8/1976Bay Area Sewage Services Agency  
Berkeley, CaliforniaHours worked per week: 40  
Monthly Salary: \$2,500.00  
# of Employees Supervised: 1  
May we contact this employer? No**Duties**

To plan, coordinate, review, and implement water quality management programs for the Bay Area.

**Reason for Leaving**

To join another public agency for career advancement

**Assistant Civil Engineer**  
8/1970 - 6/1972City of Oakland  
Oakland, CaliforniaHours worked per week: 40  
Monthly Salary: \$1,500.00  
# of Employees Supervised: 0  
May we contact this employer? Yes**Duties**

To plan and design federally funded urban road systems and sewer systems.

**Reason for Leaving**

To return to graduate school

**Certificates and Licenses**

Type: Civil Engineer License

Number: C21523

Issued by: Board for Professional Engineers

Date Issued: 7 /1972 Date Expires: 9 /2023

Type: Physician and Surgeon License

Number: G53008

Issued by: The Medical Board of California

Date Issued: 7 /1984 Date Expires: 5 /2022

**Skills**

Office Skills

Typing: 40

Data Entry: 0

**Languages**

Chinese - Speak, Read, Write

**Additional Information****References**

Professional  
**Jaini, Arvind**  
Physician  
1367 McKenzie Lane  
Los Altos, California 94022  
(650) 248-9332  
[akj1367@yahoo.com](mailto:akj1367@yahoo.com)

Professional  
**Garcia, Ramon**  
Pyhsician  
33013 Korbel Street  
Union City , California 94587  
(510) 366-8539  
[rfg143@hotmail.com](mailto:rfg143@hotmail.com)

**Resume****Text Resume****Attachments**

Attachment	File Name	File Type	Created By
Peter Y Chiu Resume 1.29.22.doc	Peter Y Chiu Resume 1.29.22.doc	Resume	Job Seeker

**Agency-Wide Questions**

1. Q: How did you find out about this position?

A: District Employee

2. Q: If other, please tell us where.

A:

3. Q: Are you currently legally authorized to work in the United States on a full-time basis?

A: Yes

4. Q: Are you related to any District employee or Board member?

A: No

5. Q: Do you now, or will you in the future, require sponsorship for employment visa status (e.g., H-1B visa status)?

A: No

6. Q: If related to a District employee or Board member, what is their name and their relationship to you?

A: NA

**Supplemental Questions**

1. Q: Please describe any experience or education that directly relates to air quality. Also describe any experience on Boards.

A: A. Experience and Education related to air quality  
1. I received my DrPH (Doctor of Public Health) and MPH (Master of Public Health) degrees from the University of California, Berkeley where I benefited from

excellent training on environmental health as well as air quality management.  
 2. I obtained my MD degree from Stanford University and attained my board certifications in Occupational Medicine and Family Medicine and have extensive knowledge and experience regarding the health effects of poor indoor and ambient air quality.

3. I am a registered Professional Engineer (PE) and I worked for ABAG as a principal environmental engineer. I am familiar with air quality management and control measures.

4. As a presidential appointee I served on the Presidential/Congressional Commission on Risk Assessment and Management that was mandated by the Clean Air Amendments of 1990. Together with other commission members, we advised the US President and the Congress on environmental health risk assessment and management in federal regulatory programs, including air quality programs of the US Environmental Agency.

**B. Experience on Boards**

1. I have been serving on the Hearing Board of the BAAQMD for the past nine years and am familiar with the rules of the Hearing Board. I believe that I have applied appropriate laws, rules, and regulations to specific cases based on the facts presented to the Hearing Board. I also believe that I have been courteous, fair, and impartial to all parties in rendering my decisions.

2. As a member of the California State Board of Behavioral Sciences for six years, I participated in quasi-judicial disciplinary hearings concerning licensed mental health professionals.

3. As a member of the California Regional Water Quality Control Board, San Francisco Bay Region for five years, I participated in quasi-judicial hearings on enforcement action by the Board.

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**2. Q:** Please list professional, trade, or business associations held which relate to the Hearing Board category for which you are applying.

**A:** I am a licensed physician in California and an emeritus adjunct clinical professor of medicine at the Stanford University School of Medicine. I was a member of the Santa Clara County Medical Association. In addition, I am a registered Professional Engineer in California.

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**3. Q:** Please list relevant accomplishment, publications, or awards.

**A:** I have a list of more than forty published articles, reports, and presentations on environmental management and health care available upon request.

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**4. Q:** Do you have any commitments which would prevent you from meeting the attendance requirements of the Hearing Board?

**A:** I do not have any full time or other conflicting commitments that would prevent me from meeting the attendance requirements of the BAAQMD Hearing Board.

# Peter Y. Chiu

Palo Alto, CA

## Education

### **Doctor of Medicine (M.D.)**

Stanford University, Stanford CA 1983

### **Doctor of Public Health (Dr.P.H.) in Environmental Health and Administration**

University of California, Berkeley, CA 1975

### **Master of Public Health (M.P.H.) in Occupational Health**

University of California, Berkeley, CA 1970

### **Bachelor of Science (B.S.) in Civil Engineering**

University of California, Berkeley, CA 1969

## Professional Certifications

Board Certified by the American Board of Preventive Medicine / Occupational Medicine

Board Certified by the American Board of Family Medicine

Licensed Physician and Surgeon in California

Registered Civil Engineer in California

Registered Environmental Health Specialist in California

## Professional and Public Service Experience

### **Bay Area Air Quality Management District, San Francisco, CA, 2002 – Present**

- Hearing Board Member 2013 - present
- Alternate Hearing Board Member 2002 - 2013

Appointed by the BAAQMD Board of Directors as a medical expert in environmental, occupational, and community medicine as specified by state laws to serve on this quasi-judicial Hearing Board to adjudicate regulatory compliance issues that arise between the Air District and local industries, and to hear appeals of permitting decisions made by the Executive Officer of the Air District.

### **California State Board of Behavioral Sciences, Sacramento, CA; 2013 – 2019**

- Board Member

Appointed by Governor Brown to serve on this state regulatory agency responsible for licensing, examination, and enforcement of Licensed Marriage and Family Therapists, Clinical Social Workers, Educational Psychologists, and Professional Clinical Counselors.

### **The Permanente Medical Group – Kaiser Permanente, Milpitas, CA; 1990 – 2011**

- Senior Physician in Occupational Medicine and Acute Care / Emergency Medicine

### **U.S. Office of Personnel Management, Washington, D.C., 2000**

- Presidential Rank Review Board Member

Appointed by President Clinton to evaluate and rate nominees for the Presidential Rank Awards which are reserved for distinguished and meritorious senior executives of the Federal Government.

**Presidential / Congressional Commission on Risk Assessment and Risk Management,  
Washington, D.C. 1994 – 1997**

- Commission Member

Appointed by President Clinton to advise the President and the Congress of the United States on environmental health risk assessment and management in federal regulatory programs; developed a pioneering environmental management framework; succeeded in improving related federal legislation, agency policies, and private sector activities.

**The Good Samaritan Medical Group San Jose, CA; 1989 – 1990**

- Family Physician and Policies and Procedures Committee Chair

**Santa Clara County Health Department San Jose, CA; 1989**

- Tuberculosis Clinic Physician

**Chiu and Crawford, M.D.s - Private Practice Partnership, San Jose, CA; 1986 – 1989**

- Family Physician and Partner

**San Jose Hospital, San Jose, CA, 1983 - 1986**

- Resident Physician and Chief of Resident Physicians

**California Regional Water Quality Control Board, San Francisco Bay Region 1979 – 1984**

- Board Member

Appointed by Governor Brown to direct planning, administrative, regulatory and enforcement programs to protect and enhance the quality of the waters of the State of California.

**Association of Bay Area Governments, Berkeley, CA, 1976 – 1979**

- Principal Environmental Engineer

Planned, organized, and directed environmental management programs; developed one of the first comprehensive regional environmental management plans in the United States.

**Bay Area Sewage Services Agency, Berkeley, CA, 1974 – 1976**

- Associate Water Quality Management Engineer

Planned, coordinated, reviewed and implemented water quality management programs for the San Francisco Bay Area.

**Berkeley Solid Waste Management Commission, Berkeley, CA, 1974 – 1975**

- Consultant

Developed solid waste management alternatives for the City of Berkeley.

**City of Oakland, Oakland, CA, 1970 – 1972**

- Assistant Civil Engineer

Planned and designed federally funded urban road and sewer systems; prepared environmental impact documents and noise reports; prepared engineering plans and specifications for urban improvement.

**Community Service**



**Self Help for the Elderly, San Francisco, CA, 1993 – 1994**

- Advisory Board Member

Provided guidance to this nonprofit social service organization serving seniors in the San Francisco Bay Area.

**Bay Area Comprehensive Health Planning Council, San Francisco, CA 1972 – 1976**

- Board Member and Plan Review Committee Member

Developed comprehensive health plans and priorities, reviewed health-related projects for the San Francisco Bay Area under Federal and State laws.

**Associated Cooperatives, Inc., Berkeley, CA, 1974 – 1976**

- Board Member and Executive Committee Member for the Associated Cooperative Health Care Study

Studied the feasibility of a consumer-controlled health care plan in the San Francisco Bay Area.

**Asian Community Health Clinic, San Francisco, CA, 1971 – 1972**

- Co-founder, Board Member, and Health Education Committee chair

Planned and administered programs to provide health care for medically underserved populations.

**Teaching Experience**

**Stanford University School of Medicine, Stanford, CA, 1987 – Present**

- |  |                                     |
|--|-------------------------------------|
| • Emeritus Adjunct Clinical Professor  | September 1, 2020 - Present         |
| • Adjunct Clinical Professor           | September 1, 2009 – August 31, 2020 |
| • Adjunct Clinical Associate Professor | September 1, 2003 – August 31, 2009 |
| • Clinical Associate Professor         | September 1, 1999 – August 31, 2003 |
| • Clinical Assistant Professor         | August 1, 1991 – August 31, 1999    |
| • Clinical Instructor                  | September 1, 1987 – March 31, 1991  |

**University of California, Berkeley Extension, Berkeley, CA, 1988 – 2000**

- Workshop leader for English Language Program / Intercultural English Camp

**San Jose Hospital Family Practice Residency Program, San Jose, CA, 1986 – 1990**

- Clinical Consultant

**University of San Francisco, San Francisco, CA, 1979 – 1983**

- Adjunct Faculty Member for the Environmental Management Program

**University of California, Berkeley, Berkeley, CA, 1975 – 1979**

- Guest Lecturer for the Natural Resources and Conservation Program

**Publications and Presentations**

List of more than forty published articles, reports, and presentations on health care and environmental management available upon request.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Report of the Stationary Source & Climate Impacts Committee Meeting of March 21,  
2022

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

None.

DISCUSSION

The Stationary Source and Climate Impacts Committee met on Monday, March 21, 2022, and approved the minutes of February 28, 2022. This meeting was conducted under procedures authorized by Assembly Bill 361. Members of the Committee participated by teleconference.

The Committee then reviewed and discussed the staff presentation *Bay Area Alternative Fuels Projects*.

The Committee then reviewed and discussed the staff presentation *Major Stationary Source Community Air Monitoring (Schedule X)*.

The next meeting of this committee will be Monday, April 18, 2022 at 9:00 a.m., via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021). This concludes the report of the Stationary Source and Climate Impacts Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Stationary Source and Climate Impacts Committee March 21, 2022 Meeting Memorandums

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson John Bauters and Members  
of the Stationary Source and Climate Impacts Committee

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 21, 2022

Re: Bay Area Alternative Fuels Projects - Background and Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Air District is currently evaluating permit applications for the alternative fuels projects from Marathon (Application # 30768) and Phillips 66 (Application # 31157). The proposed projects will convert the existing Marathon and Phillips 66 refineries from its current production of fossil fuels (i.e., conventional diesel fuel, gasoline, distillates propane and various by-products) to the production of alternative fuels, including diesel, propane, and naphtha. As a result of the proposed conversions, both Marathon and Phillips would no longer process crude oil for petroleum-based fuels. However, they will retain the ability to receive, blend and ship petroleum-based materials.

The alternative fuels projects would assist California in meeting its stated goals of reducing GHG emissions and transitioning to carbon neutrality by no later than 2045. The project would provide a mechanism for complying with California's Low-Carbon Fuel Standard and Cap-and-Trade programs and the federal Renewable Fuels Standard, while continuing to meet regional market demand for transportation fuels.

## DISCUSSION

### Marathon Martinez Refinery Renewable Fuels Project

An application was submitted on October 5, 2020, to allow the conversion of Marathon's Martinez Refinery facility from the processing of crude oil to the processing of alternative feedstocks. The alternative feedstocks are expected to include biological based oils (i.e., soybean oil and corn oil), rendered fats (tallow), and other miscellaneous alternative feedstocks including used cooking oils or other vegetable oils. The feedstocks would be processed into diesel, naphtha, propane and treated fuel gas. Marathon Refinery is currently permitted to refine 161,000 barrels per day (bpd) of crude oil. After completion of the project, the facility's capacity will be 48,000 bpd of alternative feedstocks.

The conversion would include modifications to existing processing units, the installation of new units, and removal of obsolete units. New units include an alternative feedstock pretreatment unit, wastewater treatment equipment, and an advanced three-stage low-NO<sub>x</sub> thermal oxidizer. Removed equipment would include a crude unit, gasoline hydrotreater, alkylation unit, fluidized catalytic cracking unit, reformers, delayed coker, steam boilers, sulfuric acid plant, various cooling towers and other units.

Refinery feedstocks and products are to be transported to and from the refinery using rail, marine vessel, and pipeline. Most of the existing truck traffic hauls petroleum coke and transportation fuels. Truck traffic following the alternative fuels conversion is expected to remain about the same, with petroleum coke trucks being replaced with diesel product. Existing rail traffic at the refinery averages about 13 railcars per day with a peak of 27 railcars per day. The alternative fuels project would utilize existing railcar loading racks. Initially, rail traffic would not substantially change. Depending on still undetermined future transportation and logistical plans, rail traffic could increase up to 63 cars per day.

The refinery uses two marine terminals for materials shipping and receipt, the Avon and Amorco Marine Terminals. In addition to the modifications to the Refinery, the Avon Marine Terminal would be converted from distribution uses to receiving uses primarily. The Amorco Marine Terminal would be converted from receiving uses to distribution of alternative diesel only. The changes to the two terminals would require amendments to the lease agreements between Marathon and the State Lands Commission (SLC). Any significant change, modification, or re-design to the built facilities (i.e., structural, mooring, fire, piping/pipelines, mechanical or electrical systems) at the Amorco and Avon Terminals, as well as pending and routine compliance issues, will be subject to the Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS) and require SLC review.

Outside the refinery's conversion to feedstock refinement, many of the facility's other operations, including the receipt, storage, and shipment of petroleum-based transportation fuels, would continue, with some modification of existing equipment. Finished petroleum products will not be processed at the facility and will be distributed locally.

Contra Costa County is the lead agency for the California Environmental Quality Act. The Draft Environmental Impact Report (DIEIR) was posted on October 14, 2021, with comments due

December 17, 2021. The Air District sent the following comment letter to Contra Costa County: [https://www.baaqmd.gov/~media/files/planning-and-research/ceqa-letters/2021/2021\\_1217\\_marathon\\_renewed\\_deir\\_comment\\_ltr-pdf.pdf?la=en&rev=b8347a40407e496f9a01fb77852e0de7](https://www.baaqmd.gov/~media/files/planning-and-research/ceqa-letters/2021/2021_1217_marathon_renewed_deir_comment_ltr-pdf.pdf?la=en&rev=b8347a40407e496f9a01fb77852e0de7).

#### Phillips 66 Rodeo Renewed Project

An application was submitted on May 24, 2021, to transform the existing Rodeo Refinery into a facility that converts alternative feedstocks into diesel, components of other transportation fuels, and fuel gas using existing refinery process units. Phillips 66 Refinery is currently permitted to refine 117,000 barrels per day (bpd) of crude oil. After completion of the project, the facility's capacity will be 69,000 bpd of alternative feedstocks.

Alternative feedstocks will be primarily delivered across the Marine Terminal. Alternative feedstocks will also be delivered to the Rodeo facility using the existing railcar infrastructure, modified to reflect the elimination of butane exports. Existing equipment will also be modified to enable the offloading of local alternative feedstocks by tanker truck. Upon completion of the Project the Rodeo facility will no longer process conventional or nonconventional crude oils, will operate fewer fired heaters, and will no longer export butanes across the existing rail rack. Truck traffic will decrease because trucks will no longer be needed for the export of coke products (which will no longer be produced) and sulfur production will be significantly reduced. Removed equipment would include heaters, tanks, molten sulfur pits, sulfur recovery units, carbon plant and a crude distillation unit.

The Project includes other changes to Phillips 66's facilities. The Santa Maria facility in San Luis Obispo County that currently provides crude oil feedstocks to the Rodeo facility will be idled and decommissioned. The existing Phillips 66 crude oil pipeline network from the gathering fields in central California to the Rodeo facility will no longer be necessary to support the reconfigured facility and will be active, but out of service. To account for the idling of the Santa Maria facility and to maintain production levels during the transition process, the Project proposes to increase deliveries of crude oil across the Marine Terminal on a short-term (7 months) and transitional basis. This interim increase is not a Marine Terminal expansion, nor does it require any physical construction. Once the Rodeo Renewed Project is complete, the Marine Terminal will end crude oil deliveries.

Contra Costa County is the lead agency for the California Environmental Quality Act. The Draft Environmental Impact Report (DIEIR) was posted on October 14, 2021, with comments due December 17, 2021. The Air District sent the following comment letter to Contra Costa County: [https://www.baaqmd.gov/~media/files/planning-and-research/ceqa-letters/2021/2021\\_1217\\_p66\\_renewed\\_deir\\_comment\\_ltr-pdf.pdf?la=en&rev=188621aa22b64deab660b662e4e84ad6](https://www.baaqmd.gov/~media/files/planning-and-research/ceqa-letters/2021/2021_1217_p66_renewed_deir_comment_ltr-pdf.pdf?la=en&rev=188621aa22b64deab660b662e4e84ad6).

#### Next Steps

Marathon and Phillips 66 submitted the air permit applications for the Alternative Fuels Projects on October 5, 2020, and May 24, 2021, respectively. The County of Contra Costa posted the CEQA's Notices of Preparation for Marathon on February 17, 2021, and on December 21, 2020, for Phillips 66. The draft Environmental Impact Reports for Marathon and Phillips 66 were put

on public notice on October 14, 2021, and the Air District submitted comments for both Alternative Fuels Projects to the County of Contra Costa on December 17, 2021. The Air District deemed Marathon's air permit application complete on December 15, 2021, and Phillips 66's on February 14, 2022. Both Alternative Fuels Projects passed the Health Risk Assessments on December 16, 2021 (Marathon) and January 7, 2022 (Phillips 66). The Authority to Construct (AC) issuance for both projects will be pending upon CEQA approval. For Marathon, the estimated Alternative Fuels Project startup will be the date of AC issuance plus 6 months for Phase I. Phase II will be the AC issuance date plus 16 months and Phase III will be the AC issuance date plus 19 months. For Phillips 66, the estimated Alternative Fuels Project startup will be in early 2024, close to Marathon's Phase III.

Staff will continue to evaluate the alternative fuels projects for the Martinez Refinery and Phillips 66. The EIR for the Marathon Martinez Refinery Renewable Fuels Project will be brought before the Contra Costa County Planning Commission for certification on March 23, 2022. The date to bring the EIR for the Phillips 66 Rodeo Renewed Project for certification to the Contra Costa County Planning Commission has not been determined. After certification of the respective project EIRs, the Air District can issue the Authority to Construct for the alternative fuel projects.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Danny Nip  
Reviewed by: Pamela Leong and Damian Breen

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson John Bauters and Members  
of the Stationary Source and Climate Impacts Committee

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 21, 2022

Re: Major Stationary Source Community Air Monitoring (Schedule X Fees)

RECOMMENDED ACTION

None; Information only, receive and file.

BACKGROUND

In 2016, the Air District amended Regulation 3 (Fees) to establish a new fee schedule (Schedule X) to recover the costs associated with its new Major Stationary Source Community Air Monitoring Program (Program). The goal of the Program is to establish monitoring stations in areas where major stationary sources may contribute to air quality impacts that are not captured by the Air District's existing monitoring network.

DISCUSSION

In 2018, the Air District launched the Major Stationary Source Community Air Monitoring Program with a series of community workshops to gather information about air quality concerns and suggested monitoring locations. With this input, District staff assessed available data on meteorology, monitoring, modeling, and disparities in environmental exposure to identify general areas near each refinery where monitors could be placed. These assessments are described in a report with an overview of the Program and the general process for identifying new community air monitoring locations. The report and technical appendices are posted on the Air District's web page for Special Air Monitoring Projects at <https://www.baaqmd.gov/about-air-quality/special-air-monitoring-projects>.



After conducting a public workshop and completing a preliminary assessment for the Valero refinery, Air District staff began in late 2018 to contact property owners in Benicia about the prospect of installing a monitoring station at specific locations near the Valero refinery. In 2019, the Air District focused on finalizing logistics for one location, but the property owners reconsidered their interest in hosting a monitoring station. Throughout 2020, Air District staff subsequently worked with the Benicia Fire Chief, Deputy City Manager, and City Manager to identify twenty-nine alternate locations on City property. After visiting all twenty-nine sites and assessing their viability, the Air District narrowed its search to three candidate sites.

Following its extensive search for potential monitoring sites in the City of Benicia, the Air District held a public workshop on June 30, 2021 to gather public input on the three candidate locations. On March 3, 2022, the City of Benicia City Council approved to accept the Air District lease agreement at the Benicia Fire Museum. Currently, the lease is routing through the City of Benicia for signatures.

Air District staff will present the steps taken to identify candidate sites, status of the Benicia community air monitoring station, and next steps for development of monitoring stations in the other refinery communities.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Ila Perkins, Joe Lapka, Kate Hoag, Brian Butler, Kristen Law  
Reviewed by: Ranyee Chiang

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Report of the Richmond Area Community Emissions Reduction Plan Steering  
Committee Meeting of March 21, 2022

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

None.

DISCUSSION

The Richmond Area Community Emissions Reduction Plan Steering Committee met on Monday, March 21, 2022, and approved the minutes of February 28, 2022. This meeting was conducted under procedures authorized by Assembly Bill 361. Members of the Committee participated by teleconference.

The Committee then received a series of presentations from the Steering Committee's Community Description and Technical Assessment Ad Hoc Committees, and from Air District staff, regarding how to link community air quality concerns to strategies and mitigation efforts, set targets, and track progress (technical assessment insights). The presentation began with an air quality overview for the Community Emissions Reduction Plan area and then moved to insights focused on categories of community-identified air quality concerns, starting with fuel refining and related operations. Technical insights for additional categories of concerns will be shared in presentations at subsequent meetings.

The Committee then received and discussed the staff presentation *Compliance & Enforcement Data Findings from 2019-2021*. This presentation explained key facilities in the community, and the Air District's inspection, investigation, complaint, and enforcement actions data in the Richmond/San Pablo community. Additionally, the presentation summarized the data, displayed trends, and indicated whether data compared with field observations, and whether the data has aligned with community concerns.

The next meeting of the Richmond Area Community Emissions Reduction Plan Steering Committee will be held on Monday, April 25, 2022, at 5:30 p.m., via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021). This concludes the Chair Report of the Richmond Area Community Emissions Reduction Plan Steering Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Path to Clean Air Community Emissions Reduction Plan Community Steering Committee  
March 21, 2022 Meeting Memorandums

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Members of the Path to Clean Air Steering Committee

From: Veronica Eady  
Senior Deputy Executive Officer of Policy & Equity

Date: March 21, 2022

Re: Technical Assessment (TA): Results (Part I: Refinery Operations)

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The technical assessment, in combination with other types of information, is intended to help link community air quality concerns to strategies and mitigation efforts, and also to set targets and track progress. Staff in the Air District's Assessment, Inventory, and Modeling (AIM) and Meteorology and Measurement (M&M) divisions have been preparing analyses of technical information such as data from emissions inventories, air quality modeling, and air quality monitoring, insights from which are intended to assist the Community Steering Committee with selecting and prioritizing strategies to reduce pollution emissions and exposure.

DISCUSSION

Building on previous presentations that introduced technical assessment concepts, tools, and methods, in this presentation Air District staff will share insights from analyses of emissions inventory, air modeling, and air monitoring data. The presentation will begin with an air quality overview for the Community Emissions Reduction Plan (CERP) area and then move to insights focused on categories of community-identified air quality concerns, starting with fuel refining and related operations. Technical insights for additional categories of concerns will be shared in presentations at subsequent meetings.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Veronica Eady  
Senior Deputy Executive Officer of Policy & Equity

Prepared by: Steve Reid and Dan Alrick  
Reviewed by: Veronica Eady

ATTACHMENTS:

None

PATH TO CLEAN AIR COMMUNITY  
EMISSIONS REDUCTION PLAN  
COMMUNITY STEERING COMMITTEE  
MEETING OF 03/21/22

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Members of the Path to Clean Air Steering Committee

From: Veronica Eady  
Senior Deputy Executive Officer of Policy & Equity

Date: March 21, 2022

Re: Compliance & Enforcement Division Presentation of Findings from 2019-2021

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Compliance & Enforcement Division at the Air District is responsible for verifying compliance with applicable federal, state, and Air District regulations and permit requirements by conducting routine on-site inspections on sources that are subject to these requirements. The division also receives and investigates air quality complaints and episodic events that involve excess emissions reported by facilities, among other enforcement activities. During the course of an inspection or investigation, staff take appropriate enforcement action if any non-compliance is discovered. Ultimately, the division aims to improve overall compliance and reduce emissions across regulated facilities by actively inspecting and investigating sources of air pollution.

DISCUSSION

The purpose of the Compliance and Enforcement findings presentation is to share with the Steering Committee inspection and investigation data, complaint data, and enforcement actions data in the Richmond/San Pablo community. Additionally, the presentation will summarize the data, show trends, discuss how well the data compare with field observations, and whether they align with community concerns. Finally, the presentation will provide an overview of key facilities in the community. Questions and active discussions with the Steering Committee about the data and the work of the division will be welcomed and encouraged.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Veronica Eady  
Senior Deputy Executive Officer of Policy & Equity

Prepared by: Ying Yu and Linda Duca  
Reviewed by: Veronica Eady

ATTACHMENTS:

None

PATH TO CLEAN AIR COMMUNITY  
EMISSIONS REDUCTION PLAN  
COMMUNITY STEERING COMMITTEE  
MEETING OF 03/21/22

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Report of the Budget & Finance Committee Meeting of March 23, 2022

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

None.

DISCUSSION

The Budget & Finance Committee met on Monday, March 23, 2022, and approved the minutes of February 23, 2022. This meeting was conducted under procedures authorized by Assembly Bill 361. Members of the Committee participated by teleconference.

The Committee reviewed and discussed the presentation Fiscal Year Ending 2021 Bay Area Air Quality Management District Presentation of Audit Results to the Budget and Finance Committee, given by Joseph Moussa from Simpson & Simpson, LLP.

The Committee then reviewed and discussed the staff presentation Amendments to Regulation 3, Fees. The Committee requested to discuss this item again prior to the first of the Board's two public hearings (the first being in April.)

Finally, the Committee then reviewed and discussed the staff presentation Discussion of Proposed Budget for FYE 2022-2023.

The next meeting of the Budget & Finance Committee will be on Wednesday, April 27, 2022 at 9:30 am via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021). This concludes the Chair Report of the Budget & Finance Committee.



BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Budget & Finance Committee March 23, 2022 Meeting Memorandums

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Carole Groom and Members  
of the Budget and Finance Committee

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 23, 2022

Re: Air District Financial Audit Report for Fiscal Year Ending (FYE) 2021

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Pursuant to Section II.2.1 of the Administrative Code, the Air District is required to have an annual independent financial audit. The Independent Auditors, Simpson & Simpson, LLP completed the Financial Audit Report of the Air District's Financial Statements for the Fiscal Year Ending (FYE) 2021. The Independent Auditors also completed the Financial Audit Report of the Office of Management and Budget (OMB) Circular A-133 for FYE 2021.

DISCUSSION

The Air District's independent auditors completed their audit of the Air District's financial records and activities for the year ended June 30, 2021 and issued an "unqualified opinion" or clean opinion on the financial statements. Attached are the audit reports being presented along with a brief summary:

1. Basic Financial Statements

The statements are prepared in conformity with generally accepted accounting principles. The purpose of the statements is to convey financial information to external customers/users. The statements report the Air District's annual operations and demonstrate financial compliance with legal requirements. The report on the basic financial statements is unqualified with no reportable conditions, no instances of non-compliance, and no financial statement findings noted. While there were no significant deficiencies or material weaknesses, the auditors did communicate some recommendations to strengthen internal controls and operating efficiency.

2. Office of Management and Budget (OMB) Circular A-133

This report addresses the auditors' consideration of the Air District's internal control over financial reporting, and results of auditor's tests of the Air District's compliance with provisions of laws, regulations, contract and grant agreements, and other areas in accordance with Government Auditing Standards.

A member of the independent audit firm, Simpson & Simpson LLP, will be at the meeting to present audited reports to the Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The cost for the audit is included in the FYE 2022 Budget.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Stephanie Osaze  
Reviewed by: Jeff McKay

ATTACHMENTS:

1. Air District Financial Statement Audit Draft Report FY 2021
2. Air District Single Audit Draft Report FY 2021

**BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT  
Basic Financial Statements  
With Independent Auditor's Report  
For the Year Ended June 30, 2021**



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Basic Financial Statements  
For the Year Ended June 30, 2021

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## Independent Auditor's Report

The Board of Directors of  
Bay Area Air Quality Management District

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund of the **Bay Area Air Quality Management District** (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Bay Area Air Quality Management District as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters*****Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and the required supplementary information on pages 47 through 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information on page 54 is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March XX, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Los Angeles, California  
March XX, 2022



## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

### **Management's Discussion and Analysis**

**Year Ended June 30, 2021**

**(Unaudited)**

This discussion and analysis of the Bay Area Air Quality Management Air District (Air District) financial performance provides an overview of the Air District's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the accompanying basic financial statements and notes.

#### **A. Financial Highlights**

- At the close of the fiscal year 2020-2021, the Air District's net position is \$222,105,568. The total net position includes \$51.2 million for net investment in capital assets, \$172.4 million for restricted net position and a negative \$1.5 million for the unrestricted net position.
- The assets and deferred outflows of resources of the Air District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year 2020-21, increasing the Air District's overall (net position) by \$14.1 million or 6.8%.
- The Air District's governmental funds reported a total fund balance of \$261,521,355; \$165,990,001 for the Special Revenue Fund and \$95,531,354 for the General Fund. The entire fund balance of the Special Revenue Fund in the amount of \$165,990,001 is reserved for air quality grants and projects. The \$95,531,354 General Fund balance consists of \$33,458,045 representing the assigned fund balance, \$6,393,007 restricted, \$1,436,290 committed or nonspendable and the remaining balance of \$54,244,012 unassigned.



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Management's Discussion and Analysis

Year Ended June 30, 2021

(Unaudited)

Table 1 presents the General Fund detail of fund balances as of June 30, 2021, and June 30, 2020.

**Table 1. General Fund Balances as of June 30, 2021, and 2020**

<b>Category</b>	<b>General Fund June 30, 2021</b>	<b>General Fund June 30, 2020</b>	<b>Increase/ (Decrease)</b>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Prepaid Expenses	\$ 1,436,290	\$ 954,940	\$ 481,350
<b>Restricted:</b>			
Air Quality Grants and Projects	649,996	649,872	124
Post-Employment Benefits	3,630,996	3,520,969	110,027
Debt service	2,112,015	1,546,732	565,283
<b>Assigned:</b>			
Pension Liability Funding	4,000,000	3,000,000	1,000,000
Air Quality Grants and Projects	19,848,884	22,489,782	(2,640,898)
Other Assigned	9,609,161	4,834,914	4,774,247
<b>Unassigned:</b>	<u>54,244,012</u>	<u>45,529,546</u>	<u>8,714,466</u>
<b>Total Fund Balance</b>	<u><b>\$ 95,531,354</b></u>	<u><b>\$ 82,526,755</b></u>	<u><b>\$ 13,004,599</b></u>

**B. Overview of the Financial Statements**

This discussion and analysis is designed to serve as an introduction to the Air District's basic financial statements. The Air District's basic financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also includes required and other supplementary information in addition to the basic financial statements.

**Government-Wide Financial Statements**

The focus of government-wide financial statements is on the overall financial position and activities of the Air District.

## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Management's Discussion and Analysis

Year Ended June 30, 2021

(Unaudited)

### **B. Overview of the Financial Statements, Continued**

The government-wide financial statements are designed to provide readers with a broad overview of the Air District's finances in a manner similar to a private sector business. They provide information about the activities of the Air District as a whole and present a longer-term perspective of the Air District's finances. Government-wide financial statements include the Statement of Net Position and the Statement of Activities.

The Statement of Net Position reports all assets, deferred outflows of resources, liabilities owed by the Air District, and deferred inflows of resources on a full accrual basis. The difference between the assets held and deferred outflows of resources, and the liabilities owed and deferred inflows of resources, is reported as *Net Position*. The net position total is comparable to total stockholder's equity presented on the balance sheet of a private enterprise. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Air District is improving or deteriorating. The Statement of Net Position as of June 30, 2021, is presented on page 13.

The Statement of Activities reports the net cost of the Air District's activities by category and is also prepared on a full accrual basis. Under the full accrual basis of accounting, revenues and expenses are recognized as soon as the underlying event occurs, regardless of the timing of the related cash flows. The focus of the Statement of Activities is on the cost of various work programs performed by the Air District. The statement begins with a column that identifies the total cost of these programs followed by columns that summarize the Air District's program revenues by major category. The difference between expenses and revenues represents the net cost or benefit of the Air District's work programs. General revenues are then added to the net cost/benefit to calculate the change in net position. The Statement of Activities is presented on page 14.

All the Air District's activities are governmental in nature and no business-type activities are reported in these statements.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Bay Area Air Quality Management Air District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. For governmental activities, these statements tell how these services were financed in the short-term and what is left over for future spending. Fund financial statements also report the Air District's operations in more detail than the government-wide statements by providing information about the Air District's major funds. The Air District maintains two governmental funds: the General Fund and Special Revenue Fund.



## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Management's Discussion and Analysis

Year Ended June 30, 2021

(Unaudited)

### **B. Overview of the Financial Statements, Continued**

#### **Governmental Funds**

Governmental fund financial statements consist of the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances. Both are prepared using the modified accrual basis of accounting.

Balance Sheets prepared under the modified accrual basis of accounting have a short-term emphasis and, for the most part, measure and account for cash and other assets that can be easily converted to cash. Specifically, cash and receivables that are deemed collectible within a very short period of time are reported on the balance sheet. Capital assets such as land and buildings are not reported in governmental fund financial statements. Fund liabilities include amounts that will be paid within a very short period of time after the end of the fiscal year. Long-term liabilities such as outstanding bonds are not included. The difference between a fund's total assets, deferred outflow of resources, total liabilities, and deferred inflows of resources represents the fund balance. The unassigned portion of fund balance represents the amount available to finance future activities. The Air District's governmental funds balance sheets can be found on page 15.

The Statement of Revenues, Expenditures, and Changes in Fund Balance include only revenues and expenditures that were collected in cash or paid with cash during the fiscal year or very shortly after the end of the fiscal year. The governmental funds Statements of Revenues, Expenditures, and Changes in Fund Balances can be found on page 17.

Since a different basis of accounting is used to prepare these statements, reconciliation is required to facilitate the comparison between the government-wide statements and the fund financial statements. The reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position is on page 16. The reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities can be found on page 18.

#### **Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 19 to 46.

#### **Required and Other Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Air District's other post-employment benefit (OPEB) liabilities, retirement pension liabilities held by California Public Employees Retirement System (PERS), general fund and special revenue fund budget comparison schedules, and supplementary information concerning the Air District's TFCA and Carl Moyer program expenditures on pages 47 to 54.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Management's Discussion and Analysis

Year Ended June 30, 2021

(Unaudited)

**C. Government-Wide Financial Analysis**

The government-wide financial analyses focus on net position and changes in net position of the Air District's governmental activities. Table 2 below shows a condensed Statement of Net Position as of June 30, 2021, compared to the fiscal year ended June 30, 2020.

**Table 2. Statement of Net Position as of June 30, 2021, and June 30, 2020**

	Governmental Activities June 30, 2021	Governmental Activities June 30, 2020	Increase/ (Decrease)
Current & Other Assets	\$ 388,836,657	\$ 391,951,663	\$ (3,115,006)
Capital Assets	69,302,978	71,542,917	(2,239,939)
<b>Total Assets</b>	<b>458,139,635</b>	<b>463,494,580</b>	<b>(5,354,945)</b>
Deferred Outflows of Resources	27,794,579	22,867,292	4,927,287
Current Liabilities	128,725,725	148,578,743	(19,853,018)
Noncurrent Liabilities	129,161,657	120,217,761	8,943,896
<b>Total Liabilities</b>	<b>257,887,382</b>	<b>268,796,504</b>	<b>(10,909,122)</b>
Deferred Inflows of Resources	5,941,264	9,588,315	(3,647,051)
Net Position			
Invested in Capital Assets	51,202,978	52,654,146	(1,451,168)
Restricted	172,383,008	167,687,961	4,695,047
Unrestricted net position	(1,480,418)	(12,365,054)	10,884,636
<b>Total Net Position</b>	<b>\$ 222,105,568</b>	<b>\$ 207,977,053</b>	<b>\$ 14,128,515</b>

On June 30, 2021, the Air District's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources by \$222.1 million, an increase of \$14.1 million over the previous fiscal year.

As noted earlier, total net position may serve over time as a useful indicator of the Air District's financial position. Restricted net position is to be used for specific programs and purposes according to legal terms and conditions. The remaining portion of the Air District's net position is unrestricted and at the end of the fiscal year had a negative balance of \$1.5 million. This change is a combination of decreases in liabilities mainly related to unearned revenue being recognized in the Community Health Protection program, offset by increases current obligations for Pension and Other Post-Employment Benefits.



# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

## Management's Discussion and Analysis

Year Ended June 30, 2021

(Unaudited)

### C. Government-Wide Financial Analysis, Continued

Table 3 below provides changes in net position for the fiscal year ending June 30, 2021, compared with the fiscal year ended June 30, 2020.

**Table 3. Statement of Activities for Fiscal Years 2020-21 and 2019-20**

	Governmental Activities FY 2020-21	Governmental Activities FY 2019-20	Dollar Increase / (Decrease)	Percentage Increase / (Decrease)
<b>Revenues:</b>				
TFCA/MSIF DMV Fees	\$ 39,519,623	\$ 34,752,161	\$ 4,767,462	14%
Carl Moyer	50,347,536	23,890,911	26,456,625	111%
California Goods Movement Revenue	16,812	9,131,584	(9,114,772)	-100%
Permit Fees	49,450,364	47,052,179	2,398,185	5%
State Subvention	1,748,876	1,743,099	5,777	0%
Federal Grants	5,353,330	6,406,626	(1,053,296)	-16%
Penalties & Variance Fees	4,226,331	1,386,571	2,839,760	205%
Asbestos Fees	4,094,654	4,380,504	(285,850)	-7%
Interest Revenue	938,034	1,383,522	(445,488)	-32%
Other Revenues	128,257	380,505	(252,248)	-66%
State Grants	15,241,471	18,632,494	(3,391,023)	-18%
Vehicle Settlement	983,914	2,238,938	(1,255,024)	-
County Apportionments	39,778,799	37,558,118	2,220,681	6%
<b>Total Revenues</b>	<b>211,828,001</b>	<b>188,937,212</b>	<b>22,890,789</b>	<b>12%</b>
<b>Expenses:</b>				
General Government	104,432,589	102,830,973	1,601,616	2%
TFCA/MSIF, CMP, & Other programs	92,140,799	59,482,605	32,658,194	55%
California Goods Movement Program	181,842	9,110,363	(8,928,521)	-98%
Vehicle Settlement	698,586	443,295	255,291	-
Debt Service	245,670	462,577	(216,907)	-47%
<b>Total Expenses</b>	<b>197,699,486</b>	<b>172,329,813</b>	<b>25,369,673</b>	<b>15%</b>
<b>Change in Net Position</b>	<b>14,128,515</b>	<b>16,607,399</b>	<b>(2,478,884)</b>	<b>-15%</b>
<b>Net Position-beginning of year, Restated</b>	<b>207,977,053</b>	<b>191,369,654</b>	<b>16,607,399</b>	<b>9%</b>
<b>Net Position-ending of year</b>	<b>\$ 222,105,568</b>	<b>\$ 207,977,053</b>	<b>\$ 14,128,515</b>	<b>7%</b>

## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Management's Discussion and Analysis

Year Ended June 30, 2021

(Unaudited)

### **C. Government-Wide Financial Analysis, Continued**

#### **Governmental Activities**

The objective of the Statement of Activities is to report the full cost of providing government services during the fiscal year. The format also permits the reader to ascertain the extent to which each function is either self-financing or draws funds from the general funds of the government.

The Statement of Activities presents information showing how the Air District's net position changed during the fiscal year 2020-2021. All changes in net position are reported as soon as the underlying event occurs regardless of the timing of the cash flows.

Governmental functions of the Air District are predominately supported by fees, property taxes, subvention, grants, and penalties and settlements. The penalties and settlements are one-time revenues, which are over and above the regular revenues directly related to the programs. The primary governmental activities of the Air District are to advance clean air technology, ensure compliance with clean air rules, develop programs to achieve clean air, develop rules to achieve clean air, monitor air quality, permit review and Special Revenue Fund activities.

On June 30, 2021, the Air District's governmental activities reported ending net position of \$222,105,568, an increase of \$14,128,515 in comparison to the prior year. The primary reason is due to increased activities in the following programs: General Fund Program, Transportation for Clean Air/Mobile Source Incentive Program, and AB134 Community Incentive program.

- Overall governmental revenues are \$211,828,001; an increase of \$22,890,789 from the prior year. This increase is comprised of \$38.7 million increase; \$26.5 million relates to increase funding for the Carl Moyer's AB134 Community Incentive program. The remaining increase of \$12.2 million is the TFCA/MSIF grant programs and the General Government Program primarily due to increased permit fees, penalties and variance fees, and County apportionment from higher assessed valuations in the bay area. These increases are offset by a \$15.8 million decrease in expenditures for the California Goods Movement program, Vehicle Settlement program and Federal and State programs.
- Overall governmental expenditures are \$197,699,486; an increase of \$25,369,673 over the prior year. Of the \$25.4 million increase, approximately \$32.7 million relates to grant activities for the following programs: Carl Moyer's AB134 Community Incentive program and TFCA/MSIF programs, and a \$1.6 million increase in the General Government Program related to changes in GASB 68 Pension valuation and compensated absences. This increase is offset by \$8.9 million reduced grant expenditures in the California Goods Movement program.



## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Management's Discussion and Analysis

Year Ended June 30, 2021

(Unaudited)

### D. General Fund Financial Analysis

Figure 1 below provides a pie chart of the Air District's General Fund revenues (net of other financing sources) for fiscal year 2020-2021. The General Fund recognized total revenue of \$112,805,434 in fiscal year 2020-21, an increase of \$7.2 million over fiscal year 2019-20. This increase is mainly comprised of increased revenues in property tax due to increased economic activities, penalties & variance fees, and increased program revenues due to increase in fee regulation fees implemented in July 2021. Program Revenue includes Permit, AB2588, Title V, and Asbestos fees. Program revenues are the largest General Fund revenue source in fiscal 20-21 (\$52.9 million), followed by Property Tax (\$39.8 million), Grants (\$12.3 million), Other revenues (\$3.6 million), and Penalties (\$4.2 million).

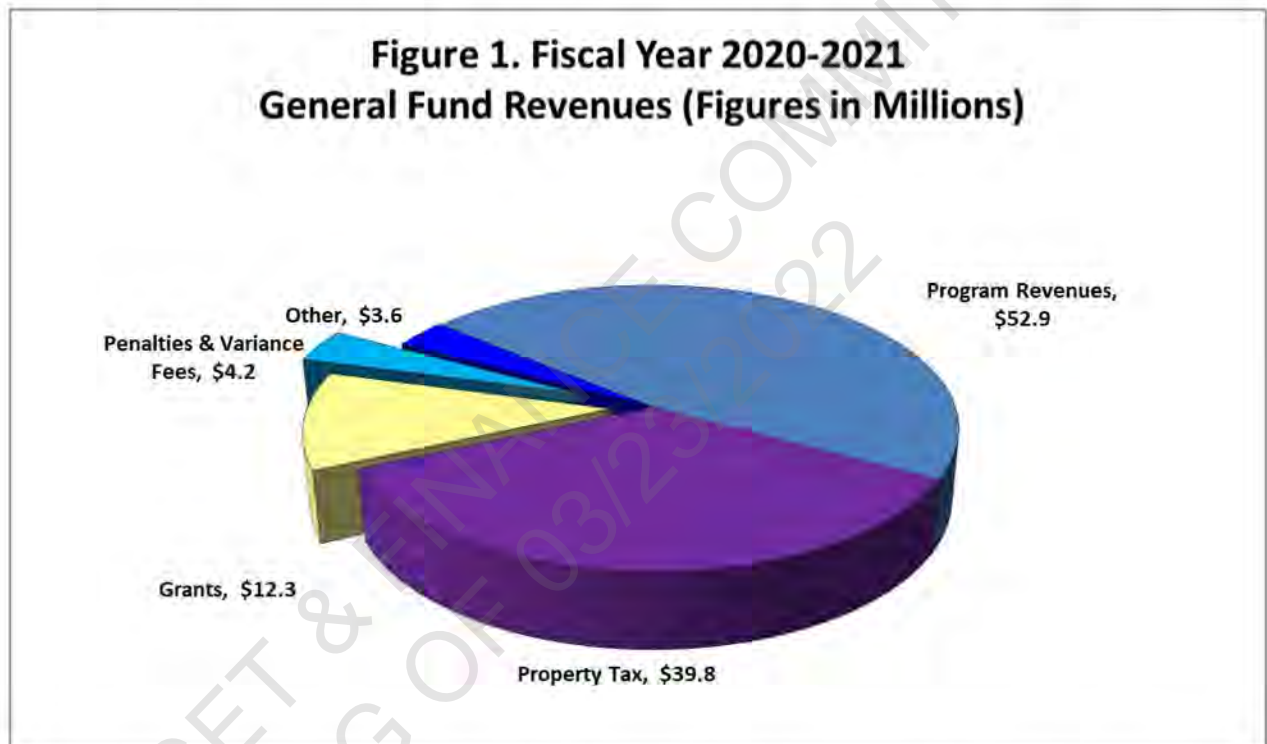


Figure 2 below provides a graph of General Fund operating expenditures (net of other financing uses) for fiscal year 2020-21. General Fund operating expenditures totaled \$101,097,533 which is a decrease of \$1.1 million over fiscal year 2019-20. This decrease is a mainly related to one-time costs associated with a settlement payment and Air District's shared improvement cost to 1<sup>st</sup> floor retail space at 375 Beale Street in prior year, offset by increased personnel & benefit cost associated with increase in staffing levels and increased professional services across various programs of the Air District. General Fund expenditures represent the Air District's general government operating costs categorized into the following operating divisions: Compliance and Enforcement (\$13.5 million), Engineering (\$11.6 million), Administration (\$13.3 million), Information Systems (\$4.3 million), Meteorology and Measurements (\$15.1 million), Executive Office (\$14.2 million), Planning & Research (\$5.7 million), Outreach & Incentives (\$4.1 million), Strategic Incentives (\$0.1 million), Assessment, Inventory and Modeling (\$4.3 million), Community Engagement and Policy (\$4.7 million), Technology Implementation (\$0.7 million) and Legal Services (\$4.1 million). Capital Outlay (\$3.6 million), Debt Service Payments (\$1.0 million) and Program Distribution (\$0.7 million) are not operating divisions, but rather categories capturing expenditures related to capital assets, COPs financing and special projects, respectively.

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Management's Discussion and Analysis

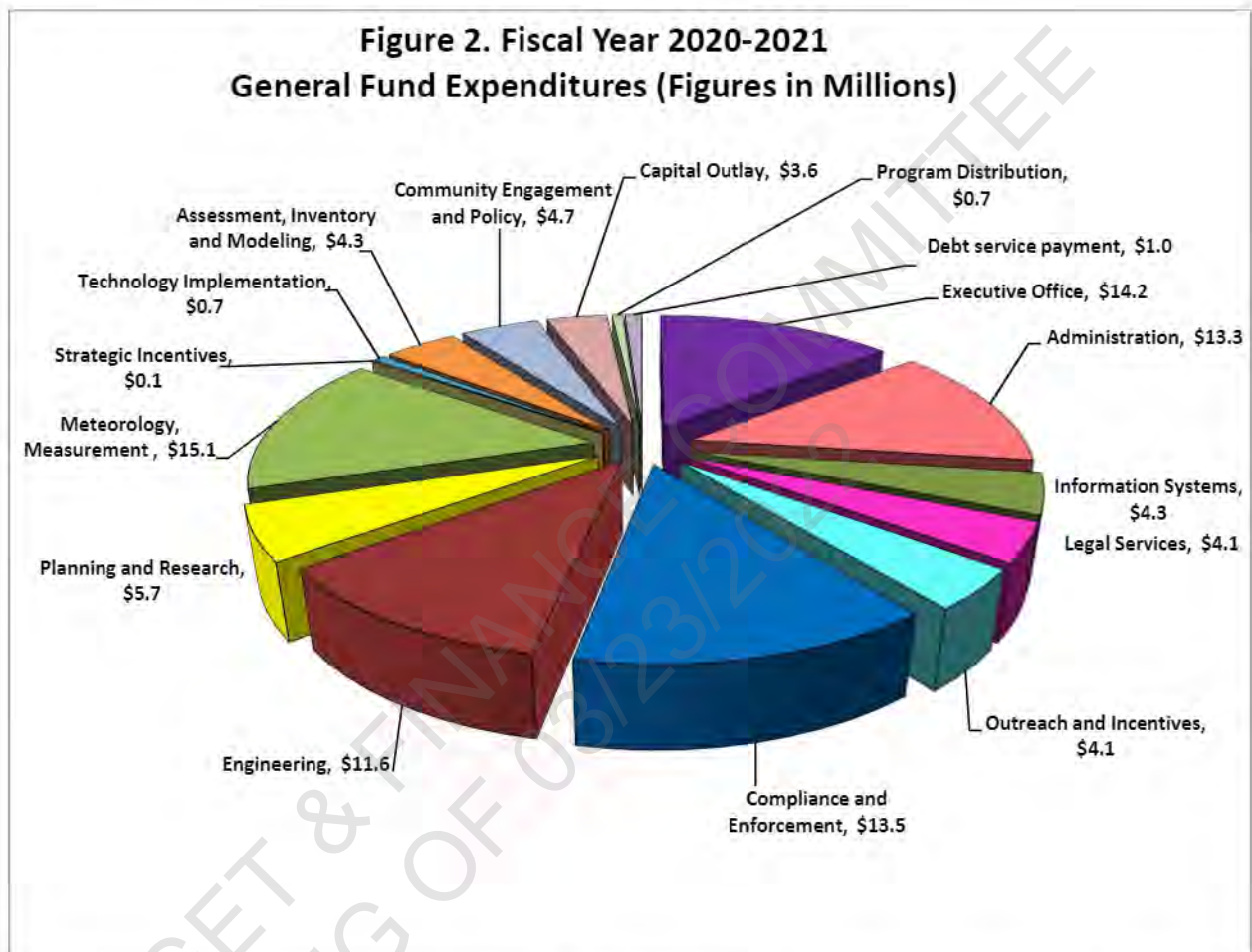
Year Ended June 30, 2021

(Unaudited)

### D. General Fund Financial Analysis, Continued

General Fund operating revenues exceeded operating expenditures by \$11.7 million in fiscal year 2020-21.

**Figure 2. Fiscal Year 2020-2021  
General Fund Expenditures (Figures in Millions)**



The General Fund is the operating fund of the Air District and at the end of the fiscal year, the total fund balance of the General Fund was \$95.5 million. The assigned fund balance was \$33.5 million, restricted \$6.4 million, non-spendable \$1.4 million, and the remaining \$54.2 million is unassigned. The unassigned fund balance represents 54% of the total General Fund expenditures, while the total fund balance represents 94% of the total General Fund expenditures. The Air District has available funds for unanticipated emergencies.

The FY 2020-21 amended budget compared to the adopted budget reflect an increase in appropriations of \$23.7 million. The changes to the budget were the result of Governing Board actions that allocated additional funding after the budget was adopted and approved appropriations related to multi-year projects and obligations that will carry over to the next fiscal year. The FY 2020-21 actual revenues were above the final budget by \$14.2 million resulting from actions taken to maintain a very conservative budget to address uncertainties related to the COVID-19 pandemic. The Air District's actual permit related revenues did not result in any reductions, but rather either remains relatively stable with some increases from the prior year.



## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

### **Management's Discussion and Analysis**

**Year Ended June 30, 2021**

**(Unaudited)**

#### **E. Capital Assets**

Capital assets include land, buildings, lab equipment, air monitoring stations, computers, office furniture and fleet vehicles of the Air District. As of June 30, 2021, the Air District's investment in capital assets was \$69.3 million net of accumulated depreciation, a decrease of \$2.2 million or 3.1% from the prior year. Of this amount, \$5.9 million is depreciation expense; offset by approximately \$3.6 million in additional assets consisting of enterprise application and equipment purchases.

#### **F. Long-Term Liabilities**

At the end of current fiscal year, the Air District had total long-term liabilities of \$136.2 million. Of this amount, \$110.8 million comprises of the Air District's Net Pension Liability and Net OPEB Liability, while \$18.1 million pertains to the Air District's outstanding Certificate of Participation (COPs) and the remaining balance of \$7.3 million is related to compensated absences. Total Long-Term Liabilities increased from the prior year by \$9.9 million or 7.3%. This increase is mainly related to changes in the Net Pension Liability and Net OPEB valuations and increase in compensated absences.

#### **G. Economic Factors and Next Year's Budget**

The FYE 2022 Approved General Fund Budget of \$117.0 million is balanced, reflecting a \$0.5 million transfer from General Fund reserves to cover the continued capital improvements for the Richmond Office. The Air District receives approximately 35% of its General Fund revenue from property taxes levied in nine Bay Area counties and 43% of permit fees charged to local businesses. Consequently, Air District revenues are impacted by changes in the state and local economy. The Air District takes a fiscally conservative approach to its budget, and it strives to balance its budget within available current revenues. In FY 2021-2022, the Air District reinstated fee increases to its existing fee schedules and adopted a new fee schedule for the criteria pollutants and toxic emissions program. In addition, the Air District increased staffing level from 415 full time equivalent (FTE) to 441 FTE positions to address the growing demands on core programs. The additional 26 FTEs were approved in the budget with the caveat that a management audit would be conducted to determine the need for these additional staffing resources. The results of a management audit are expected in March 2022. In December 2021, the Board also authorized 4 additional FTEs to address further needs in the Executive office and Legal office, bringing the total authorized staffing level of 445. The Air District continues to focus on long term financial planning to ensure the vitality and effectiveness of its programs and recently prepared a Five-Year Financial Plan to project the Air District's financial health based on key economic assumptions.

#### **H. Requests for Information**

This financial report is designed to provide a general overview of the Air District's finances for all those with an interest in the Air District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Stephanie Osaze, Finance Director, at 375 Beale Street, Suite 600, San Francisco, CA 94105.

# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

## Statement of Net Position

June 30, 2021

### Governmental Activities

#### Assets:

Cash and cash equivalents	\$ 84,527,891
Restricted cash and cash equivalents	282,347,076
Receivables	16,423,699
Due from other governments	3,807,757
Prepays, deposits, and other assets	1,730,234
Capital assets:	
Non-depreciable	4,440,802
Depreciable	108,734,554
Less: accumulated depreciation	(43,872,378)
Total capital assets, net of depreciation	<u>69,302,978</u>
Total Assets	<u>458,139,635</u>

#### Deferred Outflows of Resources

27,794,579

#### Liabilities:

Accounts payable	2,981,313
Accrued liabilities	2,395,579
Other liabilities	1,412,447
Unearned revenue	114,906,386
Long-term liabilities	
Portion due within one year:	
Compensated absences	6,630,000
Certificates of participation	400,000
Portion due after one year:	
Compensated absences	689,167
Certificates of participation	17,700,000
Net pension liability	91,119,501
Net OPEB liability	19,652,989
Total Liabilities	<u>257,887,382</u>

#### Deferred Inflows of Resources

5,941,264

#### Net Position:

Net investment in capital assets	51,202,978
Restricted for:	
Air quality grants and projects	166,639,997
Post-employment benefits	3,630,996
Debt service	2,112,015
Unrestricted	(1,480,418)
Total Net Position	<u>\$ 222,105,568</u>

See accompanying notes to basic financial statements.

# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

## Statement of Activities

Year Ended June 30, 2021

Functions/programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Primary government	\$ 104,432,589	\$ 58,558,018	\$ 14,087,355	\$ (31,787,216)
California Goods Movement Program	181,842	-	16,812	(165,030)
Vehicle settlement	698,586	983,914	-	285,328
Interest expense	245,670	-	-	(245,670)
TFCA / MSIF, CPM & other programs:				
TFCA / MSIF & other program distribution	41,844,905	-	46,989,276	5,144,371
Carl Moyer Program	50,295,894	-	50,347,536	51,642
Total Governmental Activities	<u>\$ 197,699,486</u>	<u>\$ 59,541,932</u>	<u>\$ 111,440,979</u>	<u>(26,716,575)</u>
General revenues:				
County apportionment				39,778,799
Investment income not restricted for a specific program				938,034
Other				128,257
Total General Revenues				<u>40,845,090</u>
Change in Net Position				14,128,515
Net Position – Beginning of Year				207,977,053
Net Position – End of Year				<u>\$ 222,105,568</u>

See accompanying notes to basic financial statements.



# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Balance Sheet  
Governmental Funds  
June 30, 2021

	<b>General</b>	<b>Special Revenue</b>	<b>Total Governmental</b>
<b>Assets:</b>			
Cash and cash equivalents	\$ 84,527,891	\$ -	\$ 84,527,891
Restricted cash and cash equivalents	5,743,011	276,604,065	282,347,076
Receivables	9,291,266	7,132,433	16,423,699
Due from other governments	3,417,369	390,388	3,807,757
Due from other funds	6,866,614	-	6,866,614
Prepays, deposits, and other assets	1,614,786	115,448	1,730,234
Total Assets	<u>111,460,937</u>	<u>284,242,334</u>	<u>395,703,271</u>
<b>Liabilities and Fund Balances:</b>			
Accounts payable	2,142,906	838,407	2,981,313
Accrued liabilities	2,395,579	-	2,395,579
Due to other funds	-	6,866,614	6,866,614
Other liabilities	1,405,946	6,501	1,412,447
Unearned revenue	4,365,575	110,540,811	114,906,386
Total Liabilities	<u>10,310,006</u>	<u>118,252,333</u>	<u>128,562,339</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue	5,619,577	-	5,619,577
<b>Fund Balances:</b>			
Nonspendable:			
Prepaid items	1,436,290	-	1,436,290
Restricted:			
Air quality grants and projects	649,996	165,990,001	166,639,997
Postemployment benefits	3,630,996	-	3,630,996
Debt service	2,112,015	-	2,112,015
Assigned:			
Pension	4,000,000	-	4,000,000
Air quality grants and projects	19,848,884	-	19,848,884
Other assigned	9,609,161	-	9,609,161
Unassigned	54,244,012	-	54,244,012
Total Fund Balances	<u>95,531,354</u>	<u>165,990,001</u>	<u>261,521,355</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u><u>\$ 111,460,937</u></u>	<u><u>\$ 284,242,334</u></u>	<u><u>\$ 395,703,271</u></u>

See accompanying notes to basic financial statements.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
June 30, 2021

Total Fund balances - Governmental Funds	\$ 261,521,355
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$113,175,356 and accumulated depreciation is \$43,872,378 .	69,302,978
Receivables that will be collected in the following year and therefore are not available soon enough to pay for current period's expenditures and therefore are not reported in the governmental funds.	5,619,577
Long-term liabilities, including legal settlements, compensated absences, COPs liability, and capital lease obligation are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(25,419,167)
Proportionate share of net pension liability and related deferred inflow/outflow of resources are not reported in the governmental funds.	(74,865,770)
Net other post-employment benefits liability and related deferred inflow/outflow of resources are not reported in the governmental funds.	(14,053,405)
Total Net Position - Governmental Activities	<u>\$ 222,105,568</u>
See accompanying notes to basic financial statements.	

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
Year Ended June 30, 2021

	General	Special Revenue	Total Governmental
<b>Revenues:</b>			
TFCA / MSIF DMV fees	\$ -	\$ 39,519,623	\$ 39,519,623
Permit fees	48,765,335	-	48,765,335
County apportionment	39,778,799	-	39,778,799
California Goods Movement	-	16,812	16,812
Carl Moyer Program	-	50,347,536	50,347,536
Federal grants	4,789,234	564,096	5,353,330
Penalties and variance fees	4,226,331	-	4,226,331
Asbestos fees	4,094,654	-	4,094,654
State subvention	1,748,876	-	1,748,876
State and other grants	7,549,245	6,905,557	14,454,802
Portable equipment registration program (PERP)	786,669	-	786,669
Vehicle settlement	-	983,914	983,914
Other revenues	128,257	-	128,257
Interest and investment gain (loss)	938,034	-	938,034
<b>Total Revenues</b>	<b>112,805,434</b>	<b>98,337,538</b>	<b>211,142,972</b>
<b>Expenditures:</b>			
<b>General government:</b>			
Program distribution	656,982	-	656,982
Executive division	14,218,089	-	14,218,089
Administration resource division	13,256,810	-	13,256,810
Information services division	4,339,060	-	4,339,060
Legal services division	4,064,618	-	4,064,618
Communication office	4,143,185	-	4,143,185
Compliance and enforcement division	13,540,138	-	13,540,138
Engineering division	11,634,251	-	11,634,251
Planning and research	5,657,958	-	5,657,958
Meteorology and measurement division	15,080,872	-	15,080,872
Strategic incentives division	120,630	-	120,630
Technology implementation office	678,297	-	678,297
Assessment, inventory and model division	4,317,305	-	4,317,305
Community engagement and policy division	4,726,540	-	4,726,540
<b>TFCA / MSIF &amp; other programs:</b>			
Program distribution	-	34,129,220	34,129,220
Commuter assistance	-	64,232	64,232
Intermittent control	-	1,296,816	1,296,816
TFCA administration	-	882,605	882,605
Vehicle buy-back	-	3,367,605	3,367,605
Mobile source incentive	-	527,654	527,654
Miscellaneous incentive program	-	121,479	121,479
Regional electric vehicle deployment	-	1,445,135	1,445,135
Enhanced mobile source inspection	-	10,159	10,159
<b>Carl Moyer Program</b>			
Project funding	-	48,423,633	48,423,633
Grant administration	-	1,872,261	1,872,261
<b>California Goods Movement Program &amp; other</b>			
Grant administration	-	181,842	181,842
<b>Vehicle settlement</b>			
Grant administration	-	698,586	698,586
<b>Debt Service:</b>			
Principal	788,771	-	788,771
Interest	245,670	-	245,670
Capital outlay	3,628,357	-	3,628,357
<b>Total Expenditures</b>	<b>101,097,533</b>	<b>93,021,227</b>	<b>194,118,760</b>
Excess of Revenues Over Expenditures	11,707,901	5,316,311	17,024,212
<b>Other Financing Sources (Uses):</b>			
Transfers in	1,296,698	-	1,296,698
Transfers out	-	(1,296,698)	(1,296,698)
<b>Total Other Financing Sources (Uses)</b>	<b>1,296,698</b>	<b>(1,296,698)</b>	<b>-</b>
<b>Net Changes in Fund Balances</b>	<b>13,004,599</b>	<b>4,019,613</b>	<b>17,024,212</b>
Fund Balances, July 1, 2020	82,526,755	161,970,388	244,497,143
Fund Balances, June 30, 2021	\$ 95,531,354	\$ 165,990,001	\$ 261,521,355

See accompanying notes to basic financial statements.



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures  
and Changes in Fund Balances to the Statement of Activities  
Year Ended June 30, 2021

Net Changes in Fund Balances - Governmental Funds	\$17,024,212
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	(2,239,939)
Repayment on debt principal are reported as expenditures in the governmental funds, but constitute reductions to liabilities in the statement of net position.	788,771
In the statement of activities, compensated absences are measured by the amounts the employees earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(1,711,492)
Because certain revenues will not be collected soon enough to be considered "available" revenues for this year.	685,029
Actuarial pension expense is recognized in the government wide statements and actual pension contributions are reclassified in the current year as deferred outflow of resources.	(5,257,755)
Actuarial OPEB revenue is recognized in the government wide statements and actual OPEB contributions are reclassified in the current year as deferred outflow of resources.	4,839,689
Changes in Net Position of Governmental Activities	<u>\$14,128,515</u>

See accompanying notes to basic financial statements.

## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

### **Notes to Basic Financial Statements**

**Year Ended June 30, 2021**

#### **(1) Summary of Significant Accounting Policies**

The Bay Area Air Quality Management District (District) was created by the California legislature in 1955. The District's structure, operating procedures and authority are established by Division 26 of the California Health and Safety Code.

The following summary of the more significant accounting policies of the District is provided to assist the reader in interpreting the basic financial statements presented in this section. These policies, as presented, should be viewed as an integral part of the accompanying basic financial statements.

##### **(a) Reporting Entity**

The District's jurisdiction is limited principally to policing non-vehicular sources of air pollution within the Bay Area, primarily industry pollution and burning. Any company wishing to build or modify a facility in the Bay Area must first obtain a permit from the District to ensure that the facility complies with all applicable rules.

The District also acts as the program administrator for Transportation Fund for Clean Air (TFCA) funds and Mobile Source Incentive funds (MSIF) derived from Assembly Bill 434 and Assembly Bill 923, respectively. TFCA and MSIF funding comes from a \$4 and \$2 surcharge, respectively, on motor vehicles registered within the District's boundaries. TFCA funding may only be used to fund eligible projects that reduce motor vehicle emissions and support the implementation of the transportation and mobile source control measures in the 1994 Clean Air Plan. All projects must fall within the categories listed in State Law (Health and Safety Code Section 44241).

The Health and Safety Code requires the District to pass-through no less than 40% (forty percent) of the TFCA revenues raised within a particular county to that county's eligible, designated Program Manager. The remaining 60% (sixty percent) is for Regional Fund grants and is being allocated to projects on a competitive basis. Projects are evaluated using the District's Board adopted evaluation and scoring criteria. The District may receive reimbursement from TFCA funds, not to exceed 6.25% (six and a quarter percent) of total funds, for administration of the program. TFCA activities are accounted for in the District's Special Revenue Fund.

The District is responsible with regulatory stationary sources of air pollution in seven counties: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara; and portions of two other counties: Southwestern Solano and Southern Sonoma. The District is governed by a 24 (twenty-four) member Board of Directors that includes representatives from all of the above counties.

The basic financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

##### **(b) Government-wide and Fund Financial Statements**

The District's basic financial statements consist of fund financial statements and government-wide statements which are intended to provide an overall viewpoint of the District's finances. The government-wide financial statements, which are the statement of net position and the statement of activities, report information on all District funds excluding the effect of interfund activities. Governmental activities are normally supported by taxes and intergovernmental revenues.



## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

### Notes to Basic Financial Statements

Year Ended June 30, 2021

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds. The emphasis of fund financial statements is on major individual governmental funds, each of which is displayed in a separate column.

**(c) Basis of Accounting**

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when susceptible to accrual, i.e., both measurable and available to finance expenditures of the fiscal period. "Available" means collectible within the current period or soon enough thereafter to pay current liabilities.

The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 (sixty) days after year end, with the exception of revenues related to CMAQ Spare the Air, which are included in revenue if received within seven months after year end.

Expenditures for the governmental funds are generally recognized when the related fund liability is incurred, except debt service expenditures and expenditures related to compensated absences which are recognized when payment is due. Governmental capital asset acquisitions are reported as expenditures in the governmental funds.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place.

Imposed non-exchange transaction revenues result from assessments imposed on non-governmental entities, including individuals (other than assessments imposed on exchange transactions), and the revenues are recognized in the period when use of the resources is required or first permitted. District-imposed non-exchange transactions are the TFCA/MSIF DMV fees, Permit fees, Title V Permit fees, Asbestos fees, Penalties and Variance fees, and Settlements.

Government-mandated non-exchange transactions result from one level of government providing resources to another level of government and requiring the recipient to use the resources for a specific purpose. Voluntary non-exchange transactions result from agreements entered into voluntarily by the parties thereto. Both types of non-exchange transaction revenues are treated in the same manner. Revenues are recognized when all applicable eligibility requirements are met. District transactions of both types include the Carl Moyer program, Lower Emission School Bus program, State Subvention, EPA federal grants, OHS federal grants, CMAQ Spare the Air grants, other grants, California Goods Movement program, Shore Power program, and various agreements with the nine Counties served by the District.



## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

### **Notes to Basic Financial Statements**

**Year Ended June 30, 2021**

Those revenues susceptible to accrual are taxes, intergovernmental revenues, interest, charges for services, fines and penalties, and license and permit revenues.

Under the modified accrual basis, revenue from exchange and non-exchange transactions must meet both the "measurable" and "available" criteria to be recognized in the current period. On governmental fund financial statements, receivables that will not be collected within the availability period have been offset with unavailable revenue. Unearned revenue arises when assets are received before the revenue recognition criteria have been satisfied. Grants received before eligibility requirements have been satisfied are recorded as unearned revenue in the governmental fund financial statements (see Note 6).

#### **(d) Fund Accounting**

The District's accounting system is organized and operated on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A description of the activities of the major funds is provided below:

*General Fund* – The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

*Special Revenue Funds* – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for the specific purpose of the individual funds.

#### **(e) Cash and Investments**

Cash includes amounts in deposits with the San Mateo County Investment Fund (County Pool).

All District-directed investments are governed by Government Code Section 53601 and Treasury investment guidelines. The guidelines limit specific investments to government securities, domestic chartered financial securities, domestic corporate issues, and California municipal securities. The District's securities portfolio is held by the County of San Mateo Treasurer. All District investments are stated at fair value based on quoted market prices.

#### **(f) Receivables**

During the course of normal operations, the District carries various receivable balances for taxes, interest, and permitting operations. The District considers receivables to be fully collectible; accordingly, no allowance for doubtful accounts has been provided. If amounts become uncollectible, they will be charged to operations when that determination is made.

#### **(g) Short-term Interfund Receivables/Payables**

Occasionally, a fund will not have sufficient cash to meet its financial obligations and a cash transfer will be required to enable that fund to pay its outstanding invoices and other obligations. These temporary borrowings between funds are classified as "due from other funds" or "due to other funds" on the governmental funds balance sheet. Interfund balances within governmental activities are eliminated on the government-wide statement of net position.

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

### Notes to Basic Financial Statements

Year Ended June 30, 2021

#### (h) *Capital Assets*

Capital assets, which include land, depreciable assets, and construction in progress, are reported in the government-wide financial statements. Such assets are valued at historical cost or estimated historical cost unless obtained by annexation or donation, in which case they are recorded at estimated market value at the date of receipt. The District utilizes a capitalization threshold of \$5,000. Donated capital assets are recorded at their estimated fair value at the date of donation.

Projects under construction are recorded at cost as construction in progress and transferred to the appropriate asset account when substantially complete. Repair and maintenance costs are charged to expense when incurred. Equipment disposed of, or no longer required for its existing use, is removed from the records at actual or estimated historical cost, net of accumulated depreciation.

All capital assets, except land and construction in progress, are depreciated using the straight-line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Buildings, grounds & improvements	15 - 20
Equipment	5 - 15

#### (i) *Deferred Outflows / Deferred Inflows*

In addition to assets, the financial statements report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of resources that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Conversely, deferred inflows of resources represent an acquisition of resources that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Contributions made to the District's pension plan after the measurement date but before the fiscal year-end are recorded as a deferred outflow of resources. Additional factors involved in the calculation of the District's pension expense and net pension liability include the differences between expected and actual experience, changes in assumptions, and differences between projected and actual investment earnings. These factors are recorded as deferred outflows and inflows of resources and amortized over various periods. See Note 7 for further details related to these pensions deferred outflows and inflows. In the fund financial statements, the District reports unavailable revenues as a deferred inflow of resources.

#### (j) *Compensated Absences*

The District's policies provide compensation to employees for certain absences, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on any special event beyond the control of the District and its employees is accrued as employees earn those benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in a period in which such services are rendered or in which such events take place.



## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

### **Notes to Basic Financial Statements**

**Year Ended June 30, 2021**

The District's liability for compensated absences is recorded in the Statement of Net Position. District employees are allowed to accrue no more than four hundred and sixty hours of vacation as of the end of the calendar year. In the event of termination, the employees are reimbursed for all accumulated vacation at the time of separation from the District. There are no restrictions regarding the accumulation of sick leave. On termination, employees are not paid for accumulated sick leave, but the accumulated sick leave is counted as service credit by the CalPERS pension plan administered by the State of California.

**(k) Pensions**

The District participates in the Bay Area Air Quality Management District Miscellaneous Plan (the Plan), an agent multiple-employer defined benefit pension plan maintained by the California Public Employees' Retirement System (CalPERS). For purposes of measuring the net pension liability, pension expense, and deferred outflows/inflows of resources related to pensions, information about the fiduciary net position of the Plan, and additions to/deductions from the Plan's fiduciary net position, have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**(l) Use of Management Estimates**

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**(m) Net Position / Fund Balance**

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets - This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt, if any, that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This category represents net position of the District not restricted for any project or other purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position is available, the District considers restricted funds to have been spent first.



## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

### Notes to Basic Financial Statements

Year Ended June 30, 2021

The governmental fund statements utilize a fund balance presentation. Fund balances are categorized as Nonspendable, restricted, committed, assigned, and unassigned.

Nonspendable Fund Balance - This category presents the portion of fund balance that cannot be spent because it is either not in a spendable form or it is legally or contractually required to be maintained intact.

Restricted Fund Balance - This category presents the portion of the fund balance that is for specific purposes stipulated by constitution, external resource providers, or enabling legislation.

Committed Fund Balance - This category presents the portion of the fund balance that can be used only for the specific purposes determined by a formal action (Resolution) of the District's highest level of decision-making authority. For the District, this level of authority lies with the Board of Directors. As of June 30, 2021, the District had no committed fund balance.

Assigned Fund Balance - This category presents the portion of the fund balance that is intended to be used by the District for specific purposes but does not meet the criteria to be classified as restricted or committed. For the District, balances can be assigned by management or through the budget process. Other assigned balance represents amounts intended to be used for a Wood Burning Device, Abatement Technology, Litigation, Technology Implementation Office, Woodchip Program, and the Marin Wildfire Recovery.

Unassigned Fund Balance - This category presents the portion of the fund balance that does not fall into restricted, committed, or assigned and are spendable.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which amounts in any of the unrestricted classifications of fund balance could be used, the District considers assigned amounts to be reduced first, before the unassigned amounts.

#### (n) *New Pronouncements*

The GASB has issued Statement No. 84, *Fiduciary Activities*, effective for periods beginning after June 15, 2018. In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, which deferred the effective date for implementing Statement No. 84 to periods beginning after December 15, 2019. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The District's adoption of this statement does not have a material impact on its financial statements.

The GASB has issued Statement No. 90 – *Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61*. This Statement aims to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. The District's adoption of this statement does not have a material impact on its financial statements.



## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

### Notes to Basic Financial Statements

Year Ended June 30, 2021

#### (2) Cash, Cash Equivalents, and Investments

##### Cash and Investments

The District pools cash from multiple sources and funds so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

Cash, cash equivalents, and investments as of June 30, 2021, are classified in the accompanying financial statements as follows:

Cash and cash equivalents	\$ 84,527,891
Restricted cash and cash equivalents	<u>282,347,076</u>
Total cash, cash equivalents and investments	<u>\$ 366,874,967</u>

Cash, cash equivalents and investments as of June 30, 2021 consist of the following:

Cash and investments in San Mateo	
Pooled Fund Investment Program	\$ 361,131,956
Cash, cash equivalents, and investments with fiscal agent	<u>5,743,011</u>
Total cash, cash equivalents and investments	<u>\$ 366,874,967</u>

##### Cash in County Treasury

The District is a voluntary participant in the San Mateo County Investment Fund (County Pool) that is regulated by California Government Code under the oversight of the Treasury of the County of San Mateo (the Treasury). The Treasury is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The Treasury is restricted by Government Code Section 53635, pursuant to Section 53601, to invest in time deposits; U.S. government securities; state registered warrants, notes, or bonds; the State Treasurer's investment pool; bankers' acceptances; commercial paper; negotiable certificates of deposit; and repurchase or reverse repurchase agreements.

The District earns interest on a proportionate basis with all other investors. Interest is credited directly to the District's account on a quarterly basis. The pooled fund is collateralized at 102% by San Mateo County, but not specifically identified to any one depositor or in the District's name.

The District reports its investment in the County Pool at the fair value amount provided by the County. Participants' equity in the investment pool is determined by the dollar amount of the participant deposits, adjusted for withdrawals and distributed income. This method differs from the fair value method used to value investments in these financial statements in that unrealized gains or losses are not distributed to pool participants.

##### Investments Authorized by the District's Investment Policy

The table below identifies the investment types authorized for the District by the California Government Code Section 53601 or the Treasury investment policy, which was adopted by the District, whichever is more restrictive. This table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Notes to Basic Financial Statements

Year Ended June 30, 2021

Except for investments by trustees of Certificates of Participation (COPs) proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from the website at <http://ttax.co.la.ca.us/>. The table below identifies some of the investment types permitted in the investment policy:

<b>Authorized Investment Type</b>	<b>Maximum Maturity</b>	<b>Maximum Percentage of Portfolio</b>	<b>Maximum Investment in One Issuer</b>
U.S. Government Agency / Sponsored Enterprise Securities	7 Years	100%	40%
U.S. Treasury Obligations	7 Years	100%	100%
Asset-Backed Securities	5 Years	20%	5%
Banker 's Acceptances	180 Days	15%	5%
Commercial Paper	270 Days	40%	5%
Negotiable Certificates of Deposit	5 Years	30%	5%
Collateralized Certificates of Deposit	1 Year	15%	5%
Repurchase Agreements	92 Days	100%	100%
Mutual Funds	N/A	20%	10%
Corporate Bonds, Medium-Term Notes & Covered Bonds	5 Years	30%	5%
Local Agency Investment Fund (LAIF)	N/A	Up to the state limit	Up to the state limit

Investments Authorized by Debt Agreements

The District's cash, cash equivalents, and investments with fiscal agent in the General Fund in the amount of \$2,112,015 represent funds which are restricted for specific purposes under terms of the debt agreement at June 30, 2021.

Investments of debt proceeds held by the trustee are governed by provisions of the trust agreement rather than the general provisions of the California Government Code or the District 's investment policy.

Derivative Investments

The District did not directly enter into any derivative investments, and the County Pool was not holding derivative investments at June 30, 2021.



## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

### Notes to Basic Financial Statements

Year Ended June 30, 2021

#### Disclosures Related to Interest Rate Risk and Credit Risk

Generally, credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law and the District's investment policy limit the District's investments in banker's acceptances, commercial paper, negotiable certificates of deposit collateralized certificates of deposit, and repurchase agreements to the rating of A-1/P-1/F-1 or better by two of the three nationally recognized rating services (Standard & Poor's, Moody's Investors Service, or Fitch Ratings). Corporate securities are required to have a rating of A or better at the time of purchase, and the amount invested in corporate securities in the A rating category shouldn't exceed 90% of permitted corporate allocation. U.S. government securities are required to have a rating of AA, long-term, or A-1, short-term, or better by two of the three rating services. Asset-backed securities are required to have a rating of AAA or higher by two of the three rating services.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The District's cash, cash equivalents, and investments were categorized as follows at June 30, 2021:

	<b>Ratings:</b>		<b>Maturities</b>	<b>Fair Value</b>	
	<b>Moody's</b>	<b>S&amp;P</b>			
AIG Fixed Annuity	Not Rated	Not Rated	Current	\$	3,630,996
Dreyfus Treasury Securities	Aaa-mf	AAAm	Current		2,112,015
Investments in San Mateo Pooled Fund Investment Program	Aaa to P-1	AAA to A-1	1.83 Years		361,131,956
Total cash, cash equivalents, and investments				\$	<u>366,874,967</u>

#### Restricted Cash, Cash Equivalents, and Investments

The District's restricted cash, cash equivalents, and investments are \$282,347,076 at June 30, 2021.

Included in this restricted balance is \$276,604,065 for air quality grants and projects, \$2,112,015 for debt service, and \$3,630,996 restricted for postemployment benefits.

#### Fair Value Measurement

GASB 72 requires the District to use valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach or an income approach. Statement No. 72 establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs other than quoted prices included within level 1, which are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs.



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Notes to Basic Financial Statements

Year Ended June 30, 2021

The investment in San Mateo Pooled Fund Investment Pool is subject to fair value measurement; however, it is not subject to the fair value hierarchy. The Dreyfus Treasury Securities are classified as Level 2 because they are observable but do not have quoted prices in active market. The AIG Fixed Annuity is classified as Level 3 of the fair value hierarchy because it is a contract with AIG related to the restricted portion of OPEB funding and is not available for sale or transfer on any securities exchange.

**(3) Receivables**

At June 30, 2021, the District had the following accounts receivable:

**General Fund:**

Permit and other fees	\$ 7,141,368	
County apportionments	1,156,520	
Interest	208,808	
Other	784,570	
Total General Fund		\$ 9,291,266

**Special Revenue Fund**

TFCA DMV fees	\$ 4,291,758	
MSIF DMV fees	2,138,242	
Interest	695,433	
Other	7,000	
Total Special Revenue Fund		\$ 7,132,433

**Total Receivables**\$ 16,423,699**(4) Interfund Transactions**

Current interfund balances (due to/from other funds) arise in the normal course of business and represent short-term borrowings occurring as a result of expenditures which are paid prior to the receipt of revenues. These balances are expected to be repaid shortly after the end of the fiscal year when revenues are received. At June 30, 2021, the General Fund was owed \$6,866,614 by the Special Revenue Fund.

With Board approval, resources are transferred from one fund to another. The purpose of the majority of transfers is to move approved administrative revenue charged to restricted programs in the Special Revenue Fund to the General Fund. Interfund transfers for the year ended June 30, 2021 were as follows:

<u>Fund Receiving Transfer</u>	<u>Fund Making Transfer</u>	<u>Amount Transferred</u>
General Fund	Special Revenue Fund	\$1,296,698

# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

## Notes to Basic Financial Statements

Year Ended June 30, 2021

### (5) Capital Assets

The District's capital assets were comprised of the following at June 30, 2021:

	Balance at 7/1/2020	Additions	Transfers	Balance at 6/30/2021
Nondepreciable Assets:				
Land	\$ 3,974,267	\$ -	\$ -	\$ 3,974,267
Construction in progress	1,121,139	466,537	(1,121,141)	466,535
Total nondepreciable assets	5,095,406	466,537	(1,121,141)	4,440,802
Depreciable assets:				
Building	36,950,205	-	-	36,950,205
Building & Grounds	6,470,522	900,740	-	7,371,262
Leasehold Improvements	2,908,329	25,411	-	2,933,740
Office Equipment	419,207	-	-	419,207
Computer & Network Equipment	10,680,203	-	-	10,680,203
Enterprise application	30,996,478	2,851,831	-	33,848,309
Motorized Equip (vehicle)	461,993	39,974	-	501,967
Lab & Monitoring Equipment	12,034,210	458,411	-	12,492,621
Communication Equipment	3,157,215	-	-	3,157,215
Furniture	166,395	-	-	166,395
General Equipment	213,430	-	-	213,430
Total depreciable assets	104,458,187	4,276,367	-	108,734,554
Building	5,385,538	1,847,510	-	7,233,048
Building & Grounds	614,185	343,215	-	957,400
Leasehold Improvements	2,752,282	9,790	-	2,762,072
Office Equipment	379,333	12,968	-	392,301
Computer & Network Equipment	8,560,641	861,979	-	9,422,620
Enterprise application	7,010,922	2,066,432	-	9,077,354
Motorized Equip (vehicle)	236,809	65,286	-	302,095
Lab & Monitoring Equipment	9,796,944	631,617	-	10,428,561
Communication Equipment	2,915,242	21,416	-	2,936,658
Furniture	151,798	1,489	-	153,287
General Equipment	206,982	-	-	206,982
Total accumulated depreciation	38,010,676	5,861,702	-	43,872,378
Total depreciable assets, net	66,447,511	(1,585,335)	-	64,862,176
Total capital assets, net	\$ 71,542,917	\$ (1,118,798)	\$ (1,121,141)	\$ 69,302,978

# **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2021**

Depreciation expense by function for capital assets for the year ended June 30, 2021, is as follows:

**Primary Government:**

Executive	\$ 1,252,263
Administrative services	840,250
Legal services	153,347
Communications Office	64,286
TIO	23,174
Compliance & Enforcement	626,286
Engineering	486,270
AIM	170,578
Planning	204,786
CEP	158,357
Meteorology, Measurements & Rules	994,210
Information Systems	882,763
Strategic Incentives Division	5,132
Total depreciation expense	<u>\$ 5,861,702</u>



# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

## Notes to Basic Financial Statements

Year Ended June 30, 2021

### (6) Unearned / Unavailable Revenue

The governmental fund financial statements report unavailable revenues as a deferred inflow of resources in connection with receivables for revenues that are not available when they are not collectible within the current period or soon enough thereafter to pay for liabilities of the current period. The District reports a liability for unearned revenue in connection with resources that have been received, but not yet earned. As of June 30, 2021, the various components of unavailable revenue and unearned revenue reported were as follows:

	Unearned Revenue	Unavailable Revenue	Total
<b>General Fund:</b>			
Permits and licenses	\$ -	\$ 5,619,577	\$ 5,619,577
Community Air Protection Program	4,365,575	-	4,365,575
Total General Fund	4,365,575	5,619,577	9,985,152
<b>Special Revenue Fund:</b>			
GMB - Administration	1,363,311	-	1,363,311
GMB - On-Road Projects	15,530,656	-	15,530,656
Shore Power Projects	4,284,378	-	4,284,378
TRUs	51,359	-	51,359
Locomotive	7,519	-	7,519
Carl Moyer Program	69,971,642	-	69,971,642
Carl Moyer Program Administration	3,398,623	-	3,398,623
Low Carbon Project Funding	5,970,070	-	5,970,070
Low Carbon Program Administration	1,603,435	-	1,603,435
Vehicle Settlement	6,866,700	-	6,866,700
Special Projects	1,493,118	-	1,493,118
Total Special Revenue Fund	110,540,811	-	110,540,811
Total Unearned and Unavailable Revenue	\$ 114,906,386	\$ 5,619,577	\$ 120,525,963

### (7) Deferred Outflows and Inflows of Resources

District's deferred outflows and inflows of resources as of June 30, 2021 are comprised of the following:

	Deferred Outflows	Deferred Inflows
Changes of assumptions - Pension	\$ 397,916	\$ 570,600
Changes of assumptions - OPEB	1,685,395	-
Differences between expected and actual experience - Pension	3,926,585	234,501
Differences between expected and actual experience - OPEB	-	5,136,163
Net differences between projected and actual earnings on plan investments - Pension	2,039,139	-
Net differences between projected and actual earnings on plan investments - OPEB	1,396,915	-
Pension contributions subsequent to measurement date	10,695,192	-
OPEB contributions subsequent to measurement date	7,653,437	-
Total	\$ 27,794,579	\$ 5,941,264

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Notes to Basic Financial Statements

Year Ended June 30, 2021

**(8) Long-Term Liabilities****(a) Certificate of Participation**

On November 7, 2013, the District issued \$30,000,000 through a private placement of taxable Certificates of Participation (COPs) with Bay Area Headquarters Authority (BAHA) to finance its ownership interest of approximately 75,000 square feet of office space at 375 Beale Street. The COPs were held by the Bank of New York Mellon Trust Company, N.A., as Trustee, in an escrow account until the acquisition of the premises by the District which occurred in May 2017. The escrow account paid interest due during the escrow period, at an annual rate of 0.247%, using proceeds of the COPs. Upon acquisition date, the escrow period ended, and the District began making base rental payments of \$100,000 per month beginning July 1, 2017.

The District is subject to mandatory sinking fund account payments as follows:

<b>Payment Date (November 1)</b>	<b>Amount</b>	<b>Payment Date (November 1)</b>	<b>Amount</b>
2020	\$ 400,000	2033	\$ 700,000
2021	400,000	2034	800,000
2022	500,000	2035	800,000
2023	500,000	2036	800,000
2024	500,000	2037	800,000
2025	500,000	2038	800,000
2026	500,000	2039	900,000
2027	600,000	2040	900,000
2028	600,000	2041	900,000
2029	600,000	2042	1,000,000
2030	600,000	2043	1,000,000
2031	700,000	2044	1,000,000
2032	700,000	2045	1,000,000

The District and BAHA had entered into a financing lease/sublease arrangement whereby at the date of acquisition the District leased its office space to BAHA and BAHA subleased office space back to the District to secure payment on the COPs. Under the terms of the agreement, total monthly payments have been predetermined and the amount of such payments that relates to interest will be calculated based on the Adjustable Rate Mode accrued at the Adjusted Interest Rate as provided in the lease/sublease agreement with BAHA. All payments made into the sinking fund are restricted for debt service.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Notes to Basic Financial Statements

Year Ended June 30, 2021

Total payments of principal and interest are structured as follows:

<u>Fiscal Year</u>	<u>Total Annual Payments</u>
2022	\$ 1,200,000
2023	1,200,000
2024	1,200,000
2025	1,200,000
2026	1,200,000
2027-2031	6,680,000
2032-2036	6,850,000
2037-2041	6,850,000
2042-2045	5,480,000
	<u>\$ 31,860,000</u>

Upon payment of all rental payments under the term of the sublease agreement, the title of the office space will transfer to the District.

**(b) Capital Lease**

Capital lease is related to hardware, software and services for IT infrastructure located at the new building at 375 Beale Street which includes but is not limited to servers, storage, Voice Over IP, computer networks, and security systems. The capital lease agreement had a total principal amount of \$2,300,000 of which the District borrowed \$2,275,000. The fair value of fixed assets purchased with the capital lease is \$2,275,000. The capital lease expense during the year ended June 30, 2021 was \$388,771.

**(c) Summary of Long-Term Liabilities**

A schedule of changes in general long-term debt for the year ended June 30, 2021, is shown below:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
Certificates of participation (COPs)	\$ 18,500,000	\$ -	\$ (400,000)	\$ 18,100,000	\$ 400,000
Compensated absences	5,607,675	4,768,596	(3,057,104)	7,319,167	6,630,000
Capital lease	388,771	-	(388,771)	-	-
Total	<u>\$ 24,496,446</u>	<u>\$4,768,596</u>	<u>\$(3,845,875)</u>	<u>\$ 25,419,167</u>	<u>\$ 7,030,000</u>

The certificates of participation and long-term portion of compensated absences is liquidated by the General Fund.



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Notes to Basic Financial Statements

Year Ended June 30, 2021

Future annual payments on COPs are as follows:

<b>Year Ending June 30</b>	<b>Certificates of Participation</b>	
	<b>Principal</b>	<b>Interest</b>
2022	\$ 400,000	\$ 217,710
2023	500,000	211,560
2024	500,000	205,410
2025	500,000	199,260
2026	500,000	193,110
2027-2031	2,900,000	861,000
2032-2036	3,700,000	654,360
2037-2041	4,200,000	408,360
2042-2046	4,900,000	123,000
	<u>\$ 18,100,000</u>	<u>\$ 3,073,770</u>

COPs bears a variable interest rate structure with preset interest rate caps. The interest rate is based on an agreed upon spread of 120 basis point or 1.2% plus a commonly used interest rate index published by the Securities Industry and Financial Markets Association (SIFMA). The SIFMA index rate used to calculate the interest rate is determined by the Index Agent on (1) each Index Rate Determination Date determined by the Index Agent, plus (2) the applicable spread of .03%; the sum of which is subject to the preset interest rate cap as follows:

## Preset Interest Rate Caps structure:

Year 1-5	3.20%
Year 6-10	4.20%
Year 11-30	5.20%

The District utilized the SIFMA rate as the end of the fiscal year ending June 30, 2021 to calculate the interest based on the predetermined principal payment schedule above.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Notes to Basic Financial Statements

Year Ended June 30, 2021

**(9) Operating Leases**

Commitments under non-cancelable operating lease agreements for air-monitoring stations, vehicles, and office equipment provide for minimum annual rental payments as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
2022	\$ 1,643,370
2023	1,112,521
2024	644,987
2025	389,193
2026	251,940
2027-2031	913,271
2032-2036	797,973
2037-2041	888,265
	<u>\$ 6,641,520</u>

Air-monitoring station leases are renewable with minor escalations.

Rental expense for lease agreements above during the year ended June 30, 2021, was \$2,461,382.

**(10) County Apportionment Revenue**

As a result of the passage of Proposition 13 in fiscal year 1979, the District no longer has the power to calculate property tax revenues due for each county. Instead, the District now receives remittances from the counties, which are calculated in accordance with Assembly Bill Number 8. Secured and unsecured property taxes are levied on January 1 of the preceding fiscal year. Property tax revenues are recognized by the District in the fiscal year they are assessed, provided that they become available as defined in footnote 1(c).

Secured property tax is due in two installments, on November 1 and March 1 and becomes a lien on those dates. It becomes delinquent after December 10 and April 10, respectively. Unsecured property tax is due on July 1 and becomes delinquent on August 31. The term "unsecured" refers to taxes on personal property other than real estate, land, and buildings. These taxes are secured by liens on the property being taxed.

Property taxes levied are recorded as revenue and receivables in the fiscal year of levy, provided that they are collected within the fiscal year or within sixty days after year end to be consistent with the District's collection period used in the measurement of the collection period for when revenues are considered available.



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Notes to Basic Financial Statements

Year Ended June 30, 2021

County apportionment revenue recognized as of June 30, 2021, is as follows:

<u>County</u>	<u>Amount</u>
Alameda	\$ 7,160,542
Contra Costa	4,301,160
Marin	1,730,658
Napa	1,255,553
Santa Clara	6,273,268
San Francisco	5,467,678
San Mateo	10,980,081
Solano	917,871
Sonoma	1,691,988
Total county apportionment revenue	<u>\$ 39,778,799</u>

**(11) Pension Plan****Plan Description**

All District employees are eligible to participate in the Bay Area Air Quality Management District Miscellaneous Plan (the Plan), an agent multiple-employer defined-benefit pension plan administered by the California Public Employees Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. CalPERS issues a publicly available report that includes a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found online at [www.calpers.ca.gov](http://www.calpers.ca.gov).

**Benefits Provided**

Benefit provisions under the Plan are established by State statute and District resolution. The benefits are based on members' years of service, age, final compensation, and benefit formula. The California Public Employees' Pension Reform Act of 2013 (PEPRA) made significant changes to the benefit structure that primarily affect members first hired to perform CalPERS creditable activities on or after January 1, 2013. As a result of PEPRA, the Plan has two benefit structures: 1) CalPERS Miscellaneous Employee "2% at 55" for members first hired prior to January 1, 2013, to perform CalPERS creditable activities (Classic members), and 2) CalPERS Miscellaneous Employee "2% at 62" for members first hired on or after January 1, 2013, to perform CalPERS creditable activities (PEPRA members). The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries.

Classic members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits, while PEPRA members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-industrial disability benefits after five years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, Optional Settlement 2 Death Benefit, Special Death Benefit, or the Alternate Death Benefit for Local Fire Members. The cost of living adjustments for the Plan is applied as specified by the Public Employees' Retirement Law.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Notes to Basic Financial Statements

Year Ended June 30, 2021

The Plan's provisions and benefits in effect at June 30, 2021, are summarized as follows:

	<b>Classic</b>	<b>PEPRA</b>
	Prior to	On or after
	January 1, 2013	January 1, 2013
Hiring date	2% @ 55	2% @ 62
Benefit formula	5 years service	5 years service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	50	52
Retirement age: minimum	1.43% - 2.42%	1.00 % - 2.50%
Monthly benefit, as a % of eligible compensation	7.00%	6.75%
Required employee contribution rates	25.120%	25.120%
Required employer contribution rates		

**Employees Covered**

At June 30, 2021, the following employees were covered by the benefit terms for the Plan:

Inactive employees or beneficiaries currently receiving benefits	285
Inactive employees entitled to but not yet receiving benefits	51
Active employees	387
	<u>723</u>

**Contributions**

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

For the year ended June 30, 2021, the contributions to the Plan amounted to \$10,695,192.

**Net Pension Liability**

The District's net pension liability for the Plan of \$91,119,501 at June 30, 2021, is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability of the Plan is shown below.



## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

### Notes to Basic Financial Statements

Year Ended June 30, 2021

The total pension liability in the June 30, 2019, actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
Actuarial cost method	Entry-Age Normal
Actuarial assumptions	
Discount rate	7.15%
Inflation	2.50%
Salary increases	Varies by entry age and service
Investment rate of return	7.15%
Mortality rate table <sup>(1)</sup>	Derived using CalPERS' membership data for all funds
Post retirement benefit increase	The lesser of contract COLA or 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter

<sup>(1)</sup> The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Preretirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increases, mortality and retirement dates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

#### Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

## Notes to Basic Financial Statements

Year Ended June 30, 2021

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation,

Asset Class	Current Target Allocation	Real Return Years	Real Return Years
		1 - 10 <sup>(a)</sup>	11+ <sup>(b)</sup>
Global equity	50.0%	4.80%	5.98%
Fixed income	28.0	1.00	2.62
Inflation assets	—	0.77	1.81
Private equity	8.0	6.30	7.23
Real assets	13.0	3.75	4.93
Liquidity	1.0	—	(0.92)
Total	100.00%		

<sup>(a)</sup> An expected inflation of 2.00% used for this period.

<sup>(b)</sup> An expected inflation of 2.92% used for this period.

### Changes in the Net Pension Liability

The changes in the net pension liability for the Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balance at June 30, 2020	\$ 333,965,049	\$ 250,553,347	\$ 83,411,702
Changes recognized for the measurement period:			
Service cost	6,236,440	—	6,236,440
Interest on the total pension liability	23,680,235	—	23,680,235
Differences between expected and actual experience	2,141,716	—	2,141,716
Contributions from the employer	—	9,296,564	(9,296,564)
Contributions from employees	—	2,972,457	(2,972,457)
Net investment income	—	12,434,790	(12,434,790)
Benefit payments, including refunds of employee contributions	(16,065,803)	(16,065,803)	—
Administrative expense	—	(353,219)	353,219
Net changes	15,992,588	8,284,789	7,707,799
Balance at June 30, 2021	\$ 349,957,637	\$ 258,838,136	\$ 91,119,501



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Notes to Basic Financial Statements

Year Ended June 30, 2021

**Sensitivity of the District's Net Pension Liability to Changes in the Discount Rate**

The following presents the District's net pension liability for the Plan as of the measurement date, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15%) or 1-percentage-point higher (8.15%) than the current rate:

	1.00% Decrease (6.15%)	Current Discount Rate (7.15%)	1.00% Increase (8.15%)
District's net pension liability	\$ 134,239,764	\$ 91,119,501	\$ 55,058,268

**Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. Copies of the CalPERS annual financial report may be obtained from CalPERS Fiscal Services Division, P.O. Box 942703, Sacramento, CA 94229-2703, or by calling (888) CalPERS (225-7377).

**Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2021, the District recognized pension expense of \$5,257,755 for the Plan. As of June 30, 2021, the District reported deferred outflows and deferred inflows of resources related to the Plan as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 397,916	\$ 570,600
Differences between expected and actual experience	3,926,585	234,501
Net differences between projected and actual earnings on pension plan investments	2,039,139	—
District contributions subsequent to the measurement date	10,695,192	—
Total	<u>\$ 17,058,832</u>	<u>\$ 805,101</u>

The amounts above are net of outflows and inflows recognized in the 2019-20 measurement period expense.

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

### Notes to Basic Financial Statements

Year Ended June 30, 2021

The \$10,695,192 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in future pension expense as follows:

<u>Year ended June 30</u>	<u>Deferred Outflows</u> <u>(Inflows) of Resources</u>
2022	\$ 250,313
2023	2,058,282
2024	1,993,493
2025	1,256,452

#### **Payable to the Pension Plan**

The District's contribution for all members to the Plan for the fiscal year ended June 30, 2021, was in accordance with the required contribution rate calculated by the CalPERS actuary. Hence, no payable to the pension plan is recognized for the fiscal year ended June 30, 2021.

#### **(12) Postemployment Benefits – Health and Welfare for Retirees**

##### **Plan Description**

The District contributes to an agent multiple-employer plan administered by CalPERS. The plan provides medical, dental, vision, and life insurance benefits to eligible retirees. Benefit provisions are established in accordance with the Employee Association Memorandum of Understanding (MOU) for represented employees and as adopted by Board Resolution for all other employees who retire from the District on or after attaining age 50 with at least 5 (five) years of service.

The District established an irrevocable trust to prefund the other postemployment benefit annual required contribution by participating in the California Employers' Retiree Benefit Trust (CERBT) program during the fiscal year ended June 30, 2009. The funds in the CERBT are held in the trust and administered by the California Public Employees' Retirement System (CalPERS).

The CERBT fund, which is an IRC Section 115 Trust, is set up for the purpose of (i) receiving employer contributions to prefund health and other postemployment benefits for retirees and their beneficiaries, (ii) investing contributed amounts and income therein, and (iii) disbursing contributed amounts and income therein, if any, to pay for costs of administration of the fund and to pay for health care costs or other postemployment benefits in accordance with the terms of the District's OPEB plan. The District's Other Postemployment Benefits (OPEB) financial statements will be included in the CalPERS Comprehensive Annual Financial Report (CAFR). Copies of CalPERS' CAFR may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

Additionally, the plan maintains a closed group of retirees receiving coverage through a separate life insurance policy with American International Group, Inc. (AIG). The District makes contributions to the AIG Retiree Life Reserve Fund on an annual basis as needed to ensure that Fund's balance is equal to the present value of expected claims for the retirees covered by the policy. The AIG Retiree Reserve Fund can only be applied towards the benefits provided under the program. As of June 30, 2021, the AIG Retiree Life Insurance Fund had a total asset balance of \$448,470, making up 0.8% of the total Plan Fiduciary Net Position of \$55,580,809. All activities of the AIG Retiree Life Reserve Fund are accounted for in the measurement of the District's net OPEB liability.



## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

### Notes to Basic Financial Statements

Year Ended June 30, 2021

#### Employees Covered

As of June 30, 20, actuarial valuation, the following current and former employees were covered by the benefit terms under the District's OPEB Plan:

Active employees	362
Inactive employees or beneficiaries currently receiving benefits	224
Inactive employees entitled to, but not yet receiving benefits	0
Total	<u>586</u>

#### Contributions

The District contributions to the Plan occur as benefits are paid to retirees (pay-as-you-go basis) and/or to the OPEB trust by means of discretionary funding payments as approved by the Board.

The District's actuary also accounts for the implicit subsidy contribution, which exists when premiums charged for retiree coverage are lower than the expected retiree claims for that coverage. In the District's program, the claims experience for active employees and retirees not covered by Medicare is co-mingled in setting premiums rates for some members and gives rise to an implicit subsidy. The implicit subsidy is determined as the projected difference between (a) retiree medical and life insurance claim costs by age and (b) premiums charged for retiree coverage.

For fiscal year 2020-21, the District contributed a total of \$7,653,437 to the plan that includes \$766,074 identified as implicit contributions.

#### Net OPEB Liability

The District's net OPEB liability of \$19,652,990 at June 30, 2021, is measured as the total OPEB liability, less the OPEB plan's fiduciary net position. The net OPEB liability is measured using an annual actuarial valuation as of June 30, 2019. The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions:

# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

## Notes to Basic Financial Statements

Year Ended June 30, 2021

Valuation date	June 30, 2019
Measurement date	June 30, 2020
Actuarial cost method	Entry Age Normal Cost
Discount rate	6.50%
Inflation	2.50% per year
Salary increases	3.00% per year; since benefits do not depend on pay, this is used only to allocate the cost of benefits between service years and to develop the amortization payment portion of the actuarially determined contributions.
Investment rate of return	6.50%, net of plan investment and trust administrative expenses.
Mortality improvement	MacLeod Watts Scale 2018 applied generationally from 2015.
Healthcare trend rates	Medical plan premiums, claims costs by age, and Medicare Part B premiums are assumed to increase once each year. The increases over the prior year's levels are assumed to be effective as shown below:

2020 - Actual	2060-66 - 4.80%
2021 - 5.40%	2067 - 4.70%
2022 - 5.30%	2068 - 4.60%
2023-26 - 5.20%	2069 - 4.50%
2027-46 - 5.30%	2070-71 - 4.40%
2047 - 5.20%	2072 - 4.30%
2048-49 - 5.10%	2073-74 - 4.20%
2050-53 - 5.00%	2075 - 4.10%
2054-59 - 4.90%	2076 & later - 4.00%

The Public Employee's Medical and Hospital Care Act (PEMHCA) Minimum Employer Contribution is assumed to increase at 4.0% per year.

Note: Demographic actuarial assumptions used in this valuation are based on the 2017 experience study of the California Public Employees Retirement System (CalPERS) using data from 1997 to 2015, except for mortality improvement as noted above.

### Discount Rate

The discount rate used to measure the total OPEB liability 6.50%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The long-term expected rate of return on OPEB plan investments was based on CalPERS' expected return for California Employers' Retirement Benefit Trust Strategy 1.



# BAY AREA AIR QUALITY MANAGEMENT DISTRICT

## Notes to Basic Financial Statements

Year Ended June 30, 2021

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class	Target Allocation	1-10 Year Expected Real Rate of Return <sup>(1)</sup>	11-60 Year Expected Real Rate of Return <sup>(2)</sup>
Global equity	59.00%	4.80%	5.98%
Fixed income	25.00	1.10	2.62
Treasury inflation protected securities (TIPS)	5.00	0.25	1.46
Global real estate (REITs)	8.00	3.20	5.00
Commodities	3.00	1.50	2.87
Total	100.00%		

<sup>(1)</sup> Real rates of return come from a geometric representation of returns that assume a general inflation rate of 2.00%.

<sup>(2)</sup> Real rates of return come from a geometric representation of returns that assume a general inflation rate of 2.92%.

## Changes in the OPEB Liability

The changes in the net OPEB liability for the plan are as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a-b)
Beginning Balance at June 30, 2020	\$ 72,165,288	\$ 53,796,903	\$ 18,368,385
Changes recognized for the measurement period			
Service cost	1,859,816	-	1,859,816
Interest on the total OPEB liability	4,698,222	-	4,698,222
Benefit payments	(3,489,527)	(3,489,527)	-
Contributions - employer	-	3,401,469	(3,401,469)
Net investment income	-	1,897,992	(1,897,992)
Other expenses - administrative expense	-	(26,028)	26,028
Net changes	3,068,511	1,783,906	1,284,605
Balance at June 30, 2021	\$ 75,233,799	\$ 55,580,809	\$ 19,652,990

## Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following table illustrates the impact of interest rate sensitivity on the Net OPEB Liability of the District if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate for fiscal year ended June 30, 2021:

	1.00% Decrease (5.50%)	Current Discount Rate (6.50%)	1.00% Increase (7.50%)
Net OPEB liability	\$ 27,766,944	\$ 19,652,990	\$ 11,207,636

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Notes to Basic Financial Statements  
Year Ended June 30, 2021

**Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates**

The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate, for measurement period ended June 30, 2021:

	1.00% Decrease	Trend Rate <sup>(1)</sup>	1.00% Increase
Net OPEB liability	\$ 13,533,906	\$ 19,652,990	\$ 23,950,317

<sup>(1)</sup> Refer above to actuarial assumptions for health trend rates.

**OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the fiscal year ended June 30, 2021, the District recognized OPEB expense of \$4,839,689. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 1,685,395	\$ —
Difference between expected and actual earnings on OPEB plan investments	1,396,915	-
Difference between expected and actual experience	—	5,136,163
District contributions subsequent to the measurement date	7,653,437	—
Total	<u>\$ 10,735,747</u>	<u>\$ 5,136,163</u>

The \$7,653,437 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction in net OPEB liability in the year ending June 30, 2022.

Amounts recognized in the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the OPEB expense as follows:

<u>Year ended June 30</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2022	\$ (277,226)
2023	(119,977)
2024	(475,481)
2025	(853,005)
Thereafter	(328,164)

## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

### **Notes to Basic Financial Statements**

**Year Ended June 30, 2021**

#### **(13) Risk Management**

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District manages and finances these risks by purchasing commercial insurance and has a \$1,000 to \$10,000 deductible for general and special property liability with limits of \$10 million and \$400 million, respectively.

The District has had no significant reductions in insurance coverage from the previous year, nor have settled claims exceeded the District's commercial insurance coverages.

As of June 30, 2021, the District had no material claims outstanding for general liability or for workers' compensation cases.

#### **(14) Commitments and Contingencies**

The District is subject to litigation arising in the normal course of business. In the opinion of the District's Attorney, there is no pending litigation which is likely to have a material adverse effect on the financial position of the District.

The District receives Federal and State grant funds. The amounts, if any, of the District's grant expenditures which may be disallowed upon audit by the granting agencies cannot be determined at this time, although the District expects any such amounts to be immaterial.

**REQUIRED SUPPLEMENTARY INFORMATION**

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

-PRELIMINARY DRAFT-  
SUBJECT TO REVISION PRIOR TO  
SHEMING OF FINAL REPORT  
TO BE RETURNED TO SIMPSON AND  
SIMPSON CPAS AND NOT TO BE  
REPRODUCED OR DISTRIBUTED IN  
ANY FORM WITHOUT PERMISSION  
DATE: 3.10.2022



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Required Supplementary Information  
Schedule of Changes in the Net OPEB Liability and Related Ratios\*  
For the Year Ended June 30, 2021  
(unaudited)

	2017-2018	2018-2019	2019-2020	2020-2021
<b>Total OPEB Liability</b>				
Service cost	\$ 1,531,801	\$ 1,581,585	\$ 1,801,428	\$ 1,859,816
Interest on the total OPEB liability	4,722,673	4,980,026	5,164,087	4,698,222
Changes of assumptions	-	3,506,193	175,927	-
Differences between expected and actual experience	-	-	(7,536,242)	-
Benefit payments	(2,600,577)	(2,908,537)	(3,161,874)	(3,489,527)
Net change in total OPEB liability	3,653,897	7,159,267	(3,556,674)	3,068,511
Total OPEB liability – beginning	64,908,798	68,562,695	75,721,962	72,165,288
Total OPEB liability – ending (a)	<u>\$ 68,562,695</u>	<u>\$ 75,721,962</u>	<u>\$ 72,165,288</u>	<u>\$ 75,233,799</u>
<b>Plan fiduciary net position</b>				
Contributions – employer	\$ 6,600,577	\$ 6,817,699	\$ 7,161,874	\$ 3,401,469
Net investment income	3,304,360	3,139,604	2,802,806	1,897,992
Benefit payments	(2,600,577)	(2,908,537)	(3,161,874)	(3,489,527)
Administrative expense	(17,180)	(73,126)	(9,966)	(26,028)
Net change in plan fiduciary net position	7,287,180	6,975,640	6,792,840	1,783,906
Plan fiduciary net position – beginning	32,741,243	40,028,423	47,004,063	53,796,903
Plan fiduciary net position – ending (b)	<u>40,028,423</u>	<u>47,004,063</u>	<u>53,796,903</u>	<u>55,580,809</u>
Net OPEB liability – ending (a) - (b)	<u>\$ 28,534,272</u>	<u>\$ 28,717,899</u>	<u>\$ 18,368,385</u>	<u>\$ 19,652,990</u>
Plan fiduciary net position as a percentage of the total OPEB liability	58.4%	62.1%	74.5%	73.9%
Covered – employee payroll	\$ 35,433,438	\$ 37,405,253	\$ 40,462,747	\$ 44,766,317
Net OPEB liability as percentage of covered – employee payroll	80.53%	76.78%	45.40%	43.90%

\* Fiscal year 2017-18 was the first year of implementation, therefore only four years are shown.

See accompanying independent auditor's report.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**Required Supplementary Information**  
**Schedule of Contributions - OPEB\***  
**For the Year Ended June 30, 2021**  
**(unaudited)**

	2017-2018	2018-2019	2019-2020	2020-2021
Actuarially determined contribution	\$ 6,081,000	\$ 5,655,362	\$ 4,721,345	\$ 4,380,464
Contributions in relation to the actuarially determined contributions	6,817,699	7,161,874	5,401,469	7,653,437
Contribution deficiency (excess)	\$ (736,699)	\$ (1,506,512)	\$ 1,319,874	\$ (3,272,973)
Covered - employee payroll	\$ 37,405,252	\$ 40,734,161	\$ 44,766,317	\$ 48,652,158
Contributions as a percentage of covered employee payroll	18.21%	17.58%	7.60%	15.73%

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions are as follows:

Valuation date	6/30/2015	7/1/2017	6/30/2019	6/30/2019
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percentage of pay	Level percentage of pay	Level percentage of pay	Level percentage of pay
Amortization period	10 years	9 years	8 years	7 years
Asset valuation method	CERBT - 5-year smoothed market AIG Fund - contract value	Market value of assets	Market value of assets	Market value of assets
Inflation	3.00%	2.75%	2.50%	2.50%
Healthcare cost trend rates	<p>Medical Premium Increase - Effective January 1: 2011: 5.40%, 2022: 5.30%, 2023-26: 5.20%, 2027-46: 5.30%, 2047: 5.20%, 2048-49: 5.10%, 2050-53: 5.00%, 2054-59: 4.90%, 2060-66: 4.80%, 2067: 4.70%, 2068: 4.60%, 2069: 4.50%, 2070-71: 4.40%, 2072: 4.30%, 2073-74: 4.20%, 2075: 4.10%, 2076 &amp; later: 4.00%</p> <p>Non-Med - 2015: Actual, 2016: Actual, 2017: 7.0%, 2018: 6.5%, 2019: 6.0%, 2020: 5.5%, 2021+: 5.0%</p> <p>Medicare - 2015: Actual, 2016: Actual, 2017: 7.1%, 2018: 6.7%, 2019: 6.1%, 2020: 5.6%, 2021+: 5.0%</p>	<p>Medical Premium Increase - Effective January 1: 2018: 8.00%, 2019: 7.50%, 2020: 7.00%, 2021: 6.50%, 2022: 6.00%, 2023: 5.50%, 2024: 5.00%, &amp; later: 5.00%</p> <p>Dental and vision premiums are assumed to increase by 5% per year. The PEMHCA Minimum Employer Contribution is assumed to increase at 4.5% per year. Life insurance premiums are assumed to remain fixed at current levels in all future years.</p>	<p>Medical Premium Increase - Effective January 1: 2021: 5.40%, 2022: 5.30%, 2023-26: 5.20%, 2027-46: 5.30%, 2047: 5.20%, 2048-49: 5.10%, 2050-53: 5.00%, 2054-59: 4.90%, 2060-66: 4.80%, 2067: 4.70%, 2068: 4.60%, 2069: 4.50%, 2070-71: 4.40%, 2072: 4.30%, 2073-74: 4.20%, 2075: 4.10%, 2076 &amp; later: 4.00%</p> <p>The PEMHCA Minimum Employer Contribution is assumed to increase at 4.0% per year. Life insurance premiums are assumed to remain fixed at current levels in all future years.</p>	<p>Medical Premium Increase - Effective January 1: 2021: 5.40%, 2022: 5.30%, 2023-26: 5.20%, 2027-46: 5.30%, 2047: 5.20%, 2048-49: 5.10%, 2050-53: 5.00%, 2054-59: 4.90%, 2060-66: 4.80%, 2067: 4.70%, 2068: 4.60%, 2069: 4.50%, 2070-71: 4.40%, 2072: 4.30%, 2073-74: 4.20%, 2075: 4.10%, 2076 &amp; later: 4.00%</p> <p>The PEMHCA Minimum Employer Contribution is assumed to increase at 4.0% per year. Life insurance premiums are assumed to remain fixed at current levels in all future years.</p>
Salary increases	3.25%	3.25% per year; used to determine amortization payments if developed on a level percent of pay basis	3.00% per year; since benefits do not depend on pay; this is used only to allocate the cost of benefits between service years and to develop the amortization payment portion of the actuarially determined contributions	3.00% per year; since benefits do not depend on pay; this is used only to allocate the cost of benefits between service years and to develop the amortization payment portion of the actuarially determined contributions
Investment rate of return	7.25%	7.25%	6.50%	6.50%
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Fully generational with Scale MP-2014 modified to converge to ultimate improvement rates in 2022 for pre and post-retirement mortality	The representative mortality rates were those published by CalPERS in their 2014 study, adjusted to back out 20 years of Scale EB to central year 2008.	The representative mortality rates were those published by CalPERS in their 2017 study, adjusted to back out 15 years of Scale MP 2016 to central year 2015	The representative mortality rates were those published by CalPERS in their 2017 study, adjusted to back out 15 years of Scale MP 2016 to central year 2015.

\* Fiscal year 2017-18 was the first year of implementation, therefore only four years are shown.

See accompanying independent auditor's report.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
 Required Supplementary Information  
 Schedule of Changes in the Net Pension Liability and Related Ratios \*  
 California Public Employees' Retirement System (CalPERS) – Miscellaneous Plan  
 For the Year Ended June 30, 2021  
 (unaudited)

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
<b>Total Pension Liability</b>							
Service Cost	\$ 4,509,169	\$ 4,405,494	\$ 4,402,254	\$ 5,251,175	\$ 5,588,151	\$ 5,823,771	\$ 6,236,440
Interest on total pension liability	18,144,590	19,019,896	19,929,495	20,568,801	21,332,712	22,580,042	23,680,235
Changes in assumptions	—	(4,479,434)	—	16,314,523	(1,997,101)	—	—
Differences between expected and actual experience	—	(1,508,680)	(584,236)	(2,082,303)	(643,002)	4,336,733	2,141,716
Benefit payments, including refunds of employee contributions	(9,459,410)	(10,371,769)	(11,526,958)	(12,131,353)	(13,197,193)	(14,663,313)	(16,065,803)
Net change in total pension liability	13,194,349	7,065,507	12,220,555	27,920,843	11,083,565	18,077,233	15,992,588
Total pension liability – beginning	244,402,997	257,597,346	264,662,833	276,883,408	304,804,251	315,887,816	333,965,049
Total pension liability – ending (a)	257,597,346	264,662,853	276,883,408	304,804,251	315,887,816	333,965,049	349,957,637
<b>Plan fiduciary net position</b>							
Contributions – employer	3,815,653	4,268,315	5,253,802	3,682,917	6,359,880	7,628,075	9,296,564
Contributions – employee	2,622,951	2,372,392	2,502,885	2,429,913	2,514,609	2,815,780	2,972,457
Net investment income	31,178,442	4,871,767	1,102,999	22,856,288	19,071,946	15,727,365	12,434,790
Plan to plan resource movement	—	—	—	—	(556)	—	—
Benefit payments, including refunds of employee contributions	(9,459,410)	(10,371,769)	(11,526,958)	(12,131,353)	(13,197,193)	(14,663,313)	(16,065,803)
Other miscellaneous income (expense) (1)	—	—	—	—	(667,255)	556	—
Administrative expense	—	(236,125)	(127,831)	(305,553)	(351,369)	(170,709)	(353,219)
Net change in plan fiduciary net position	28,157,636	904,580	(2,795,103)	18,532,212	13,730,060	11,337,754	8,284,789
Plan fiduciary net position – beginning	180,686,208	208,843,844	209,748,424	206,953,321	225,485,533	239,215,593	250,553,347
Plan fiduciary net position – ending (b)	208,843,844	209,748,424	206,953,321	225,485,533	239,215,593	250,553,347	258,838,136
Net pension liability – ending (a) – (b)	\$ 48,753,502	\$ 54,914,429	\$ 69,930,087	\$ 79,318,718	\$ 76,672,223	\$ 83,411,702	\$ 91,119,501
Plan fiduciary net position as a percentage of the total pension liability	81.07%	79.25%	74.74%	73.98%	75.73%	75.02%	73.96%
Covered – employee payroll	\$ 32,010,647	\$ 33,133,499	\$ 34,119,169	\$ 35,433,438	\$ 37,405,253	\$ 40,734,161	\$ 44,766,317
Net pension liability as percentage of covered – employee payroll	152.30%	165.74%	204.96%	223.85%	204.98%	204.77%	203.54%

(1) During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

**Notes to Schedule:**

**Benefit Changes:** The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

**Changes of Assumptions:** None in 2019 or 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

\* Fiscal year 2014-15 was the first year of implementation, therefore only seven years are shown.

See accompanying independent auditor's report.



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Required Supplementary Information  
Schedule of Contributions - Pension \*  
California Public Employees' Retirement System (CalPERS) – Miscellaneous Plan  
For the Year Ended June 30, 2021  
(unaudited)

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Actuarially determined contribution	\$ 4,268,315	\$ 5,365,344	\$ 5,685,584	\$ 6,407,096	\$ 7,675,962	\$ 9,374,554	\$ 10,695,192
Contributions in relation to the actuarially determined contributions	(4,268,315)	(5,365,344)	(5,685,584)	(6,407,096)	(7,675,962)	(9,374,554)	(10,695,192)
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Covered – employee payroll	\$ 33,137,499	\$ 34,119,169	\$ 35,433,438	\$ 37,405,253	\$ 40,734,161	\$ 44,766,317	\$ 48,652,158
Contributions as a percentage of covered – employee payroll	12.88%	15.73%	16.05%	17.13%	18.84%	20.94%	21.98%

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions are as follows:

Valuation date	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018
Actuarial cost method	Entry age normal cost method	Entry age normal cost method	Entry age normal cost method	Entry age normal cost method	Entry age normal cost method	Entry age normal cost method	Entry age normal cost method
Amortization method	Level percent of payroll	Level percent of payroll	Level percent of payroll	Level percent of payroll	Level percent of payroll	Level percent of payroll	Level percent of payroll
Asset valuation method	Actuarial value of assets	Market value of assets	Market value of assets	Market value of assets	Market value of assets	Market value of assets	Market value of assets
Inflation	2.75% compounded annually	2.75% compounded annually	2.75% compounded annually	2.75% compounded annually	2.75% compounded annually	2.625% compounded annually	2.50% compounded annually
Salary increases	Varies by entry age and service	Varies by entry age and service	Varies by entry age and service	Varies by entry age and service	Varies by entry age and service	Varies by entry age and service	Varies by entry age and service
Payroll Growth	3.00%	3.00%	3.00%	3.00%	3.00%	2.875%	2.750%
Investment rate of return	7.50% net of pension plan investment and administrative expenses; includes inflation.	7.50% net of pension plan investment and administrative expenses; includes inflation.	7.50% net of pension plan investment and administrative expenses; includes inflation.	7.50% net of pension plan investment and administrative expenses; includes inflation.	7.375% net of pension plan investment and administrative expenses; includes inflation.	7.25% net of pension plan investment and administrative expenses.	7.00% net of pension plan investment and administrative expenses.
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.  Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.  Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.  Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.  Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.  Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.  Post-retirement mortality rates above include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.  Post-retirement mortality rates above include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.

\* Fiscal year 2014-15 was the first year of implementation, therefore only seven years are shown.

See accompanying independent auditor's report.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Budget and Actual - General Fund  
Year Ended June 30, 2021

	Budgeted Amounts		Actual (Budgetary Basis)	Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Permit fees	\$ 34,272,227	\$ 34,272,227	\$ 40,558,882	\$ 6,286,655
Title V permit fees	5,085,389	5,085,389	6,210,781	1,125,392
Asbestos fees	1,625,000	1,625,000	4,094,654	2,469,654
Penalties and variance fees	1,500,000	1,500,000	4,212,013	2,712,013
Hearing board fees	12,750	12,750	14,318	1,568
State subvention	1,736,000	1,736,000	1,748,876	12,876
AB 2588 income	628,357	628,357	1,995,672	1,367,315
Miscellaneous	100,000	100,000	128,257	28,257
Federal grant -EPA	2,225,783	2,225,783	2,434,644	208,861
Federal grant - DHS	1,375,664	1,375,664	1,177,980	(197,684)
CMAQ Spare The Air	1,000,000	1,000,000	1,176,610	176,610
Other grants	9,000,000	9,000,000	7,549,245	(1,450,755)
Portable equipment registration program (PERP)/Inspection Fees	450,000	450,000	786,669	336,669
Interest/Investment	832,711	832,711	938,034	105,323
County apportionment	38,770,162	38,770,162	39,778,799	1,008,637
Special environmental projects	-	-	-	-
Total revenues	98,614,043	98,614,043	112,805,434	14,191,391
Expenditures:				
Executive Division	13,789,530	15,085,764	14,218,089	(867,675)
Administration Resource Division	12,609,702	14,151,579	13,256,810	(894,769)
Information Services Division	5,163,360	5,811,104	4,339,060	(1,472,044)
Legal Services Division	3,389,490	4,064,618	4,064,618	-
Communication Office	4,046,761	5,072,132	4,143,185	(928,947)
Compliance and Enforcement Division	15,536,290	15,836,094	13,540,138	(2,295,956)
Engineering Division	13,448,596	14,318,223	11,634,251	(2,683,972)
Planning and research	5,155,616	6,898,759	5,657,958	(1,240,801)
Assessment, Inventory and Model Division	4,515,101	5,416,532	4,317,305	(1,099,227)
Meteorology and Measurement Division	15,234,880	18,203,760	15,080,872	(3,122,888)
Strategic Incentives Division	664,807	677,682	120,630	(557,052)
Technology Implementation Office	961,986	4,347,525	678,297	(3,669,228)
Community Engagement and Policy Division	5,530,811	7,552,252	4,726,540	(2,825,712)
Program Distribution	-	2,258,053	656,982	(1,601,071)
Vacancy Savings	(1,544,098)	(1,544,098)	-	1,544,098
Total current expenditures	98,502,832	118,149,979	96,434,735	(21,715,244)
Capital outlay	4,236,448	8,282,086	3,628,357	(4,653,729)
Debt Service: Principal	788,771	788,771	788,771	-
Debt Service: Interest	245,670	245,670	245,670	-
Total expenditures	103,773,721	127,466,506	101,097,533	(26,368,973)
Excess of Revenues Over Expenditures	(5,159,678)	(28,852,463)	11,707,901	40,560,364
Other Financing Sources				
Transfers in	2,700,886	2,700,886	1,296,698	(1,404,188)
Total other financing sources	2,700,886	2,700,886	1,296,698	(1,404,188)
Net Change in Fund Balance	\$ (2,458,792)	\$ (26,151,577)	13,004,599	\$ 39,156,176
Beginning Budgetary Fund Balance			82,526,755	
Ending Budgetary Fund Balance			\$ 95,531,354	



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Budget and Actual - Special Revenue Fund  
Year Ended June 30, 2021

	Budgeted Amounts		Actual (Budgetary Basis)	Final Budget Positive (Negative)
	Original	Final		
Revenues:				
TFCA/MSIF DMV fee	\$ 33,119,647	\$ 61,739,241	\$ 35,500,010	\$ (26,239,231)
Carl Moyer Program	51,064,990	105,481,933	50,347,536	(55,134,397)
Other grants/funding	18,656,449	20,409,275	6,905,557	(13,503,718)
Federal grants	1,000,000	1,000,000	564,096	(435,904)
California Goods Movement	10,250,000	10,266,057	16,812	(10,249,245)
Vehicle settlement	21,017,013	22,763,040	983,914	(21,779,126)
Total revenues	135,108,099	221,659,546	94,317,925	(127,341,621)
Expenditures:				
TFCA/MSIF & Other Programs				
Program distribution	37,426,513	65,100,720	34,129,220	(30,971,500)
Intermittent control	1,993,382	3,263,475	1,296,816	(1,966,659)
TFCA administration	1,393,576	1,581,064	882,605	(698,459)
Miscellaneous incentive program	106,450	150,425	121,479	(28,946)
Regional electric vehicle deployment	1,531,722	1,827,222	1,445,135	(382,087)
Enhanced mobile source inspection	20,792	21,522	10,159	(11,363)
Mobile source incentive	493,207	527,654	527,654	-
Vehicle buy-back	7,392,769	8,258,747	3,367,605	(4,891,142)
Commuter assistance	88,870	88,870	64,232	(24,638)
Carl Moyer Program				
Project funding	48,771,181	103,165,327	48,423,633	(54,741,694)
Grant administration	2,293,809	2,316,606	1,872,261	(444,345)
California Goods Movement Program				
Project funding	10,000,000.00	10,000,000	-	(10,000,000)
Grant administration	230,795	246,853	181,842	(65,011)
Vehicle settlement				
Project funding	19,500,000	21,033,837	-	(21,033,837)
Grant administration	1,164,147	1,376,338	698,586	(677,752)
Total expenditures	132,407,213	218,958,660	93,021,227	(125,937,433)
Excess of Revenues Over Expenditures	2,700,886	2,700,886	1,296,698	(1,404,188)
Other Financing Uses				
Transfers out	(2,700,886)	(2,700,886)	(1,296,698)	\$ 1,404,188
Total other financing uses				
Net Change in Fund Balance	\$ -	\$ -	-	
Beginning Budgetary Fund Balance				
Ending Budgetary Fund Balance			\$ -	

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Notes to Required Supplementary Information  
Year Ended June 30, 2021

### Budgetary Principles

Through the budget process, the Board of Directors sets the direction of the District. The annual budget assures the most efficient and effective use of the District's economic resources and establishes the priority of objectives that are to be accomplished during the fiscal year.

The annual budget covers the period from July 1 to June 30 and is a vehicle that accurately and openly communicates these priorities to the community, businesses, vendors, employees, and other public agencies. In addition, it establishes the foundation of effective financial planning by providing resource allocation, performance measures and controls that permit the evaluation and adjustment of the District's performance.

The District follows these procedures in establishing the budgetary data reflected in the basic financial statements:

- a) The Board of Directors adopts an annual budget by resolution prior to July 1 of each fiscal year. The annual budget indicates appropriations by fund and by program. The Board of Directors may also adopt supplemental appropriations during the year. At the fund level, expenditures may not legally exceed appropriations. The Air Pollution Control Officer (APCO) is authorized to transfer budgeted amounts between divisions and programs within any fund.
- b) Budgets are adopted on a basis that is consistent with Generally Accepted Accounting Principles (GAAP) with the exception of recognition of certain revenue, as discussed below. Annual appropriated budgets are adopted for the General and Special Revenue funds.
- c) Supplementary budgetary revenue and expenditure appropriations were adopted by the Board of Directors during the fiscal year. These supplemental appropriations have been included in the Budgeted Amounts - Final column of the Budgetary Comparison Schedules.

### Reconciliation to the Statement of Revenues, Expenditures, and Changes in Fund Balances

The District's budgetary basis is consistent with Generally Accepted Accounting Principles (GAAP), with the exception of certain revenues that are recognized when earned in the GAAP-basis financial statements but deferred until expended on the budgetary basis. Revenues in the Budget and Actual schedules have been presented on the budgetary basis to provide a more meaningful comparison of actual results with the budget. The following is a reconciliation between revenues on the budgetary basis and the GAAP basis reflected in the statement of revenues, expenditures, and changes in fund balance.

	<b>Special Revenue Fund</b>
Revenues - Budgetary Basis	\$ 94,317,925
Revenue recognition adjustments	4,019,613
Revenues - GAAP Basis	<u>\$ 98,337,538</u>

**SUPPLEMENTARY INFORMATION**

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

-PRELIMINARY DRAFT-  
SUBJECT TO REVISION PRIOR TO  
SHEMING OF FINAL REPORT  
TO BE RETURNED TO SIMPSON AND  
SIMPSON CPAS AND NOT TO BE  
REPRODUCED OR DISTRIBUTED IN  
ANY FORM WITHOUT PERMISSION  
DATE: 3.10.2022

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**Transportation Fund for Clean Air (TFCA) Program,  
Mobile Source Incentive Fund Program & Other Programs

Schedule of Expenditures

Year Ended June 30, 2021

<b>Programs</b>	<b>Salaries and Benefits</b>	<b>Services and Supplies</b>	<b>Program Distribution</b>	<b>Total</b>
Program distribution	\$ -	\$ -	\$ 34,129,220	\$ 34,129,220
Intermittent control	396,774	900,042	-	1,296,816
TFCA administration	828,590	54,015	-	882,605
Miscellaneous incentive program	78,349	43,130	-	121,479
Regional electric vehicles deployment	1,075,590	369,545	-	1,445,135
Enhanced mobile source inspection	-	10,159	-	10,159
Commuter assistance	64,232	-	-	64,232
Vehicle buy-back	4,513	3,363,092	-	3,367,605
Mobile source incentive	513,905	13,749	-	527,654
Total expenditures	<u>\$2,961,953</u>	<u>\$ 4,753,732</u>	<u>\$ 34,129,220</u>	<u>\$ 41,844,905</u>

**BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT  
Single Audit Reports  
For the Year Ended June 30, 2021  
(With Independent Auditor's Reports Thereon)**





**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Single Audit Reports  
For the Year Ended June 30, 2021

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BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022



SIMPSON & SIMPSON  
CERTIFIED PUBLIC ACCOUNTANTS

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**Independent Auditor's Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

The Board of Directors of the  
Bay Area Air Quality Management District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Bay Area Air Quality Management District** (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March XX, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Los Angeles, California  
March XX, 2022





SIMPSON & SIMPSON  
CERTIFIED PUBLIC ACCOUNTANTS

FOUNDING PARTNERS  
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## **Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

The Board of Directors of the  
Bay Area Air Quality Management District

### **Report on Compliance for Each Major Federal Program**

We have audited the **Bay Area Air Quality Management District's** (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.



## **Report on Internal Control over Compliance**

Management of the District's is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated March X, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.



The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Los Angeles, California  
March XX, 2022

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Assistance Listing Number</b>	<b>Grantor or Pass-Through Entity ID Number</b>	<b>Passed Through to Subrecipients</b>	<b>Program Cluster Expenditures</b>	<b>Total Federal Expenditures</b>
U.S. Environmental Protection Agency:					
Air Pollution Control Program Support	66.001	A00905620			\$ 161,351
Air Pollution Control Program Support	66.001	A00905621	\$ 635,718		1,981,676
Subtotal CFDA 66.001			635,718		2,143,027
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	PM98T037010			152,599
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	PM98T037010-1			50,866
Community Scale Air Toxics Ambient Monitoring	66.034	XA99T70701			85,000
Subtotal CFDA 66.034					288,465
Targeted Airshed Grant - Heat Pump Project	66.956	TA-98T16101-0			3,152
Subtotal Direct Program					2,434,644
Total U.S. Environmental Protection Agency					2,434,644
U.S. Department of Homeland Security:					
Homeland Security Biowatch Program	97.091	2006-ST-091-2			1,177,980
Subtotal Direct Program					1,177,980
Total U.S. Department of Homeland Security					1,177,980
U.S. Department of Transportation:					
Passed through California Department of Transportation:					
Highway Planning and Construction	20.205	CML-6297 (008)		\$ 1,176,610	
Highway Planning and Construction	20.205	CML-6297 (009)		564,096	
Subtotal Expenditures - Highway Planning and Construction Cluster					1,740,706
Subtotal Pass-Through Program					1,740,706
Total U.S. Department of Transportation					1,740,706
Total Expenditures of Federal Awards			\$ 635,718	\$ 1,740,706	\$ 5,353,330

See accompanying independent auditor's report and notes to schedule of expenditures of federal awards.



## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2021

### **1. General**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal award programs of the Bay Area Air Quality Management District (the District) for the year ended June 30, 2021. The District's reporting entity is defined in Note 1 of the District's basic financial statements. Expenditures of federal awards received directly from federal agencies, as well as expenditures of federal awards passed through other governmental agencies, are included in the SEFA.

### **2. Summary of Significant Accounting Policies**

**Basis of Accounting** - Funds received under the various grant programs have been recorded within the general fund and the special revenue fund of the District. The accompanying SEFA is presented using the modified accrual basis of accounting for expenditures that are accounted for in the general fund and the special revenue fund, which are both governmental funds, as described in Note 1 of the District's basic financial statements.

**Relationship to Financial Statements** - Federal award expenditures reported in the accompanying SEFA agree, or can be reconciled, in all material respects, to amounts reported in the District's basic financial statements.

**Assistance Listing** - The Assistance Listing numbers included in the accompanying SEFA were determined based on the program name, review of grant or contract information, and the Office of Management and Budget's Compliance Supplement

### **3. Pass-through Entities' Identifying Numbers**

When federal awards are received from a pass-through entity, the SEFA indicates, if assigned, the identifying grant or contract number that has been assigned by the pass-through entity.

### **4. Indirect Cost Rate**

The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2021

### Section I - Summary of Auditor's Results

#### *Financial statements:*

- |  |            |
|--|------------|
| 1. Type of auditor's report issued:  | Unmodified |
| 2. Internal control over financial reporting:                                      |            |
| • Material weakness(es) identified?  | None noted |
| • Significant deficiency(ies) identified not considered to be material weaknesses? | None noted |
| 3. Noncompliance material to financial statements noted?                           | None noted |

#### *Federal Awards:*

- |  |            |
|--|------------|
| 4. Internal control over major programs:   |            |
| • Material weakness(es) identified?  | No         |
| • Significant deficiency(ies) identified not considered to be material weaknesses? | No         |
| 5. Type of auditor's report issued on compliance for major programs:               | Unmodified |
| 6. Identification of major programs:   |            |

Assistance Listing Number

97.091

Name of Federal Program

Biowatch – Homeland Security

- |  |           |
|--|-----------|
| 7. Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516? | No        |
| 8. Dollar threshold used to distinguish between Type A and Type B programs:                                | \$750,000 |
| 9. Auditee qualified as a low-risk auditee?  | Yes       |

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2021

**Section II – Financial Statement Finding**

No matters were reported.

**Section III – Federal Award Findings and Questioned Costs**

No matters were reported.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022  
-PRELIMINARY DRAFT-  
SUBJECT TO REVISION PRIOR TO  
SUBMISSION OF FINAL REPORT  
TO BE RETURNED TO SIMPSON AND  
SIMPSON CPAS AND NOT TO BE  
REPRODUCED OR DISTRIBUTED IN  
ANY FORM WITHOUT PERMISSION  
DATE: 3.10.2022

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Schedule of Prior Year Findings and Questioned Costs  
For the Year Ended June 30, 2021

**Section II – Financial Statement Finding**

There were no audit findings in the prior year.

**Section III – Federal Award Findings and Questioned Costs**

There were no audit findings in the prior year.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022  
-PRELIMINARY DRAFT-  
SUBJECT TO REVISION PRIOR TO  
SIMPSON CPAS AND NOT TO BE  
TO BE RETURNED TO SIMPSON AND  
REPRODUCED OR DISTRIBUTED IN  
ANY FORM WITHOUT PERMISSION  
DATE: 3.10.2022

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Carole Groom and Members  
of the Budget and Finance Committee

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 23, 2022

Re: Proposed Amendments to Air District Regulation 3: Fees

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Staff develops recommended amendments to the Air District's fee regulation as part of the budget preparation process. On March 7, 2012, the Board of Directors adopted a Cost Recovery Policy for fee-based activity that established a goal of increasing fee revenue sufficient to achieve at least 85 percent recovery of regulatory program costs. Staff will provide two options for fee schedule increase strategies as well as proposals for other fees.

DISCUSSION

Draft amendments to specific fee schedules were made using our authority to better recover costs as allowed by the California Health and Safety Code.

Two options will be provided to the Board for consideration on fee schedule increases:

- Option 1: Follow the 2018 Cost Recovery and Containment recommendations for fee increases based on the cost recovery rate. Fees that are administrative in nature would also be increased by 4.1 percent.
- Option 2: Existing fee schedules not deemed fully cost recovered (a rate above 110%) are proposed to be increased by 15 percent. Fees that are administrative in nature would also be increased by 15 percent.
  - Option 2 is estimated to increase the budget by \$3.9 million compared to Option 1.

The impacted fee schedules are:

Schedule A:	Hearing Board Fees
Schedule B:	Combustion of Fuels
Schedule Da:	Gasoline Dispensing Facilities – Risk Assessment Fee only for existing facilities
Schedule E:	Solvent Evaporating Sources
Schedule F:	Misc. Sources (e.g., storage silos, abrasive blasting)
Schedule G-1:	Misc. Sources (e.g., glass manufacturing, soil remediation)
Schedule G-2:	Misc. Sources (e.g., asphaltic concrete, furnaces)
Schedule G-3:	Misc. Sources (e.g., metal melting, cracking units)
Schedule G-4:	Misc. Sources (e.g., cement kilns, sulfur removal & coking units)
Schedule H:	Semiconductor and Related Operations
Schedule K:	Solid Waste Disposal Sites
Schedule M:	Major Stationary Source Fees
Schedule N:	Toxic Inventory Fees
Schedule P:	Major Facility Review Fees
Schedule S:	Naturally Occurring Asbestos Operations
Schedule T:	Greenhouse Gas Fees
Schedule V:	Open Burning
Schedule W:	Petroleum Refining Emissions Tracking Fees

The following additional amendments are proposed:

- Fees to implement the amendments to Regulation 2 (Permits), Rules 1 (General Requirements) and 5 (New Source Review for Toxic Air Contaminants), which were adopted by the board in December 2021 and take effect on July 1, 2022, are proposed as follows:
  - Revise Section 3-302, Fees for New and Modified Sources to add a new fee for a permit application for projects in an Overburdened Community (OBC).
  - Revise Section 3-318, to have the public notice fees apply to applicable permit applications in an OBC.
  - Revise Section 3-327, Permit to Operate, Renewal Fees to add a new fee for each permitted facility located in an OBC would be charged during permit renewal.
    - Staff proposes an OBC renewal fee of 15 percent of the permit renewal fees for all facilities with a Permit to Operate. The maximum OBC renewal fee will be capped at \$250,000 per year per facility.
    - The OBC renewal fee is estimated to increase the budget by \$2.4 million.
- Add a new fee in Schedule S: Naturally Occurring Asbestos Operations for a geologic evaluation which may be required before an Asbestos Dust Mitigation Plan (ADMP) application is submitted. The geologic evaluation is currently being done without any cost recovery.

Staff will provide the committee with additional details regarding the draft fee amendments, overall cost recovery and the proposed percent average fee increase for the upcoming fiscal year.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The proposed fee amendments would increase fee schedule revenue in FYE 2023 by an estimated \$2.6 million for Option 1 or \$6.5 million for Option 2. The proposed new OBC fees would add an estimated \$2.4 million.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Fred Tanaka  
Reviewed by: Pamela J. Leong, Damian Breen, Jeff McKay

ATTACHMENTS:



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Carole Groom and Members  
of the Budget and Finance Committee

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 23, 2022

Re: Discussion on Proposed Budget for Fiscal Year Ending (FYE) 2023

RECOMMENDED ACTION

The Budget and Finance Committee will review the Proposed Budget for Fiscal Year Ending (FYE) 2023 and make any recommendations for further discussions at its April 27, 2022, Committee meeting.

BACKGROUND

At the March 2, 2022 Board of Directors meeting, the FYE 2023 Proposed Budget document was referred to the Budget and Finance Committee for review at the Committee's March 23, 2022 meeting.

DISCUSSION

Air District staff will present the Proposed Budget for FYE 2023.

Air District staff will publish, prior to April 6, 2022, a notice to the general public that the first of two public hearings on the budget will be conducted on May 4, 2022, and that the second hearing will be conducted on June 1, 2022. Staff requests that the Budget and Finance Committee complete its review and take action on the Proposed Budget at the April 27, 2022, Budget and Finance Committee meeting. This will allow staff the necessary time required to amend, if necessary, the budget for the first public hearing to be held on May 4, 2022.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The proposed consolidated budget for FYE 2023 is a balanced budget.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Stephanie Osaze  
Reviewed by: Jeff McKay

ATTACHMENTS:

1. BAAQMD Fiscal Year 2023 Budget Book

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

PROPOSED BUDGET  
FOR  
FISCAL YEAR ENDING 2023

**March 8, 2022**

The Bay Area Air Quality Management District  
is committed to  
PROTECT AND IMPROVE PUBLIC HEALTH, AIR QUALITY, AND  
THE GLOBAL CLIMATE

CORE VALUES

- Excellence*** Air District programs and policies are founded on science, developed with technical expertise, and executed with quality.
- Leadership*** The Air District will be at the forefront of air quality improvement and will pioneer new strategies to achieve healthy air and protect the climate.
- Collaboration*** Involving, listening, and engaging all stakeholders, including partner agencies, to create broad acceptance for healthy air solutions.
- Dedication*** Committed staff that live and believe the Air District's mission.
- Equity*** All Bay Area residents have the right to breathe clean air.

# Bay Area Air Quality Management District

For Fiscal Year Ending June 30, 2023

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# Bay Area Air Quality Management District

For Fiscal Year Ending June 30, 2023

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BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

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BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

# BUDGET MESSAGE

Jack P. Broadbent, Executive Officer/APCO

## EXECUTIVE SUMMARY

This document presents the proposed budget for the Bay Area Air Quality Management District (Air District) for Fiscal Year Ending June 30, 2023 (FY 2023). The Air District continues its commitment to fulfill its mission, goals, and objectives, through activities which focus on core and mandated programs, fiscally conservative internal controls, long range financial planning and the development of short and long-term sustainable approaches toward achieving cleaner air to protect the public's health and the environment.

The FY 2023 General Fund Proposed Budget increased by \$11.5 million over the current year budget. This budget proposes increases to the Air District's Existing Fee Schedules, implementation of a new fee for overburdened communities, and increased staffing to address staffing needs to several core programs.

The proposed budget for FY 2023 reflects the priorities established by the Board of Directors (Board), which includes maintenance and enhancement of Air District core functions as well as work on the following key policy initiatives:

### Assembly Bill 617 Implementation (AB 617)

The Air District will expand the AB 617 program by deepening partnerships with the East Oakland community to launch a new community Steering Committee and co-develop a community emissions reduction plan. The Air District will also finalize, adopt, and begin to implement a community emissions reduction plan with the Richmond-North Richmond-San Pablo Steering Committee; continue implementation of the West Oakland Community Action Plan in partnership with West Oakland Environmental Indicators Project and the Steering Committee; and continue to engage and provide support to other AB 617 communities. Assembly Bill (AB) 617, passed by the Legislature and signed by the Governor in 2017, establishes new, comprehensive air quality planning requirements for the California Air Resources Board (CARB) and local air districts, including identifying impacted communities, engaging communities to co-develop action plans to analyze and reduce localized cumulative exposure to air pollution to improve health in the most disproportionately impacted communities. AB 617 implementation activities cut across all divisions and represent a major priority for the agency in FY 2023.

### Environmental Justice Policy

The Air District will deepen the Agency's progress towards Environmental Justice goals. To operationalize these goals, the Senior Deputy Executive Officer of Policy & Equity and the Environmental Justice & Community Engagement Officer will spearhead an Environmental Justice Policy in consultation with the Community Advisory Council to bring to the Board of Directors. The policy will jumpstart efforts to remove silos between the Community Engagement Office and other divisions/ programs and create a plan by which every division develops environmental justice strategies that support more transparency and accountability, support communities to speak for themselves, support community-led and decision-making, build partnerships with environmental justice communities, and provide environmental justice training for staff and participatory budgeting and funding, among other equity-driven objectives.

### James Cary Smith Community Grant Program

The Air District has improved and expanded its community grant program to uplift local efforts that improve air quality disparities in environmental justice communities in the Bay Area. For the 2022 grant cycle, the Air District has aligned its two community grants into the James Cary Smith Community Grant Program and offered individual grants up to \$100,000 per year for three years. The program will support more than 30 local organizations in assessing community needs, mobilizing the community to action, leveraging

community power, and authentically engaging community in air pollution reduction efforts and policy decisions.

#### Diversity, Equity, and Inclusion

The Air District's Office of Diversity, Equity & Inclusion (Office) is responsible for ensuring an equity lens is applied to all programs, policies, practices, and procedures across the agency. The Office utilizes the cycle of change model of normalizing, organizing, and operationalizing to achieve equitable results. Normalizing involves working to establish a shared understanding of diversity, equity and inclusion related key concepts among board, staff, and community members. Organizing involves fostering a workforce specifically designed to address some of the most complex technical air quality issues that we face. Operationalizing involves ensuring staff has the tools and information necessary to have a positive impact and track data driven results. Specific Office responsibilities include providing equity training, creating, and executing cultural awareness events and activities, partnering with Human Resources to implement recruitment and retention strategies, ensuring equity is factored into outreach efforts for grants and contract opportunities, and developing an agency-wide equity workplan. The Office will continue to ensure the contributions of all employees and community members are valued and respected with a goal to achieve equitable outcomes.

#### Toxics Risk Reduction Rule Implementation

The Air District will continue to implement Regulation 11, Rule 18, Reduction of Risk from Air Toxic Emissions at Existing Facilities (Rule 11-18). Under this rule, staff will improve toxic emission inventories and conduct health risk assessments (HRAs) for about 350 facilities. Sites with elevated health risks will be required to implement risk reduction plans that may include abatement devices, material substitutions, operational changes, or other measures that reduce health risks from stationary sources. The Air District is currently evaluating health risks for 34 facilities that are likely to have the highest health impacts. These sites include refineries, cement manufacturing, metal melting, large chemical plants, large power plants, and landfills. Inventory reviews for additional facilities will begin in 2022 and continue in later years as part of the rule implementation plan, followed by HRAs, and risk reduction plans when required.

#### Wildfire Air Quality Response Program

The Air District aims to implement projects for ventilation retrofits and air filtration improvements as part of Assembly Bill 836, *Wildfire Smoke Clean Air Center Incentive Program for Vulnerable Communities*. To complement this program, the Air District is pursuing a new home air filtration grant program to provide residential air filtration units and filters to those most vulnerable to wildfire smoke. Additional efforts underway include the launch of a new Wildfire Prevention Chipping Pilot Program to provide an alternative to open burning. Coordination with local and state partners will continue to be a primary focus of the wildfire program including a robust public messaging plan to raise awareness on the health impacts of wildfire smoke and wildfire preparedness.

#### Climate Tech Finance Loan Program

The Air District's first loan and loan guarantee program supports the Bay Area's industrial and municipal facilities in implementing emerging technologies that can reduce their greenhouse gas emissions, support more efficient operations and lower costs. In FY 2023, the Air District will continue to leverage partnerships with state agencies and private lenders to identify and fund climate projects through outreach, matchmaking, and technical support.

#### Clean Cars for All Program

The Air District has continued to support the Clean Cars for All program to provide grants for low-income residents in the Bay Area to access clean transportation options, including plug-in hybrid vehicles, battery electric vehicles, or transit. In FY 2023, this program and other electric vehicle incentive programs, will be complemented by expanded public outreach and partnership activities and include a focus on providing incentives in disadvantaged communities.

### Grants for Surplus Emissions Reductions to Complement Other Air District Programs

The Air District's grants programs work to incentivize voluntary emissions reductions, primarily from mobile sources. In FY 2023, the Air District will be awarding approximately \$105 million to eligible projects that will replace older cars, trucks, buses, and off-road equipment, with newer and cleaner alternatives including zero-and near-zero technologies. Incentive funds will also be awarded to projects that support single-occupancy vehicle trip reduction strategies. Air District funding is prioritized for providing benefits to the region's most disproportionately impacted communities and for projects that result in permanent reductions in emissions reductions through the adoption of zero- and new-zero emissions technologies.

## **INCENTIVE REVENUES**

### Transportation Fund for Clean Air (TFCA)

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within its nine-county jurisdiction to fund projects that reduce on-road motor vehicle emissions. The Air District allocates these funds to eligible projects through the Transportation Fund for Clean Air (TFCA) program. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242. The Air District expends a portion of the funds collected for administrative purposes and provides the remainder of the funds to project sponsors that implement eligible projects or programs.

Up to 60% of these funds received are awarded directly by the Air District to a program referred to as the TFCA Regional Fund and to eligible District programs (e.g., Spare the Air). The remaining 40% is forwarded to the designated county transportation agency within each Bay Area County to be distributed through the TFCA County Program Manager Fund program. TFCA funding may be used to support replacements and fleet expansion of eligible zero-emissions on-road passenger vehicles, trucks, and buses, and single-occupancy vehicle trip reduction strategies including the creation of new bicycle paths and lanes and installation of secure bike parking facilities.

### Mobile Source Incentive Fund (MSIF)

Assembly Bill 923 (AB 923 - Firebaugh), enacted in 2004 (codified as Health and Safety Code Section 44225), authorized local air districts to increase their motor vehicle registration surcharge up to an additional \$2 per vehicle. The revenues from the additional \$2 surcharge are deposited in the Air District's Mobile Source Incentive Fund (MSIF). The Health & Safety Code stipulates that air districts may use the revenues generated by the additional \$2 surcharge for projects eligible for funding under the following programs: Carl Moyer Program, Lower Emission School Bus Program, Light-Duty Vehicle Scrap Program, and Agricultural Assistance Program. Funds may also be used for alternative fuel and electric infrastructure projects. The Air District provides these incentives to public and private entities for the implementation of eligible projects within the region. The Air District expends a portion of the funds collected for administrative purposes and provides the remainder to project sponsors that implement eligible projects. This program was reauthorized through 2023 and new efforts are currently underway to extend this sunset date. Revenues from this funding source are separate from the General Fund budget for accounting purposes.

### Carl Moyer Program (CMP)

The Air District has participated in the Carl Moyer Program, in cooperation with the California Air Resources Board, since the program began in 1999. This program provides funding for grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include on-road trucks and buses, off-road equipment, marine vessels, locomotives, stationary agricultural pump engines, forklifts, and refueling infrastructure that supports zero emissions vehicles. This program was reauthorized through 2023 and new efforts are currently underway to extend this sunset date. Revenues from this funding source are separate from the General Fund budget for accounting purposes.

#### California Goods Movement Bond (CGMB)

In November 2006, California voters authorized the Legislature to appropriate \$1 billion in bond funding to quickly reduce air pollution emissions and health risk from freight movement along California's priority trade corridors. On February 28, 2008, The California Air Resources Board approved an allocation of \$140 million from projected bond sales for emission reduction projects in the Bay Area trade corridor. To date, this program has funded projects to reduce emissions from over 2,000 diesel trucks and install shore power infrastructure at 12 berths at the Port of Oakland. The Air District is currently administering the final round of CGMB funding.

#### Community Air Protection Grant Program (AB 617)

In 2017, AB 617 directed the California Air Resources Board, in conjunction with local air districts to establish the Community Air Protection Program (CAPP). To date, four rounds of funding for incentives to support the AB 617 effort have been approved by the California Legislature beginning in fiscal year ending (FY) 2018 and comes from the State's Greenhouse Gas Reduction Fund (GGRF), which is used to reduce criteria pollutants, toxic air contaminants, and greenhouse gases. This funding is designed to primarily target hyperlocal reductions in emissions from and exposure to diesel particulate and toxic air contaminants.

These funds are primarily distributed through the Air District's Community Health Protection Grant Program to implement projects eligible under the CMP and optionally on-road truck replacements under the Proposition 1B Goods Movement Emission Reduction Program. Staff has also begun working with CARB to expand eligibility to include stationary source projects and projects that are identified as priorities by communities with a State-approved Community Emissions Reduction Program, pursuant to HSC Section 44391.2. To date the Air District has received three cycles of CAPP incentive funding totaling nearly \$118 million. Approximately \$25 million in new revenue is anticipated to be awarded to the Bay Area for the fourth cycle in fiscal year ending 2023.

#### Volkswagen Environmental Mitigation Trust (VW Trust)

The VW Trust was established subsequent to a settlement with Volkswagen and other parties for their use of illegal defeat devices and is intended to fully mitigate the lifetime excess oxides of nitrogen (NOx) emissions caused by their actions. The California Air Resources Board is the designated Lead Agency acting on the State's behalf as beneficiary to implement California's share of VW Trust funds for eligible project categories. In 2018, the Air District was selected by the California Air Resources Board to administer VW Trust funding on a statewide-basis for the zero-emission freight and marine category totaling \$70 million and the light-duty zero emission vehicle infrastructure category totaling \$10 million. VW Trust funds will be awarded and managed over a ten-year period ending in 2028.

#### Funding Agricultural Replacement Measures for Emission Reductions (FARMER)

In 2018 the California Air Resources Board established the FARMER Program that provides grant funding for eligible projects that reduce criteria, toxic, and greenhouse gas emissions from the agricultural sector. The FARMER program targets the voluntary early replacement of older, dirtier equipment that used in agricultural operations, such as harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment. On October 21, 2019, CARB's Executive Officer approved an update to the FARMER Program Guidelines to include eligibility criteria for demonstration projects. Since the program's inception in 2018, the State has allocated approximately \$1 million annually to the Bay Area Air District for its participation in the FARMER program.

#### Clean Cars for All Program (CCFA)

The Air District has participated in the Clean Cars for All Program since 2018. The program is a partnership between the California Air Resources Board and local air districts that provides incentives for low-income households to retire older, high-polluting vehicles and replace them with a newer, cleaner vehicle or with mobility options. The CCFA Program reduces criteria pollutants and greenhouse gas emissions throughout the Bay Area and supports the goal of equitable access to electric vehicles and clean transportation. State funding for this program has come from the California Climate Investments (CCI) initiative that puts Cap-

and-Trade dollars to work reducing greenhouse gas emissions, the Volkswagen settlement fund, and the Air Quality Improvement Program.

#### Environmental Protection Agency -- Targeted Airshed Grant (TAG)

In 2021, the EPA awarded the Bay Area Air District \$2.2 million in TAG funding to expedite reductions emissions of particulate matter through projects that will replace approximately 320 wood burning stoves and wood inserts with electric heat pumps in the Bay Area's most disproportionately impacted communities. This new program is tentatively scheduled to launch in fiscal year 2023 as a pilot. Funding is matched by the Air District's General Fund.

### **FINANCIAL SUMMARY**

The Proposed Consolidated Budget Expenditure for FY 2023 is \$243.3 million; a decrease of \$4.7M, or 1.9% over current year. Of the \$243.3 million, \$114.8 million is classified as Special Revenue Funds for various grant related incentive programs and \$128.5 million for General Fund programs.

#### General Fund Summary

Total FY 2023 Proposed General Fund Budget is expected to increase by \$11.5 million or 9.8% over the current year. The following actions were taken to develop the FY 2023 Proposed Budget:

- Continuation of fee increases to the District's Existing Fee Schedules
- Proposed adoption of an application and renewal fee for the overburdened communities
- Funding of the 445 Full Time Equivalent (FTE) current authorized positions; approximately 403 are funded through the General Fund and remaining 42 with Special Revenue Funds from various grant sources.
- Proposed funding 20 additional positions; increasing the current authorized 445 FTE to 465 FTE to address the growing demands on core programs. Further details on the additional 20 new positions will be presented during the 2023 fiscal year.
- Assumes a 6% vacancy savings to account for recruitment timeline to fill new positions and attrition due to retirements.
- Proposed use of \$1.0 million of reserves for information technology improvements and buildout of space for Meteorology and Measurement staff at the Richmond Office.
- Continue to address unfunded liabilities
- A 3.4 % cost of living increase for air district employees

The FY 2023 Proposed Budget is balanced, reflecting a \$1.0 million transfer from General Fund reserves for information technology improvements and build-out of space for Meteorology and Measurement staff at the Richmond Office. The proposed budget includes an economic contingency reserve policy of 20% of the operating budget. This policy allows for a sound financial footing and provides the Air District the ability to operate for a minimum of three months in the event of a total loss of projected revenue. See Appendix C for further details on the District's Fund Reserves including proposed designations.

### **GENERAL FUND REVENUES AND EXPENDITURES**

Details of the FY 2023 General Fund Revenues and Expenditures by major categories are displayed in Appendix D, Figure 1 and Figure 2, including 3 years of prior year actuals and the approved budget for FY 2022.

#### Fee Revenue

This budget year, the Air District proposes the adoption of an overburdened community fee and implements maximum increases as applicable to existing permitted-fee schedules as allowed under the *Health and Safety Code*. Increases in permit-related fees reflect the Board's adoption of a cost recovery policy in accordance with the recommendations of the cost recovery study undertaken in 2010. An independent review of the Air District's cost recovery and containment process is underway and is expected to be



completed by March 2022. This study will also address options for 100% cost recovery target. If proposed fee increases are approved, the proposed fee schedule will become effective on July 1, 2022.

#### County Revenue

The County revenue budget is based on property values in the nine Bay Area counties. For the FY 2023 Proposed Budget projects a \$2.9 million or 7.0% increase in property taxes receipts over the FY 2022 Approved Budget primarily due to Bay Area's high real estate prices especially in the housing market leading to increased property valuations and higher property taxes.

#### Other Sources of General Fund Revenue

Federal grants from the Environmental Protection Agency (EPA) and other state/federal agencies show decreased by \$0.8 million or 6.0% under current year budget. We anticipate continued funding from the State of \$9.0 million for AB 617 implementation efforts. However, this funding is not guaranteed and may be in jeopardy for future years. As in the past, should the Air District receive supplemental Federal grants, the amounts will be presented to the Air District's Board for approval. The State Subvention grant for FY 2023 is budgeted at \$1.7 million based on actual collections in prior year. Penalties and Settlements fluctuate from time to time; and the FY 2023 projection is \$2.7 million. Transfer from various grant sources of \$1.1 million will support indirect costs and other eligible activities supporting these grant programs.

#### Operating Expenditures

The FY 2023 General Fund Proposed Operating Budget (net personnel & capital) of \$34.5 million increased by \$2.4 million over the FY 2022 Approved Budget primarily due to the necessary increase to address new and enhanced programs of the Air District. A summary of the General Fund Expenditures by Division from FY 2021 (actual expenditures) through FY 2023 (projected expenditures) is displayed in Table XI. In addition, the General Fund Expenditures by major categories from FY 2019 (actuals) through FY 2023 (projected expenditures) are displayed in Appendix E, Figure 2.

#### Personnel Expenditures

The current authorized staffing level is 445 FTE, of which 26 positions were approved in the FY 2022 adopted budget and are placed on hold for hiring pending the results of a management audit. The proposed FY 2023 budget includes funding of approximately \$3.3 million to fund an additional 20 FTEs to meet the growing demands of core Air District programs. The proposed budget also assumes a 6% vacancy savings of \$5.2 million to account for recruitment timeline to fill new positions and attrition due to retirements.

#### Capital Expenditures

The Proposed Budget for FY 2023 funds capital expenditures of \$6.6 million. The capital budget is distributed across various General Fund programs. Table XIII provides details of the individual capital items.

### **PLANNING FOR THE FUTURE AND COST CONTAINMENT**

The Air District's Five-year projections anticipate revenue is sufficient to meet projected expenditures within the accuracy level of the projection. Appendix F provides a General Fund Five-Year Projection. Reserves address future capital equipment and facility needs, uncertainties in State funding and external factors affecting the economy that could impact the Air District's ability to balance its budgets. If the economic slowdown remains stable, the forecast assumes the Air District will be well above its 20% reserve policy, with the assumption that AB617 funding from the State of California persists. If the AB617 funding does not persist, the severe strain will be placed on the Air District's ability to maintain current staffing levels. While there is a healthy reserve to address potential fiscal challenges over the next five years of the financial plan, the Air District must be fiscally prudent with its reserves to weather any potential long-term economic recovery.

The Air District's annual obligation, premiums in employee health benefits, pension costs and OPEB obligations continue to grow. Over the last few years, the Air District has made significant efforts in funding its obligations for OPEB by making additional contributions to fund its unfunded liability. Based on June 30, 2019, actuarial valuation study for OPEB, the Air District's plan is approximately 75% funded: leaving an unfunded liability of 25% or \$18.4 million. As a part of the FY 2016 Budget, the Board adopted a minimum

OPEB funding target policy of 90%. The FY 2023 Budget includes the continuation of this funding with a \$4.0 million contribution.

The Air District's pension obligation is also growing, especially with recent changes in actuarial assumptions by CalPERS. As a result, CalPERS anticipates increased employer rates over the next few years. Based on June 30, 2020, CalPERS actuarial valuation study, the Air District is currently funded at approximately 72%, leaving an unfunded liability of 28% or approximately \$100.0 million. Given these potential impacts, the FY 2023 budget includes the continuation of \$1.0 million in discretionary contributions, which will be used for the sole purpose of reducing the unfunded liability to minimize the impact of future rate increases for the Air District.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

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## District-Wide Revenue and Expenditure Budgets

TABLE I: Consolidated Expenditures and Revenues by Major Categories

	AUDITED ACTUALS FYE 2021			APPROVED BUDGET FYE 2022			PROPOSED BUDGET FYE 2023		
	GENERAL FUND	SPECIAL FUNDS	TOTAL FUNDS	GENERAL FUNDS	SPECIAL FUNDS	TOTAL FUNDS	GENERAL FUND	SPECIAL FUNDS	TOTAL FUNDS
<b>REVENUES</b>									
County Revenues	39,778,799		39,778,799	39,335,284		39,335,284	42,197,180		42,197,180
Permits / Fees	52,164,262		52,164,262	53,678,690		53,678,690	63,259,929		63,259,929
Grant Revenues	9,971,613	94,317,931	104,289,544	12,967,612	130,964,735	143,932,347	12,189,755	114,766,988	126,956,743
Other Revenues	7,826,002		7,826,002	6,745,848		6,745,848	6,273,876		6,273,876
	109,740,676	94,317,931	204,058,607	112,727,434	130,964,735	243,692,169	123,920,740	114,766,988	238,687,728
Reimbursements Programs	2,354,590		2,354,590	2,426,500		2,426,500	2,516,418		2,516,418
Transfer In	1,296,698		1,296,698	1,361,189		1,361,189	1,066,545		1,066,545
Transfer from / (to) Reserves	(11,729,493)		(11,729,493)	500,000		500,000	1,000,000		1,000,000
<b>Total REVENUES</b>	101,662,471	94,317,931	195,980,402	117,015,123	130,964,735	247,979,858	128,503,703	114,766,988	243,270,691
<b>EXPENDITURES</b>									
Personnel & Benefits	72,942,049	5,566,133	78,508,182	78,193,804	7,503,256	85,697,060	86,419,734	7,987,249	94,406,983
Services & Supplies	23,926,472	4,902,247	28,828,719	32,092,559	10,398,315	42,490,874	34,521,792	10,720,089	45,241,881
Capital Expenditures	3,501,906		3,501,906	5,187,458		5,187,458	6,562,177		6,562,177
Other Financing Uses	635,062		635,062						
	101,005,489	10,468,380	111,473,869	115,473,821	17,901,571	133,375,392	127,503,703	18,707,338	146,211,041
Program Distributions	656,982	82,552,853	83,209,835	1,541,302	111,746,976	113,288,278	1,000,000	94,993,105	95,993,105
Transfer Out		1,296,698	1,296,698		1,316,188	1,316,188		1,066,545	1,066,545
<b>Total EXPENDITURES</b>	101,662,471	94,317,931	195,980,402	117,015,123	130,964,735	247,979,858	128,503,703	114,766,988	243,270,691

TABLE II: Consolidated Revenues

	Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2021	2022	2023	\$	%
<b>County Revenues</b>					
Alameda	7,160,542	6,897,046	7,452,947	555,901	8.1%
Contra Costa	4,301,160	4,673,433	4,693,206	19,773	0.4%
Marin	1,730,658	1,688,388	1,845,270	156,882	9.3%
Napa	1,255,553	1,227,157	1,306,277	79,120	6.4%
San Francisco	6,273,268	6,199,930	6,775,407	575,477	9.3%
San Mateo	5,467,678	5,121,684	5,730,760	609,076	11.9%
Santa Clara	10,980,081	10,831,380	11,624,285	792,905	7.3%
Solano	917,871	970,760	1,009,361	38,601	4.0%
Sonoma	1,691,988	1,725,506	1,759,667	34,161	2.0%
<b>Total County Revenues</b>	<b>39,778,799</b>	<b>39,335,284</b>	<b>42,197,180</b>	<b>2,861,896</b>	<b>7.3%</b>
<b>Permits / Fees</b>					
Permit Renewal & Application Fees	35,818,857	37,505,080	43,531,573	6,026,493	16.1%
Community Health Impact	750,623	918,891	1,108,600	189,709	20.6%
Criteria Pollutant and Toxics Emissions		1,300,000	1,219,460	(80,540)	(6.2)%
Title V Fees	6,210,781	6,261,936	8,065,278	1,803,342	28.8%
Asbestos Fees	4,094,654	4,000,000	4,000,000		
Toxics Inventory Fees	1,995,672	731,737	1,659,680	927,943	126.8%
Registration Fees	200,522	190,000	318,870	128,870	67.8%
Hearing Board Fees	14,318	25,000	25,000		
Greenhouse Gas Fees	3,078,835	2,746,046	3,331,468	585,422	21.3%
<b>Total Permit Fees</b>	<b>52,164,262</b>	<b>53,678,690</b>	<b>63,259,929</b>	<b>9,581,239</b>	<b>17.8%</b>
<b>Grant Revenues</b>					
Federal Grant	2,434,644	3,967,612	3,189,755	(777,857)	(19.6)%
Other Grants	7,536,969	9,000,000	9,000,000		
<b>Total Grant Revenue</b>	<b>9,971,613</b>	<b>12,967,612</b>	<b>12,189,755</b>	<b>(777,857)</b>	<b>(6.0)%</b>
<b>Other Revenues</b>					
Penalties & Settlements	4,212,013	2,750,000	2,750,000		
State Subvention	1,748,876	1,736,000	1,748,876	12,876	0.7%
PERP (Portable Equip Prog)	786,669	450,000	475,000	25,000	5.6%
Interest Income	938,034	1,609,848	1,000,000	(609,848)	(37.9)%
Miscellaneous Income	140,410	200,000	300,000	100,000	50.0%
<b>Total Other Revenues</b>	<b>7,826,002</b>	<b>6,745,848</b>	<b>6,273,876</b>	<b>(471,972)</b>	<b>(7.0)%</b>
<b>Total Operating Revenues</b>	<b>109,740,676</b>	<b>112,727,434</b>	<b>123,920,740</b>	<b>11,193,306</b>	<b>9.9%</b>
<b>Reimbursement Programs</b>					
CMAQ Funding	1,176,610	1,000,000	1,000,000		
DHS Biowatch Funding	1,177,980	1,426,500	1,516,418	89,918	6.3%
<b>Total Reimbursement Programs</b>	<b>2,354,590</b>	<b>2,426,500</b>	<b>2,516,418</b>	<b>89,918</b>	<b>3.7%</b>
Transfer from / (to) Reserves	(11,729,493)	500,000	1,000,000	500,000	100.0%
Transfer In	1,296,698	1,361,189	1,066,545	(294,644)	(21.6)%
<b>Total General Fund Revenues</b>	<b>101,662,471</b>	<b>117,015,123</b>	<b>128,503,703</b>	<b>11,488,580</b>	<b>9.8%</b>
<b>Special Revenue Funds</b>					
<b>Grant Programs</b>					
Carl Moyer Fund	50,347,537	59,898,128	55,058,440	(4,839,688)	(8.1)%
Mobile Source Incentive Fund (MSIF)	15,726,766	12,000,000	12,350,000	350,000	2.9%
California Goods Movement Bond (CGMB)	16,811	21,388,049	5,100,000	(16,288,049)	(76.2)%
Transportation Fund for Clean Air (TFCA)	17,381,695	19,313,364	20,400,000	1,086,636	5.6%
Other Grants Revenues	9,964,910	7,330,194	8,190,000	859,806	11.7%
Vehicle Mitigation	880,212	11,035,000	13,668,548	2,633,548	23.9%
<b>Total Special Revenue Funds</b>	<b>94,317,931</b>	<b>130,964,735</b>	<b>114,766,988</b>	<b>(16,197,747)</b>	<b>(12.4)%</b>
<b>Total Revenues District Wide</b>	<b>195,980,402</b>	<b>247,979,858</b>	<b>243,270,691</b>	<b>(4,709,167)</b>	<b>(1.9)%</b>

TABLE III: Consolidated Expenditures

	Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>	400.86	445.00	465.00	20.00	4.5%
<b>Personnel Expenditures</b>					
Permanent Salaries	50,975,942	57,661,665	62,526,352	4,864,687	8.4%
Overtime Salaries	299,144	449,830	370,830	(79,000)	(17.6)%
Temporary Salaries	240,813	269,006	273,006	4,000	1.5%
Payroll Taxes	1,040,008	824,677	897,076	72,399	8.8%
Pension Benefits	10,695,192	13,453,506	14,348,290	894,784	6.7%
FICA Replacement Benefits	767,289	840,370	869,678	29,308	3.5%
Group Insurance Benefits	9,606,009	11,434,519	11,988,182	553,663	4.8%
Employee Transportation Subsidy	500,294	635,041	661,039	25,998	4.1%
Workers' Compensation	296,140	229,998	230,000	2	
Other Post Employment Benefits	4,000,001	4,000,000	4,000,000		
Board Stipends	87,350	92,000	118,000	26,000	28.3%
20 FTE Sal & Ben Estimate			3,290,386	3,290,386	
Vacancy Savings		(4,193,552)	(5,165,856)	(972,304)	23.2%
<b>Total Personnel Expenditures</b>	78,508,182	85,697,060	94,406,983	8,709,923	10.2%
<b>Services &amp; Supplies Expenditures</b>					
Travel In-State	34,205	323,223	311,043	(12,180)	(3.8)%
Travel Out-of-State		288,960	234,700	(54,260)	(18.8)%
Training & Education	365,002	847,729	1,085,923	238,194	28.1%
Repair & Maintenance (Equipment)	801,858	1,087,846	1,243,491	155,645	14.3%
Communications	670,530	842,556	868,072	25,516	3.0%
Building Maintenance	267,813	671,570	828,794	157,224	23.4%
Utilities	275,220	246,315	272,416	26,101	10.6%
Postage	42,208	100,215	127,260	27,045	27.0%
Printing & Reproduction	67,791	440,103	484,138	44,035	10.0%
Equipment Rental	56,052	67,000	107,000	40,000	59.7%
Rents & Leases	2,461,382	3,331,153	3,428,751	97,598	2.9%
Professional Services & Contracts	21,580,911	31,388,305	32,654,960	1,266,655	4.0%
General Insurance	419,403	557,500	847,500	290,000	52.0%
Shop & Field Supplies	322,571	634,957	600,256	(34,701)	(5.5)%
Laboratory Supplies	68,837	186,761	198,215	11,454	6.1%
Gasoline & Variable Fuel	147,596	265,000	350,000	85,000	32.1%
Computer Hardware & Software	338,533	1,047,715	1,391,546	343,831	32.8%
Stationery & Office Supplies	29,320	100,450	98,000	(2,450)	(2.4)%
Books & Journals	45,703	52,113	58,813	6,700	12.9%
Minor Office Equipment	51,424	11,403	50,003	38,600	338.5%
Miscellaneous Expenses	184,720				
Non-Capital Assets	597,640		1,000	1,000	
Other Financing Sources	635,062				
<b>Total Services &amp; Supplies Expenditures</b>	29,463,781	42,490,874	45,241,881	2,751,007	6.5%
<b>Capital Expenditures</b>					
Leasehold Improvements	25,411				
Building & Grounds	145,544	500,000	500,000		
Computer & Network Equipment	2,825,035	3,253,347	3,947,660	694,313	21.3%
Motorized Equipment	46,566	110,000	150,000	40,000	36.4%
Lab & Monitoring Equipment	459,350	924,111	1,764,517	840,406	90.9%
Communications Equipment		400,000	200,000	(200,000)	(50.0)%
<b>Total Capital Expenditures</b>	3,501,906	5,187,458	6,562,177	1,374,719	26.5%
<b>Total Expenditures</b>	111,473,869	133,375,392	146,211,041	12,835,649	9.6%
Transfer In/Out	1,296,698	1,316,188	1,066,545	(249,643)	(19.0)%
Program Distribution	83,209,835	113,288,278	95,993,105	(17,295,173)	(15.3)%
<b>"Total Expenditures - District Wide"</b>	195,980,402	247,979,858	243,270,691	(4,709,167)	(1.9)%



TABLE IV: General Fund

	Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>	367.47	404.00	423.86	19.86	4.9%
<b>Revenues</b>					
Revenues	112,095,266	115,153,934	126,437,158	11,283,224	9.8%
Transfer from / (to) Reserves	(11,729,493)	500,000	1,000,000	500,000	100.0%
Transfer In	1,296,698	1,361,189	1,066,545	(294,644)	(21.6)%
<b>Total Revenues - General Fund</b>	101,662,471	117,015,123	128,503,703	11,488,580	9.8%
<b>Personnel Expenditures</b>					
Permanent Salaries	47,222,158	52,696,746	57,125,727	4,428,981	8.4%
Overtime Salaries	279,163	447,830	365,830	(82,000)	(18.3)%
Temporary Salaries	193,694	254,006	258,006	4,000	1.6%
Payroll Taxes	983,013	754,090	820,601	66,511	8.8%
Pension Benefits	9,891,483	12,296,429	13,121,880	825,451	6.7%
FICA Replacement Benefits	726,278	762,223	789,274	27,051	3.5%
Group Insurance Benefits	9,103,740	10,671,395	11,257,028	585,633	5.5%
Employee Transportation Subsidy	463,313	575,989	599,925	23,936	4.2%
Workers' Compensation	284,015	208,611	208,737	126	0.1%
Other Post Employment Benefits	3,707,842	3,628,037	3,630,196	2,159	0.1%
Board Stipends	87,350	92,000	118,000	26,000	28.3%
20 FTE Sal & Ben Estimate			3,290,386	3,290,386	
Vacancy Savings		(4,193,552)	(5,165,856)	(972,304)	23.2%
<b>Total Personnel Expenditures</b>	72,942,049	78,193,804	86,419,734	8,225,930	10.5%
<b>Services &amp; Supplies Expenditures</b>					
Travel In-State	34,205	231,823	247,743	15,920	6.9%
Travel Out-of-State		194,160	212,200	18,040	9.3%
Training & Education	358,927	806,229	1,019,923	213,694	26.5%
Repair & Maintenance (Equipment)	801,858	1,087,846	1,243,491	155,645	14.3%
Communications	663,819	835,556	852,572	17,016	2.0%
Building Maintenance	267,813	671,570	828,794	157,224	23.4%
Utilities	274,976	246,315	272,416	26,101	10.6%
Postage	42,199	86,215	113,260	27,045	31.4%
Printing & Reproduction	57,360	409,603	453,138	43,535	10.6%
Equipment Rental	56,052	67,000	107,000	40,000	59.7%
Rents & Leases	2,461,382	3,331,153	3,428,751	97,598	2.9%
Professional Services & Contracts	16,706,590	21,327,530	22,245,611	918,081	4.3%
General Insurance	419,403	557,500	847,500	290,000	52.0%
Shop & Field Supplies	322,571	626,457	595,756	(30,701)	(4.9)%
Laboratory Supplies	68,837	186,761	198,215	11,454	6.1%
Gasoline & Variable Fuel	147,596	265,000	350,000	85,000	32.1%
Computer Hardware & Software	334,724	1,005,215	1,316,546	311,331	31.0%
Stationery & Office Supplies	28,749	95,350	95,200	(150)	(0.2)%
Books & Journals	45,627	51,273	57,673	6,400	12.5%
Minor Office Equipment	51,424	10,003	35,003	25,000	249.9%
Miscellaneous Expenses	184,720				
Non-Capital Assets	597,640		1,000	1,000	
Other Financing Sources	635,062				
<b>Total Services &amp; Supplies Expenditures</b>	24,561,534	32,092,559	34,521,792	2,429,233	7.6%
<b>Capital Expenditures</b>					
Leasehold Improvements	25,411				
Building & Grounds	145,544	500,000	500,000		
Computer & Network Equipment	2,825,035	3,253,347	3,947,660	694,313	21.3%
Motorized Equipment	46,566	110,000	150,000	40,000	36.4%
Lab & Monitoring Equipment	459,350	924,111	1,764,517	840,406	90.9%
Communications Equipment		400,000	200,000	(200,000)	(50.0)%
<b>Total Capital Expenditures</b>	3,501,906	5,187,458	6,562,177	1,374,719	26.5%
<b>Transfer In/Out</b>					
<b>Total Expenditures</b>	101,005,489	115,473,821	127,503,703	12,029,882	10.4%
<b>Program Distribution</b>	656,982	1,541,302	1,000,000	(541,302)	(35.1)%
<b>Total Expenditures - General Fund</b>	101,662,471	117,015,123	128,503,703	11,488,580	9.8%

TABLE V: Carl Moyer Fund

	Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>	14.35	18.82	16.62	(2.20)	(11.7)%
<b>Revenues</b>					
Admin Revenue	1,923,904	3,760,586	3,681,826	(78,760)	(2.1)%
Program Income	48,423,633	56,137,542	51,376,614	(4,760,928)	(8.5)%
<b>Total Revenue - Carl Moyer</b>	50,347,537	59,898,128	55,058,440	(4,839,688)	(8.1)%
<b>Personnel Expenditures</b>					
Permanent Salaries	1,266,634	2,271,087	2,172,379	(98,708)	(4.3)%
Overtime Salaries	665				
Temporary Salaries					
Payroll Taxes	18,868	32,272	30,677	(1,595)	(4.9)%
Pension Benefits	227,206	529,237	492,245	(36,992)	(7.0)%
FICA Replacement Benefits	13,495	35,867	32,486	(3,381)	(9.4)%
Group Insurance Benefits	165,597	353,206	290,841	(62,365)	(17.7)%
Employee Transportation Subsidy	12,145	27,104	24,692	(2,412)	(8.9)%
Workers' Compensation	4,084	9,816	8,591	(1,225)	(12.5)%
Other Post Employment Benefits	96,071	170,720	149,415	(21,305)	(12.5)%
Board Stipends					
<b>Total Personnel Expenditures</b>	1,804,765	3,429,309	3,201,326	(227,983)	(6.6)%
<b>Services &amp; Supplies Expenditures</b>					
Travel In-State		12,000	12,500	500	4.2%
Travel Out-of-State		9,000	7,500	(1,500)	(16.7)%
Training & Education		10,000	22,000	12,000	120.0%
Repair & Maintenance (Equipment)					
Communications			5,000	5,000	
Building Maintenance					
Utilities					
Postage					
Printing & Reproduction		2,000	3,000	1,000	50.0%
Equipment Rental					
Rents & Leases					
Professional Services & Contracts	67,460	285,477	400,000	114,523	40.1%
General Insurance					
Shop & Field Supplies		2,000	2,000		
Laboratory Supplies					
Gasoline & Variable Fuel					
Computer Hardware & Software		10,000	22,000	12,000	120.0%
Stationery & Office Supplies		600	1,000	400	66.7%
Books & Journals	36	200	500	300	150.0%
Minor Office Equipment			5,000	5,000	
<b>Total Services &amp; Supplies Expenditures</b>	67,496	331,277	480,500	149,223	45.0%
<b>Capital Expenditures</b>					
Leasehold Improvements					
Building & Grounds					
Office Equipment					
Computer & Network Equipment					
Motorized Equipment					
Lab & Monitoring Equipment					
Communications Equipment					
PM 2.5 Equipment					
<b>Total Capital Expenditures</b>					
<b>Transfer In/Out</b>	51,643				
<b>Total Expenditures</b>	1,923,904	3,760,586	3,681,826	(78,760)	(2.1)%
<b>Program Distribution</b>	48,423,633	56,137,542	51,376,614	(4,760,928)	(8.5)%
<b>Total Expenditures - Carl Moyer</b>	50,347,537	59,898,128	55,058,440	(4,839,688)	(8.1)%

TABLE VI: Mobile Source Incentive Fund (MSIF)

	Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>	0.72	2.75	3.72	0.97	35.3%
<b>Revenues</b>					
Admin Revenue	4,141,538	769,168	1,235,821	466,653	60.7%
Program Income	11,585,228	11,230,832	11,114,179	(116,653)	(1.0)%
<b>Total Revenues - MSIF</b>	15,726,766	12,000,000	12,350,000	350,000	2.9%
<b>Personnel Expenditures</b>					
Permanent Salaries	357,729	331,057	474,241	143,184	43.3%
Overtime Salaries	60				
Temporary Salaries	74				
Payroll Taxes	5,348	4,704	6,700	1,996	42.4%
Pension Benefits	72,602	77,143	107,666	30,523	39.6%
FICA Replacement Benefits	3,848	5,240	7,268	2,028	38.7%
Group Insurance Benefits	47,252	47,935	67,711	19,776	41.3%
Employee Transportation Subsidy	3,467	3,960	5,524	1,564	39.5%
Workers' Compensation	1,154	1,434	1,921	487	34.0%
Other Post Employment Benefits	26,885	24,943	33,425	8,482	34.0%
Board Stipends					
<b>Total Personnel Expenditures</b>	518,419	496,416	704,456	208,040	41.9%
<b>Services &amp; Supplies Expenditures</b>					
Travel In-State		8,000	8,000		
Travel Out-of-State			2,500	2,500	
Training & Education	725	5,000	23,500	18,500	370.0%
Repair & Maintenance (Equipment)					
Communications			2,000	2,000	
Building Maintenance					
Utilities					
Postage					
Printing & Reproduction		3,000	3,000		
Equipment Rental					
Rents & Leases					
Professional Services & Contracts	3,376,115	7,238,301	7,350,000	111,699	1.5%
General Insurance					
Shop & Field Supplies					
Laboratory Supplies					
Gasoline & Variable Fuel					
Computer Hardware & Software		4,000	30,000	26,000	650.0%
Stationery & Office Supplies		500	800	300	60.0%
Books & Journals		200	200		
Minor Office Equipment		1,000	5,000	4,000	400.0%
<b>Total Services &amp; Supplies Expenditures</b>	3,376,840	7,260,001	7,425,000	164,999	2.3%
<b>Capital Expenditures</b>					
Leasehold Improvements					
Building & Grounds					
Office Equipment					
Computer & Network Equipment					
Motorized Equipment					
Lab & Monitoring Equipment					
Communications Equipment					
PM 2.5 Equipment					
<b>Total Capital Expenditures</b>					
<b>Transfer In/Out</b>	246,279	212,751	306,365	93,614	44.0%
<b>Total Expenditures</b>	4,141,538	7,969,168	8,435,821	466,653	5.9%
<b>Program Distribution</b>	11,585,228	4,030,832	3,914,179	(116,653)	(2.9)%
<b>Total Expenditures - MSIF</b>	15,726,766	12,000,000	12,350,000	350,000	2.9%

TABLE VII: California Goods Movement Bond (CGMB)

	Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>	0.88	0.94	1.11	0.17	18.1%
<b>Revenues</b>					
Admin Revenue	16,811	223,537	272,911	49,374	22.1%
Program Income		21,164,512	4,827,089	(16,337,423)	(77.2)%
<b>Total Revenues - CGMB</b>	16,811	21,388,049	5,100,000	(16,288,049)	(76.2)%
<b>Personnel Expenditures</b>					
Permanent Salaries	122,435	123,006	153,527	30,521	24.8%
Overtime Salaries					
Temporary Salaries					
Payroll Taxes	1,838	1,761	2,171	410	23.3%
Pension Benefits	14,513	28,713	34,970	6,257	21.8%
FICA Replacement Benefits	1,307	1,799	2,169	370	20.6%
Group Insurance Benefits	16,143	18,345	17,373	(972)	(5.3)%
Employee Transportation Subsidy	1,174	1,359	1,649	290	21.3%
Workers' Compensation	396	492	574	82	16.7%
Other Post Employment Benefits	8,693	8,562	9,978	1,416	16.5%
Board Stipends					
<b>Total Personnel Expenditures</b>	166,499	184,037	222,411	38,374	20.9%
<b>Services &amp; Supplies Expenditures</b>					
Travel In-State		2,000	2,000		
Travel Out-of-State					
Training & Education		1,500	1,500		
Repair & Maintenance (Equipment)					
Communications					
Building Maintenance					
Utilities	244				
Postage					
Printing & Reproduction	1,217	500	1,000	500	100.0%
Equipment Rental					
Rents & Leases					
Professional Services & Contracts	13,860	30,000	45,000	15,000	50.0%
General Insurance					
Shop & Field Supplies		3,000	1,000	(2,000)	(66.7)%
Laboratory Supplies					
Gasoline & Variable Fuel					
Computer Hardware & Software		1,500		(1,500)	(100.0)%
Stationery & Office Supplies	21	1,000		(1,000)	(100.0)%
Books & Journals					
Minor Office Equipment					
<b>Total Services &amp; Supplies Expenditures</b>	15,342	39,500	50,500	11,000	27.8%
<b>Capital Expenditures</b>					
Leasehold Improvements					
Building & Grounds					
Office Equipment					
Computer & Network Equipment					
Motorized Equipment					
Lab & Monitoring Equipment					
Communications Equipment					
PM 2.5 Equipment					
<b>Total Capital Expenditures</b>					
<b>Transfer In/Out</b>	(165,030)				
<b>Total Expenditures</b>	16,811	223,537	272,911	49,374	22.1%
<b>Program Distribution</b>		21,164,512	4,827,089	(16,337,423)	(77.2)%
<b>Total Expenditures - CGMB</b>	16,811	21,388,049	5,100,000	(16,288,049)	(76.2)%

TABLE VIII: Transportation Fund for Clean Air (TFCA)

	Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>	6.56	7.37	8.34	0.97	13.2%
<b>Revenues</b>					
Admin Revenue	2,884,486	4,028,520	3,936,342	(92,178)	(2.3)%
Program Income	14,497,209	15,284,844	16,463,658	1,178,814	7.7%
<b>Total Revenues - TFCA</b>	17,381,695	19,313,364	20,400,000	1,086,636	5.6%
<b>Personnel Expenditures</b>					
Permanent Salaries	820,294	880,353	1,128,978	248,625	28.2%
Overtime Salaries	11,415				
Temporary Salaries	231				
Payroll Taxes	12,759	12,510	16,000	3,490	27.9%
Pension Benefits	243,265	205,138	258,106	52,968	25.8%
FICA Replacement Benefits	9,297	13,943	16,294	2,351	16.9%
Group Insurance Benefits	113,177	130,842	156,912	26,070	19.9%
Employee Transportation Subsidy	8,420	10,536	12,385	1,849	17.5%
Workers' Compensation	2,653	3,816	4,309	493	12.9%
Other Post Employment Benefits	68,089	66,365	74,941	8,576	12.9%
Board Stipends					
<b>Total Personnel Expenditures</b>	1,289,600	1,323,503	1,667,925	344,422	26.0%
<b>Services &amp; Supplies Expenditures</b>					
Travel In-State		28,000	14,000	(14,000)	(50.0)%
Travel Out-of-State		75,000	8,000	(67,000)	(89.3)%
Training & Education	5,000	16,500	11,000	(5,500)	(33.3)%
Repair & Maintenance (Equipment)					
Communications	4,536	5,000	6,000	1,000	20.0%
Building Maintenance					
Utilities					
Postage	9	14,000	14,000		
Printing & Reproduction	9,214	25,000	24,000	(1,000)	(4.0)%
Equipment Rental					
Rents & Leases					
Professional Services & Contracts	941,893	1,709,597	1,714,349	4,752	0.3%
General Insurance					
Shop & Field Supplies		3,500	1,500	(2,000)	(57.1)%
Laboratory Supplies					
Gasoline & Variable Fuel					
Computer Hardware & Software	2,970	24,000	20,000	(4,000)	(16.7)%
Stationery & Office Supplies	550	3,000	1,000	(2,000)	(66.7)%
Books & Journals	40	440	440		
Minor Office Equipment		400	5,000	4,600	1,150.0%
<b>Total Services &amp; Supplies Expenditures</b>	964,212	1,904,437	1,819,289	(85,148)	(4.5)%
<b>Capital Expenditures</b>					
Leasehold Improvements					
Building & Grounds					
Office Equipment					
Computer & Network Equipment					
Motorized Equipment					
Lab & Monitoring Equipment					
Communications Equipment					
PM 2.5 Equipment					
<b>Total Capital Expenditures</b>					
<b>Transfer In/Out</b>	630,674	800,580	449,128	(351,452)	(43.9)%
<b>Total Expenditures</b>	2,884,486	4,028,520	3,936,342	(92,178)	(2.3)%
<b>Program Distribution</b>	14,497,209	15,284,844	16,463,658	1,178,814	7.7%
<b>Total Expenditures - TFCA</b>	17,381,695	19,313,364	20,400,000	1,086,636	5.6%

TABLE IX: Other Grants Revenues

	Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>	7.70	7.68	7.85	0.17	2.2%
<b>Revenues</b>					
Admin Revenue	1,918,127	2,085,076	2,329,704	244,628	11.7%
Program Income	8,046,783	5,245,118	5,860,296	615,178	11.7%
<b>Total Revenues - Other Grants</b>	9,964,910	7,330,194	8,190,000	859,806	11.7%
<b>Personnel Expenditures</b>					
Permanent Salaries	819,994	909,194	1,001,684	92,490	10.2%
Overtime Salaries	7,393	2,000	5,000	3,000	150.0%
Temporary Salaries	46,814	15,000	15,000		
Payroll Taxes	12,740	12,891	14,282	1,391	10.8%
Pension Benefits	176,442	211,776	227,454	15,678	7.4%
FICA Replacement Benefits	9,163	14,640	15,347	707	4.8%
Group Insurance Benefits	112,123	146,725	134,829	(11,896)	(8.1)%
Employee Transportation Subsidy	8,267	11,062	11,665	603	5.5%
Workers' Compensation	2,652	4,007	4,059	52	1.3%
Other Post Employment Benefits	65,024	69,681	70,584	903	1.3%
Board Stipends					
<b>Total Personnel Expenditures</b>	1,260,612	1,396,976	1,499,904	102,928	7.4%
<b>Services &amp; Supplies Expenditures</b>					
Travel In-State		13,800	13,800		
Travel Out-of-State		10,800	4,500	(6,300)	(58.3)%
Training & Education	350	8,500	6,000	(2,500)	(29.4)%
Repair & Maintenance (Equipment)					
Communications	2,175	2,000	2,500	500	25.0%
Building Maintenance					
Utilities					
Postage					
Printing & Reproduction					
Equipment Rental					
Rents & Leases					
Professional Services & Contracts	393,020	650,000	800,000	150,000	23.1%
General Insurance					
Shop & Field Supplies					
Laboratory Supplies					
Gasoline & Variable Fuel					
Computer Hardware & Software	839	3,000	3,000		
Stationery & Office Supplies					
Books & Journals					
Minor Office Equipment					
<b>Total Services &amp; Supplies Expenditures</b>	396,384	688,100	829,800	141,700	20.6%
<b>Capital Expenditures</b>					
Leasehold Improvements					
Building & Grounds					
Office Equipment					
Computer & Network Equipment					
Motorized Equipment					
Lab & Monitoring Equipment					
Communications Equipment					
General Equipment					
PM 2.5 Equipment					
<b>Total Capital Expenditures</b>					
<b>Transfer In/Out</b>	261,131				
<b>Total Expenditures</b>	1,918,127	2,085,076	2,329,704	244,628	11.7%
<b>Program Distribution</b>	8,046,783	5,245,118	5,860,296	615,178	11.7%
<b>Total Expenditures - Other Grants Revenues</b>	9,964,910	7,330,194	8,190,000	859,806	11.7%

TABLE X: Vehicle Mitigation

	Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>	3.18	3.44	3.50	0.06	1.7%
<b>Revenues</b>					
Admin Revenue	880,212	1,150,872	1,117,279	(33,593)	(2.9)%
Program Income		9,884,128	12,551,269	2,667,141	27.0%
<b>Total Revenues - VM</b>	880,212	11,035,000	13,668,548	2,633,548	23.9%
<b>Personnel Expenditures</b>					
Permanent Salaries	366,698	450,222	469,816	19,594	4.4%
Overtime Salaries	448				
Temporary Salaries					
Payroll Taxes	5,442	6,449	6,645	196	3.0%
Pension Benefits	69,681	105,070	105,969	899	0.9%
FICA Replacement Benefits	3,901	6,658	6,840	182	2.7%
Group Insurance Benefits	47,977	66,071	63,488	(2,583)	(3.9)%
Employee Transportation Subsidy	3,508	5,031	5,199	168	3.3%
Workers' Compensation	1,186	1,822	1,809	(13)	(0.7)%
Other Post Employment Benefits	27,397	31,692	31,461	(231)	(0.7)%
Board Stipends					
<b>Total Personnel Expenditures</b>	526,238	673,015	691,227	18,212	2.7%
<b>Services &amp; Supplies Expenditures</b>					
Travel In-State		27,600	13,000	(14,600)	(52.9)%
Travel Out-of-State					
Training & Education			2,000	2,000	
Repair & Maintenance (Equipment)					
Communications					
Building Maintenance					
Utilities					
Postage					
Printing & Reproduction					
Equipment Rental					
Rents & Leases					
Professional Services & Contracts	81,973	147,400	100,000	(47,400)	(32.2)%
General Insurance					
Shop & Field Supplies					
Laboratory Supplies					
Gasoline & Variable Fuel					
Computer Hardware & Software					
Stationery & Office Supplies					
Books & Journals					
Minor Office Equipment					
<b>Total Services &amp; Supplies Expenditures</b>	81,973	175,000	115,000	(60,000)	(34.3)%
<b>Capital Expenditures</b>					
Leasehold Improvements					
Building & Grounds					
Office Equipment					
Computer & Network Equipment					
Motorized Equipment					
Lab & Monitoring Equipment					
Communications Equipment					
General Equipment					
PM 2.5 Equipment					
<b>Total Capital Expenditures</b>					
<b>Transfer In/Out</b>	272,001	302,857	311,052	8,195	2.7%
<b>Total Expenditures</b>	880,212	1,150,872	1,117,279	(33,593)	(2.9)%
<b>Program Distribution</b>		9,884,128	12,551,269	2,667,141	27.0%
<b>Total Expenditures - VM</b>	880,212	11,035,000	13,668,548	2,633,548	23.9%



TABLE XI: General Fund Expenditures by Division

	Audited Program Actuals 2021	Approved Program Budget 2022	Proposed Program Budget 2023	FTE/Dollar Change \$	Percent Change %
<b>Executive Office</b>					
Executive Office	7,139,404	6,889,315	8,867,174	1,977,859	28.7%
Bay Area Regional Collaborative (BARC)	326,266	351,000		(351,000)	(100.0)%
Board of Directors	507,978	586,067	469,186	(116,881)	(19.9)%
Hearing Board	37,031	62,852	56,974	(5,878)	(9.4)%
Advisory Council & Community Advisory Council	27,912	395,451	448,792	53,341	13.5%
External Affairs		410,249	672,859	262,610	64.0%
<b>Total Executive Office</b>	8,038,591	8,694,934	10,514,985	1,820,051	20.9%
<b>Diversity, Equity and Inclusion Division</b>					
Office of Diversity Equity & Inclusion	572,593	924,507	972,885	48,378	5.2%
<b>Total Diversity, Equity and Inclusion Division</b>	572,593	924,507	972,885	48,378	5.2%
<b>Finance Office</b>					
Finance	2,293,320	3,674,786	3,744,665	69,879	1.9%
<b>Total Finance Office</b>	2,293,320	3,674,786	3,744,665	69,879	1.9%
<b>Human Resources Office</b>					
Payroll	677,599	469,766	660,525	190,759	40.6%
Benefits Administration	3,678,234	3,660,226	3,887,680	227,454	6.2%
Organizational Development	495,870	459,958	666,644	206,686	44.9%
Employment Relations	785,484	1,067,735	1,109,416	41,681	3.9%
Recruitment & Testing	618,727	688,925	817,309	128,384	18.6%
<b>Total Human Resources Office</b>	6,255,914	6,346,610	7,141,574	794,964	114.2%
<b>Administrative Resources Division</b>					
Facilities	1,356,943	1,612,121	1,990,716	378,595	23.5%
Mail and Reproduction	690,344	864,971	1,153,373	288,402	33.3%
Headquarters East (Richmond)	311,533	711,000	813,000	102,000	14.3%
Purchasing	741,797	962,807	1,314,829	352,022	36.6%
Headquarters West (Beale Street)	2,916,578	3,800,000	4,210,000	410,000	10.8%
Fleet Services	1,273,637	1,728,212	1,952,518	224,306	13.0%
<b>Total Administrative Resources Division</b>	7,290,832	9,679,111	11,434,436	1,755,325	131.5%
<b>Legislative Office</b>					
Legislative Program		590,849	623,159	32,310	5.5%
<b>Total Legislative Office</b>		590,849	623,159	32,310	5.5%
<b>Legal Services Division</b>					
Legal Counsel	2,365,572	2,287,543	2,910,984	623,441	27.3%
Hearing Board Proceedings	38,196	12,949	34,434	21,485	165.9%
Penalties Enforcement & Settlement	929,223	1,093,173	1,174,823	81,650	7.5%
Litigation	582,613	426,743	374,227	(52,516)	(12.3)%
<b>Total Legal Services Division</b>	3,915,604	3,820,408	4,494,468	674,060	188.4%
<b>Communications Office</b>					
Media Relations	1,572,034	1,333,083	1,919,880	586,797	44.0%
Intermittent Control	1,334,702	1,650,281	1,275,457	(374,824)	(22.7)%
Spare The Air (CMAQ)	1,177,825	1,000,000	1,000,000		
<b>Total Communications Office</b>	4,084,561	3,983,364	4,195,337	211,973	5.3%
<b>Technology Implementation Office</b>					
Greenhouse Gas Technologies	678,297	745,515	1,018,977	273,462	36.7%
<b>Total Technology Implementation Office</b>	678,297	745,515	1,018,977	273,462	36.7%
<b>Strategic Incentives</b>					
Non-Mobile Source Grant Programs		147,544	138,492	(9,052)	(6.1)%
Grant Program Development	120,630	663,479	260,372	(403,107)	(60.8)%
<b>Total Strategic Incentives</b>	120,630	811,023	398,864	(412,159)	(50.8)%
<b>Compliance &amp; Enforcement</b>					
Enforcement	4,995,029	6,037,452	6,944,654	907,202	15.0%
Compliance Assistance & Operations	2,548,990	3,374,570	3,714,328	339,758	10.1%
Compliance Assurance	6,108,430	6,736,380	7,113,062	376,682	5.6%

TABLE XI: General Fund Expenditures by Division

	Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
	2021	2022	2023	\$	%
<b>Total Compliance &amp; Enforcement</b>	13,652,449	16,148,402	17,772,044	1,623,642	10.1%
<b>Engineering</b>					
Permit Evaluation	7,724,123	8,906,514	8,741,400	(165,114)	(1.9)%
Air Toxics	1,497,690	1,492,604	1,811,164	318,560	21.3%
Permit Operations	939,144	1,027,578	1,018,692	(8,886)	(0.9)%
Title V	408,092	1,086,037	1,001,787	(84,250)	(7.8)%
Engineering Special Projects	1,065,202	1,499,284	1,681,586	182,302	12.2%
<b>Total Engineering</b>	11,634,251	14,012,017	14,254,629	242,612	1.7%
<b>Assessment, Inventory &amp; Model</b>					
Source Inventories	1,573,703	1,781,961	1,736,608	(45,353)	(2.5)%
Air Quality Modeling Support	1,017,773	1,182,142	1,183,162	1,020	0.1%
Air Quality Modeling & Research	728,275	809,837	841,676	31,839	3.9%
Community Air Risk Evaluation	997,554	1,154,539	1,301,746	147,207	12.8%
<b>Total Assessment, Inventory &amp; Model</b>	4,317,305	4,928,479	5,063,192	134,713	2.7%
<b>Planning &amp; Climate Protection</b>					
Air Quality Plans	1,681,643	1,874,045	2,183,721	309,676	16.5%
Implement Plans, Policies and Measures	1,459,697	1,442,301	1,363,472	(78,829)	(5.5)%
Climate Protection	2,516,618	2,004,463	1,852,820	(151,643)	(7.6)%
<b>Total Planning &amp; Climate Protection</b>	5,657,958	5,320,809	5,400,013	79,204	1.5%
<b>Rules Division</b>					
Rule Development	2,179,437	2,402,631	2,957,742	555,111	23.1%
<b>Total Rules Division</b>	2,179,437	2,402,631	2,957,742	555,111	23.1%
<b>Community Engagement</b>					
Community Engagement Office	2,480,821	4,850,952	5,062,937	211,985	4.4%
<b>Total Community Engagement</b>	2,480,821	4,850,952	5,062,937	211,985	4.4%
<b>Information Services</b>					
Information Management Records & Content	508,577	901,688	1,134,316	232,628	25.8%
IT Engineering & Operations	2,989,546	3,699,684	4,923,201	1,223,517	33.1%
User Support Desk		918,574	460,181	(458,393)	(49.9)%
<b>Total Information Services</b>	3,498,123	5,519,946	6,517,698	997,752	9.0%
<b>My Air Online</b>					
Permitting and Compliance System	4,253,992	4,348,141	4,792,733	444,592	10.2%
Website Development & Maintenance	1,592,535	1,506,110	1,606,838	100,728	6.7%
Legacy Systems Support	1,128,605	1,282,726	1,311,775	29,049	2.3%
<b>Total My Air Online</b>	6,975,132	7,136,977	7,711,346	574,369	19.2%
<b>Meteorology, Measurement &amp; Rules</b>					
Air Monitoring – Operations	5,373,718	5,946,697	6,794,452	847,755	14.3%
Laboratory	1,540,989	2,412,281	2,082,770	(329,511)	(13.7)%
Source Test	2,970,534	3,366,406	3,534,372	167,966	5.0%
Meteorology	1,142,589	997,022	948,802	(48,220)	(4.8)%
Air Monitoring Instrument Performance Evaluation	560,942	619,164	863,942	244,778	39.5%
BioWatch Monitoring	1,177,959	1,426,500	1,516,419	89,919	6.3%
Air Monitoring - Projects & Technology	1,940,573	4,255,037	2,622,879	(1,632,158)	(38.4)%
Ambient Air Quality Analysis	720,607	1,052,946	1,736,586	683,640	64.9%
<b>Total Meteorology, Measurement &amp; Rules</b>	15,427,911	20,076,053	20,100,222	24,169	0.1%
<b>Others</b>					
20 FTE Sal & Ben Estimate			3,290,386	3,290,386	
Vacancy Savings		(4,193,552)	(5,165,856)	(972,304)	23.2%
Other Financing Sources	635,062				
Program Distribution	656,982	1,541,302	1,000,000	(541,302)	(35.1)%
Transfer In/Out	1,296,698				
<b>Total Expenditures - General Fund Divisions</b>	101,662,471	117,015,123	128,503,703	11,488,580	(492.6)%

## Capital Expenditure

**TABLE XII  
CAPITAL EXPENDITURE SUMMARY**

The list below includes all capital expenditures budgeted for FYE 2023

	<u>Description</u>	<u>PGM</u>	<u>Capital Type</u>	<u>Amount</u>	<u>Program Total</u>	<u>Division Total</u>
1	One (1) Air Quality Analyzer	802	Lab & Monitoring	655,000		
2	One (1) Air Quality Analyzers - PM2.5 equipment	802	Lab & Monitoring	129,517		
3	One (1) Air Quality Analyzers - Schedule X equipment	802	Lab & Monitoring	450,000	1,234,517	
4	Three (3) Source Test Analyzers	804	Lab & Monitoring	60,000		
5	One (1) Multi Test Program Field Testing Van	804	Motorized Equipment	60,000		
6	One (1) PM Van Custom Equipment and Build Out	804	Motorized Equipment	40,000	160,000	
7	One (1) Lab & Monitoring Equipment (Picarro G2401)	807	Lab & Monitoring	90,000	90,000	
8	One (1) Volatile Organic Compounds Monitor	810	Lab & Monitoring	20,000		
9	One (1) Instrumentation for Particulate Matter Speciation (Metals)	810	Lab & Monitoring	185,000		
10	One (1) Instrumentation for Particulate Matter Speciation (EC/OC)	810	Lab & Monitoring	75,000	280,000	<u>1,764,517</u>
11	One (1) Optical Gas Imaging Camera	403	Lab & Monitoring	100,000	100,000	<u>100,000</u>
12	Phase 2 HQE build out for Meterology & Measurement staff	707	Building and Grounds	500,000	500,000	
13	Leasing of Additional Vehicles	710	Motorized Equipment	50,000	50,000	<u>550,000</u>
14	Design & POC for IT Infrastructure Datacenter Refresh	726	Computer & Network Equipment	400,000		
15	Replacement of End-of-Life Network Components	726	Computer & Network Equipment	500,000		
16	Communication Equipment	726	Communications Equipment	200,000	1,100,000	<u>1,100,000</u>
17	Public Permitting & Compliance Systems	125	Computer & Network Equipment	3,047,660	3,047,660	<u>3,047,660</u>
<b>Total Capital Expenditures</b>						<b>6,562,177</b>

**TABLE XII  
CAPITAL EXPENDITURE DETAILS**

**THE LIST BELOW INCLUDES ALL CAPITAL EXPENDITURES BUDGETED FOR FYE 2023**

<b>Item Description</b>	<b>Cost</b>	<b>Program/ Capital Type</b>
1 <u>One (1) Air Quality Analyzer</u> Replacements / upgrades for aging air monitoring equipment.	\$655,000	802/Lab & Monitoring
2 <u>One (1) Air Quality Analyzers - PM2.5 equipment</u> Replacements / upgrades for aging air monitoring equipment. PM2.5 equipment only.	\$129,517	802/Lab & Monitoring
3 <u>One (1) Air Quality Analyzers - Schedule X equipment</u> Replacements / upgrades for aging air monitoring equipment. Schedule X equipment only.	\$450,000	802/Lab & Monitoring
4 <u>Three (3) Source Test Analyzers</u> Replacements for current equipment that reached the end of its useful life.	\$60,000	804/Lab & Monitoring
5 <u>One (1) Multi Test Program Field Testing Van</u> Field testing van to be used for multiple source testing programs. Current vehicle inventory limits the sections ability to transport equipment and personnel during larger field measurement projects.	\$60,000	804/Motorized Equipment
6 <u>One (1) PM Van Custom Equipment and Build Out</u> Field testing new particulate matter van custom equipment and build out to include instrument racks, plumbing, cylinder storage, and work areas.	\$40,000	804/Motorized Equipment
7 <u>One (1) Lab &amp; Monitoring Equipment (Picarro G2401)</u> The equipment is needed as a back-up for performing EPA-mandated audits on Air District Air Monitoring Stations.	\$90,000	807/Lab & Monitoring
8 <u>One (1) Volatile Organic Compounds Monitor</u> Instrumentation for a portable platform to identify and quantify gaseous VOC contributions from sources of air pollution in complex urban industrial areas. Speciation and quantitation of gaseous VOCs are important in resolving suspected air toxics issues and odor complaints.	\$20,000	810/Lab & Monitoring
9 <u>One (1) Instrumentation for Particulate Matter Speciation (Metals)</u> Instrumentation for a portable platform to identify and quantify contributions from sources of air pollution in complex urban industrial areas. Continuous monitoring of particle-bound metals is needed to identify and quantify ambient concentrations of these types of emissions near large and small sources.	\$185,000	810/Lab & Monitoring
10 <u>One (1) Instrumentation for Particulate Matter Speciation (EC/OC)</u> Instrumentation for a portable platform to provide consolidated, near-real time data of TOC, OC, and EC or BC to provide critical information for teasing apart the contributions of sources in complex urban industrial environments.	\$75,000	810/Lab & Monitoring
11 <u>One (1) Optical Gas Imaging Camera</u> The Optical Gas Imaging Camera is needed for leak detection and repair (LDAR) program for various compliance programs.	\$100,000	403/Lab & Monitoring
12 <u>Phase 2 HQE build out for Meterology &amp; Measurement staff</u> Preparation of space for Meterology & Measurement staff.	\$500,000	707/Building and Grounds
13 <u>Leasing of Additional Vehicles</u> Leasing of additional vehicles as a result of an increase in Air District field	\$50,000	710/Motorized Equipment
14 <u>Design &amp; POC for IT Infrastructure Datacenter Refresh</u> Every 6-8 years the District modernizes its information technology infrastructure. This project encompasses the initial design work and proof of concept prototyping for the next generation of technology.	\$400,000	726/Computer & Network Equipment
15 <u>Replacement of End-of-Life Network Components</u> Replace key end of life computer networking components. Several of the District's key computer networking components will reach end of life and will not be supported in FYE23. This project is to replace key components with newer like components before they are no longer supported by their	\$500,000	726/Computer & Network Equipment
16 <u>Communication Equipment</u> The District's phone systems and associated equipment telecommunications equipment is approaching fifteen years old, and is reaching the end of its useful life. Additionally, key functionality required to support distributed/remote work is either not supported or supported insufficiently in the current system.	\$200,000	726/Communications Equipment
17 <u>Public Permitting &amp; Compliance Systems</u> Development and implementation of permitting and enforcement software functionality for medium and complex facilities, including data cleanup and consolidation activities.	\$3,047,660	125/Computer & Network Equipment
<b>Total Capital Expenditures</b>	<b>\$6,562,177</b>	

## General Fund Program Narratives and Expenditure Details

Note: Definitions are provided on page 232-234  
And are an integral part of this budget document.

## Executive Division

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Despite the continuing challenges of the pandemic, the Air District furthered our vision of providing a healthy breathing environment for all Bay Area residents. We continued to address disparities in air quality and health protections by expanding partnerships in historically disadvantaged communities. At the same time, our climate protection work progressed to accelerate electrification and incentivize greenhouse gas reductions by funding cutting-edge technologies.

Under the leadership and direction of the Executive Officer/APCO and the Board of Directors, the Executive Office guides the Bay Area Air Quality Management District (Air District) in meeting its mission of protecting and improving public health, air quality, and the global climate. To fulfill this mission, the Air District builds its programs and policies on sound science, develops them with technical expertise and rigor, and executes them with quality. Air District programs and policies include both traditional air quality management approaches and new strategies for achieving clean air.

In FYE 2023, the Air District will continue to implement State and Federal regulations and directives, and will also continue to implement and develop the following key initiatives:

- Clean Air Plan Implementation
- Climate Action Work Program
- Assembly Bill (AB) 617 Implementation
- Wildfire Air Quality Response Program
- Diesel Free by '33 Campaign
- Technology Implementation Office
- Wood Smoke Program and Rule Amendments
- My Air Online Program
- Clean Air Foundation
- Spare the Air Everyday Campaign
- Public Participation Plan Implementation
- Diversity, Equity, and Inclusion Office

The Executive Office is responsible for developing and maintaining strategic partnerships to achieve clean air. These partnerships include but are not limited to collaboration with: community groups, non-profits, peer regional agencies (Metropolitan Transportation Commission, Association of Bay Area Governments & Bay Conservation and Development Commission), regulatory agencies (U.S. Environmental Protection Agency and California Air Resources Board), and associations (California Air Pollution Control Officers Association, Air and Waste Management Association & National Association of Clean Air Agencies), as well as the State Legislature. In FYE 2023, these key partnerships will also address regional coordination of climate protection activities, and implementation of State initiatives at the regional level.



<b>Managing Division:</b>	
Executive Division	
<b>Contact Person:</b>	
Vanessa Johnson	
<b>Program Purpose:</b>	
Administration and Direction of Air District Programs.	
<b>Description of Program:</b>	
This budget program is responsible for providing overall administration and direction to Air District staff. Through this budget program, the Executive Officer/APCO interprets and oversees implementation of Board directives and policies and administers the business of the Air District.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Implement and develop key initiatives to meet Air District goals and objectives.	
Coordinate development of Air District's legislative agenda and implement strategy for achieving Air District's legislative goals.	
Coordinate Air District activities with staff, stakeholders, and community groups.	
Help sponsor stakeholder events in support of Air District Initiatives.	
Monitor actions of and serve as liaison to regional governmental agencies (e.g. MTC, ABAG, BCDC), federal and statewide governmental organizations (e.g. U.S. EPA, CARB, CAPCOA), as well as the state legislature, and representatives of the regulated community.	
Compliance and enforcement actions.	
Administer and manage the Bay Area Clean Air Foundation.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Rule Development and Amendments	Ongoing
Issue all non-Title V permits on a timely basis (within a 45 day period)	Ongoing
Production System Implementation	Ongoing
Clean Air Plan Implementation	Ongoing
Assembly Bill (AB) 617 Implementation	Ongoing
Public Participation Plan Implementation	Ongoing
Adopt District Budget for FYE 2023	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		21.52	21.51	22.41	0.90	4.2%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	4,047,740	3,464,614	4,290,537	825,923	23.8%
Overtime Salaries	51150	4,538	2,500	10,000	7,500	300.0%
Temporary Salaries	51200					
Payroll Taxes	51300	60,615	52,840	65,737	12,897	24.4%
Pension Benefits	51400	799,535	813,355	993,880	180,525	22.2%
FICA Replacement Benefits	51500	43,564	37,129	43,803	6,674	18.0%
Group Insurance Benefits	51600	533,849	343,432	422,067	78,635	22.9%
Employee Transportation Subsidy	51700	39,265	28,057	33,295	5,238	18.7%
Workers' Compensation	51800	13,068	10,162	11,585	1,423	14.0%
Other Post Employment Benefits	51850	312,746	176,726	201,470	24,744	14.0%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		5,854,920	4,928,815	6,072,374	1,143,559	23.2%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	3,950	18,000	18,000		
Travel Out-of-State	52220		43,000	45,000	2,000	4.7%
Training & Education	52300	29,868	30,500	36,000	5,500	18.0%
Repair & Maintenance (Equipment)	52400	278				
Communications	52500	18,450	5,000	5,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800	154		200	200	
Printing & Reproduction	52900	9,303	2,500	4,000	1,500	60.0%
Equipment Rental	53100					
Rents & Leases	53200	30,452	100,000	50,000	(50,000)	(50.0)%
Professional Services & Contracts	53300	1,245,719	1,760,000	2,630,000	870,000	49.4%
General Insurance	53400					
Shop & Field Supplies	53500	955				
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	2,329		4,000	4,000	
Stationery & Office Supplies	53900	903	1,000	1,100	100	10.0%
Books & Journals	54100	1,058	500	1,500	1,000	200.0%
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		1,343,419	1,960,500	2,794,800	834,300	42.6%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(243,655)				
<b>Total Expenditures</b>		6,954,684	6,889,315	8,867,174	1,977,859	28.7%

<b>Managing Division:</b> Executive Division	
<b>Contact Person:</b> Vanessa Johnson	
<b>Program Purpose:</b> Not Applicable	
<b>Description of Program:</b> Not Applicable	
<b>Justification of Change Request:</b> Program 105 now merged with program 104	
<b>Activities</b>	
<b>Major Objectives</b>	<b>Delivery Date</b>

		Audited Program Actuals 2021	Approved Program Budget 2022	Proposed Program Budget 2023	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>						
<b>Personnel Expenditures</b>						
Permanent Salaries	51100					
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300					
Pension Benefits	51400					
FICA Replacement Benefits	51500					
Group Insurance Benefits	51600					
Employee Transportation Subsidy	51700					
Workers' Compensation	51800					
Other Post Employment Benefits	51850					
Board Stipends	51900					
<b>Total Personnel Expenditures</b>						
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	326,266	351,000		(351,000)	(100.0)%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		326,266	351,000		(351,000)	(100.0)%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		326,266	351,000		(351,000)	(100.0)%

<b>Managing Division:</b>	
Executive Division	
<b>Contact Person:</b>	
Vanessa Johnson	
<b>Program Purpose:</b>	
Oversee Activities of the Board of Directors.	
<b>Description of Program:</b>	
Administration of activities of the Board of Directors.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Prepare and distribute all meeting materials, including agendas, minutes and correspondence for Board of Directors regular and special meetings, approximately 20 per year.	
Prepare all logistics for Board of Directors regular and special meetings, including scheduling, polling, providing refreshments, preparation of facilities, and legal noticing requirements, approximately 20 per year.	
Prepare and distribute all agenda materials and logistics for Board of Directors Committee meetings, approximately 25 per year. Receive, route, and appropriately address all correspondence directed to the Board.	
Receive, route, and appropriately address all correspondence directed to the Board.	
Track, process and issue monthly travel reimbursement and per diem payments for each member of the Board of Directors.	
Prepare all travel logistics for Board of Directors participation at the Annual Air & Waste Management Association (A&WMA) Conference.	
Maintain archive of Board materials, including minutes, agendas, correspondence and adopted resolutions.	
Maintain the Air District's website as it relates to the Board of Directors membership, calendar, meeting materials and minutes.	
Assure timely filing of Statement of Economic Interests with the California Fair Political Practices Commission.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Coordinate all Board and Committee meetings.	Ongoing
Coordinate Board Ethics Training and Unconscious Bias Training.	Ongoing
Coordinate New Board Member Orientation.	Ongoing
Coordinate transition to new Chair of the Board of Directors.	Annually
Coordinate Board of Directors Annual Retreat.	Annually
Update of Board Committee assignments.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		2.71	2.55	1.78	(0.77)	(30.2)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	290,018	300,091	204,192	(95,899)	(32.0)%
Overtime Salaries	51150	2,252				
Temporary Salaries	51200					
Payroll Taxes	51300	4,380	4,300	2,866	(1,434)	(33.3)%
Pension Benefits	51400	61,450	69,889	45,447	(24,442)	(35.0)%
FICA Replacement Benefits	51500	3,113	4,864	3,480	(1,384)	(28.5)%
Group Insurance Benefits	51600	38,167	41,766	31,132	(10,634)	(25.5)%
Employee Transportation Subsidy	51700	2,928	3,675	2,645	(1,030)	(28.0)%
Workers' Compensation	51800	939	1,331	920	(411)	(30.9)%
Other Post Employment Benefits	51850	23,066	23,151	16,004	(7,147)	(30.9)%
Board Stipends	51900	78,000	60,000	78,000	18,000	30.0%
<b>Total Personnel Expenditures</b>		504,313	509,067	384,686	(124,381)	(24.4)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	174	15,500	19,500	4,000	25.8%
Travel Out-of-State	52220		10,500	13,500	3,000	28.6%
Training & Education	52300	111	28,000	28,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	3,380	23,000	23,500	500	2.2%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		3,665	77,000	84,500	7,500	9.7%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		507,978	586,067	469,186	(116,881)	(19.9)%

<b>Managing Division:</b>	
Executive Division	
<b>Contact Person:</b>	
Vanessa Johnson	
<b>Program Purpose:</b>	
Records, documents, and maintains records of actions of the quasi-judicial Hearing Board.	
<b>Description of Program:</b>	
The Hearing Board is a quasi-judicial body that rules on particular cases that affect only individual facilities. It is authorized to hear requests for variance relief, permit revocation, abatement orders, and appeals by permit applicants, or by interested third parties, concerning the issuance or denial of permits.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Prepare logistics for all Hearing Board meetings, including scheduling, polling, providing refreshments, preparation of facilities, and legal noticing requirements. Develop and maintain Hearing Board calendar and schedules.	
Develop and maintain Hearing Board calendar and schedules.	
Attend all hearings of the Hearing Board.	
Draft selected Orders for Hearing Board review and signature.	
Print and reproduce Hearing Board notices.	
Maintain Record of Actions (Docket Book).	
Prepare and maintain docket files for each hearing.	
Collect required fees from Applicants.	
Follow-up on actions resulting from Hearing Board Orders/decisions.	
Process incoming documents and inquiries.	
Make arrangements for all off-site and webinar hearings.	
Research, compile and prepare reports for presentation to the Board of Directors and others as requested by the Hearing Board.	
Arrange for Hearing Board members attendance at Hearing Board Conferences and CARB Trainings.	
Track, process and issue monthly travel reimbursement and per diem payments for each member of the Hearing Board.	
Archive Hearing Board Dockets and related documents.	
Maintain the Air District's website as it pertains to the Hearing Board membership, calendar, and decisions/orders.	
Coordinate recruitment and orientation of new Hearing Board members as necessary.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Coordinate Hearing Board Activities	Ongoing



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.14	0.09	0.04	(0.05)	(55.6)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	17,626	14,477	4,957	(9,520)	(65.8)%
Overtime Salaries	51150	288				
Temporary Salaries	51200					
Payroll Taxes	51300	271	206	70	(136)	(66.0)%
Pension Benefits	51400	4,584	3,379	1,097	(2,282)	(67.5)%
FICA Replacement Benefits	51500	195	211	78	(133)	(63.0)%
Group Insurance Benefits	51600	2,384	1,856	612	(1,244)	(67.0)%
Employee Transportation Subsidy	51700	193	160	59	(101)	(63.1)%
Workers' Compensation	51800	57	58	21	(37)	(63.8)%
Other Post Employment Benefits	51850	1,565	1,005	360	(645)	(64.2)%
Board Stipends	51900	9,350	32,000	40,000	8,000	25.0%
<b>Total Personnel Expenditures</b>		36,513	53,352	47,254	(6,098)	(11.4)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	88				
Travel Out-of-State	52220		1,000	1,000		
Training & Education	52300		1,000	1,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800	93		120	120	
Printing & Reproduction	52900		1,500	1,500		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	337	5,000	5,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900		250	250		
Books & Journals	54100		500	600	100	20.0%
Minor Office Equipment	54200		250	250		
<b>Total Services &amp; Supplies Expenditures</b>		518	9,500	9,720	220	2.3%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		37,031	62,852	56,974	(5,878)	(9.4)%

<b>Managing Division:</b>	
Executive Division	
<b>Contact Person:</b>	
Vanessa Johnson	
<b>Program Purpose:</b>	
The Advisory Council studies and makes recommendations on specific matters referred from the Board of Directors or the Air Pollution Control Officer. Matters can include technical, social, economic and environmental aspects of air quality issues. The Community Advisory Council will advise the Board of Directors and the Executive Officer on technical, community, health, and policy matters.	
<b>Description of Program:</b>	
The Advisory Council is comprised of 7 members, appointed by the Board of Directors. SB1415 requires that the Advisory Council members be skilled and experienced in the fields of air pollution, climate change, or the health impacts of air pollution. The Council advises and consults with the Board of Directors and Executive Officer and makes recommendations and reports on matters that affect both policy and the legislative agenda.	
The Community Advisory Council was created at the request of community advocates in the Bay Area. The CAC is a Brown Act Committee and consists of 17 community members. The Councilmembers reflect the diversity of the communities in the Bay Area, the lived experiences in communities heavily impacted by air pollution and are individuals with diverse skill sets and a range of relevant knowledge and technical experience.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Prepare and distribute all meeting materials, including agendas and minutes for Advisory Council regular and special meetings, approximately 4 per year. Prepare logistics for all Advisory Council regular and special meetings, including scheduling, polling, providing refreshments, preparation of facilities, providing stenographer, and legal noticing requirements, approximately 4 per year.	
Make travel, registration and payment arrangements for Advisory Council participation at the annual Air and Waste Management Association Conference.	
Maintain archive of Advisory Council materials, including minutes, agendas, and presentations.	
Maintain the District's website as it relates to the Advisory Council membership, calendar, meeting materials and minutes. Attend all Regular and Committee meetings of the Advisory Council.	
Track, process and issue quarterly travel reimbursement for each member of the Advisory Council.	
Coordinate recruitment of new Advisory Council members as necessary.	
The Community Advisory Council, which is a Brown Act advisory committee of the Board, will choose its own areas of focus, and provide input on key Air District policies and programs. Potential activities include: Disbursing the Community Benefits Fund; EJ Policy and Community Engagement Guidelines; Racial Equity Framework.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Coordinate activities of the Advisory Council.	Ongoing
Conduct approximately four (4) meetings, based on the topics selected by the Board of Directors and Executive Officer.	Ongoing
Discuss presentations, materials and recommendations received meetings, and prepare and present a report to the Board of Directors.	Ongoing
The CAC advises the Board of Directors and the Executive Officer on technical, community, health, and policy matters.	Ongoing
The Council also exercises its own initiative to select areas for exploration or develop air quality projects or programs that emerge from impacted communities.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.07	0.14	0.11	(0.03)	(21.4)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	7,475	14,991	13,549	(1,442)	(9.6)%
Overtime Salaries	51150	1,638				
Temporary Salaries	51200					
Payroll Taxes	51300	117	212	191	(21)	(9.9)%
Pension Benefits	51400	2,275	3,484	3,010	(474)	(13.6)%
FICA Replacement Benefits	51500	90	264	213	(51)	(19.3)%
Group Insurance Benefits	51600	1,066	1,976	1,631	(345)	(17.5)%
Employee Transportation Subsidy	51700	93	199	162	(37)	(18.6)%
Workers' Compensation	51800	24	72	56	(16)	(22.2)%
Other Post Employment Benefits	51850	833	1,253	980	(273)	(21.8)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		13,611	22,451	19,792	(2,659)	(11.8)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		4,000	22,000	18,000	450.0%
Travel Out-of-State	52220		10,000	20,500	10,500	105.0%
Training & Education	52300		3,000	10,500	7,500	250.0%
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		1,000	1,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	14,301	355,000	375,000	20,000	5.6%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		14,301	373,000	429,000	56,000	15.0%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		27,912	395,451	448,792	53,341	13.5%

<b>Managing Division:</b>	
Executive Division	
<b>Contact Person:</b>	
Lisa Fasano	
<b>Program Purpose:</b>	
The External Affairs Office was created to advance rules, partnerships and messaging programs to to address the need to develop solutions to reducing air pollution from drive alone vehicles, Program created to advance employer commuter programs to reduce single occupancy driving during employee commutes.	
<b>Description of Program:</b>	
<p>Directs the programming of initiatives to help reduce drive alone commuting through the employer program, Flex Your Commute and the Commuter Benefit Program. Flex Your Commute is a new program targeted to employers and will actively message to companies registered in the Commuter Benefits Program. Spare the Air survey and focus group data indicates that employees are more willing to make commuting changes when encouraged to do so by their employers. Flex Your Commute will optimize the experiences employees and employers have learned during the pandemic to help Bay Area companies develop strong commuter partnerships and messaging programs to reduce daily solo commuting.</p> <p>Air District liaison to local, statewide and national organizations. Directs event planning and coordination for Air District events and conferences as well as track and optimize the agency's presence at sponsored events. Messaging and programs will be tailored by county based on several factors including availability and access to transit, carpool and casual carpool options, multi-county commutes and established localized commute requirements. Flex Your Commute will target employers registered in the Spare the Air and Metropolitan Transportation Commission employer programs as well as registrants of the Air District's Commuter Benefits Program. Video production of Air District initiatives and new programming as well as internal training and messaging campaigns.</p>	
<b>Justification of Change Request:</b>	
N/A	
<b>Activities</b>	
<b>Major Objectives</b>	<b>Delivery Date</b>
Increase awareness and adoption of the benefits of commuting options.	Ongoing

# External Affairs

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		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>			1.00	1.00		
<b>Personnel Expenditures</b>						
Permanent Salaries	51100		216,391	224,663	8,272	3.82%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300		3,221	3,394	173	5.4%
Pension Benefits	51400		50,941	53,971	3,030	5.9%
FICA Replacement Benefits	51500		1,906	1,954	48	2.5%
Group Insurance Benefits	51600		26,758	27,886	1,128	4.2%
Employee Transportation Subsidy	51700		1,440	1,485	45	3.1%
Workers' Compensation	51800		522	517	(5)	(1.0)%
Other Post Employment Benefits	51850		9,070	8,989	(81)	(0.9)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>			310,249	322,859	12,610	4.1%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300		100,000	350,000	250,000	250.0%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>			100,000	350,000	250,000	250.0%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>			410,249	672,859	262,610	64.01%

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## Diversity, Equity and Inclusion Division

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The work of the Air District requires diverse perspectives, talents, and life experiences to solve some of the most complex technical air quality issues that we face. The Office of Diversity, Equity & Inclusion (Office) is taking meaningful steps to build an antiracist and inclusive environment. The efforts will be informed by working with the Senior Deputy Executive Officer of Policy & Equity, Board of Directors' Community Health, Equity and Justice Committee and staff to shift long-standing environmental justice inequities throughout the region. Key initiatives for the Office will be the development and implementation of an agency-wide Equity Action Plan and trainings that encompass equity tools to provide a blueprint of systems and structures to operationalize cross-divisional efforts relative to Air District programs. In addition, the Office will work on internal initiatives by applying an equity lens to programs, policies, practices and procedures related to staffing, recruitment, promotions, inclusive practices in the workplace, contracting for capital projects and services.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022



<b>Managing Division:</b>	
Diversity Equity & Inclusion Office	
<b>Contact Person:</b>	
Tim Williams	
<b>Program Purpose:</b>	
The Air District's Office of Diversity, Equity & Inclusion is responsible for developing initiatives applying an equity lens to programs, policies, practices and procedures. Responsibilities include capacity building related to staffing, recruitment, promotions, inclusive practices in the workplace, contracting for capital projects and services, and equity training. The Office recognized the contributions of all employees and community members and works to sustain an environment where everyone is valued and respected.	
<b>Description of Program:</b>	
The Office of Diversity, Equity & Inclusion (Office) is taking meaningful steps to build an antiracist and inclusive environment. The efforts will be informed by working with the Senior Deputy Executive Officer of Policy & Equity, Board of Directors' Community Health, Equity and Justice Committee and staff to shift long-standing environmental justice inequities throughout the region.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Work with Board of Directors' Community Equity, Health and Justice Committee on its workplan, meeting agendas, speakers, and community convening meetings	
Manage Employee Resource Teams	
Provide Human Resources guidance on inclusive recruitment and retention strategies (e.g. equity language in job postings, job screenings, panel interviews, promotional opportunities for diverse candidates)	
Work cross-agency on policies, practices and initiatives to mitigate inequities. Review equity aspects within division documents and provide suggested amendment(s)	
Interview departments, outline and create written policy for an Equity Action Plan.	
Leverage Workforce Diversity and Empower Diverse Perspectives throughout Training & Leadership Development	
<b>Major Objectives</b>	<b>Delivery Date</b>
Board of Directors' Community Health, Equity and Justice Committee Support	Ongoing
Development and Implementation of Equity Action Plan	Ongoing
Develop Strategies to Expand Diversity and Inclusion in Human Resources Practices and Processes Applying an Equity Lens	Ongoing
Continue Internal Capacity Building	Ongoing
Creation, Development, and Guidance of Employee Resource Teams	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		3.73	2.00	2.38	0.38	19.0%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	362,142	304,542	345,131	40,589	13.3%
Overtime Salaries	51150	3,023		4,000	4,000	
Temporary Salaries	51200					
Payroll Taxes	51300	5,240	4,337	4,878	541	12.5%
Pension Benefits	51400	72,388	71,308	80,402	9,094	12.8%
FICA Replacement Benefits	51500	3,745	3,811	4,652	841	22.1%
Group Insurance Benefits	51600	45,930	41,545	38,260	(3,285)	(7.9)%
Employee Transportation Subsidy	51700	3,373	2,880	3,536	656	22.8%
Workers' Compensation	51800	1,132	1,043	1,230	187	17.9%
Other Post Employment Benefits	51850	26,632	18,141	21,396	3,255	17.9%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		523,605	447,607	503,485	55,878	12.5%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		6,600	3,100	(3,500)	(53.0)%
Travel Out-of-State	52220		11,600	6,600	(5,000)	(43.1)%
Training & Education	52300	2,055	48,000	48,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		6,000	6,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	85,669	404,000	405,000	1,000	0.2%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	143	700	700		
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		87,867	476,900	469,400	(7,500)	(1.6)%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(38,879)				
<b>Total Expenditures</b>		572,593	924,507	972,885	48,378	5.2%

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## Finance Office

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The Finance Office provides services to internal and external customers and stakeholders, including fee payers, internal divisions, employees, the Clean Air Foundation, and the Richmond Hilltop Commercial Condominium Association.

The Finance Office is responsible for accounting, financial reporting, accounts payable, revenue posting, cost recovery analysis, budget development, budgetary reporting, and asset management.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Finance Office	
<b>Contact Person:</b>	
Stephanie Osaze	
<b>Program Purpose:</b>	
The Finance/Accounting Program is responsible for maintaining the fiscal stewardship and financial accountability of the District.	
<b>Description of Program:</b>	
The Finance Office is responsible for maintaining the fiscal stewardship and financial accountability of the District. These responsibilities include accounting activities, financial audits, and reporting, vendor payments, receipt of permit fees, asset management, and maintenance of the District's financial system. The office is also responsible for the development of the District's annual budget and annual cost recovery analysis, the fiscal maintenance, and financial reporting of all federal and state grants.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Reconcile various grants and assist in preparation of reimbursement request reports.	
Reconcile receipts and disbursements with County Treasurer's Office Reports.	
Prepare quarterly comparison statements for the Budget and Finance Committee presentation.	
Prepare for the annual audit of the District's financial records.	
Analyze and Prepare the annual cost recovery analysis	
Process receipts (checks/credit card payments) on a daily basis.	
Prepare annual proposed budget book.	
Process vendor invoices on a daily basis	
<b>Major Objectives</b>	<b>Delivery Date</b>
Implement Concur State Travel Program	June 2022
Complete implementation of Government Accounting Standards Board Statement No. 87 Leases	July 2022
Provide timely financial reports to Division Directors/Officer	Ongoing
Complete Annual Financial Report.	Annually
Ensure timely payment of accounts payable.	Daily
Record timely processing of check and credit card receipts.	Daily
Update and maintain Finance Procedures and Desk Manuals for Finance Office Staff	December 2022
Update the Air District's Annual Financial Plan	Annually

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		11.14	17.00	16.92	(0.08)	(0.5)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	1,218,480	2,037,983	2,079,226	41,243	2.0%
Overtime Salaries	51150	1,560	1,000	2,000	1,000	100.0%
Temporary Salaries	51200	18,495	20,000	20,000		
Payroll Taxes	51300	18,337	28,880	34,299	5,419	18.8%
Pension Benefits	51400	246,730	474,847	472,651	(2,196)	(0.5)%
FICA Replacement Benefits	51500	13,150	32,386	33,074	688	2.1%
Group Insurance Benefits	51600	161,286	335,405	360,093	24,688	7.4%
Employee Transportation Subsidy	51700	12,003	24,473	25,139	666	2.7%
Workers' Compensation	51800	3,943	8,864	8,747	(117)	(1.3)%
Other Post Employment Benefits	51850	93,341	154,148	152,120	(2,028)	(1.3)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,787,325	3,117,986	3,187,349	69,363	2.2%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		5,700	5,700		
Travel Out-of-State	52220		1,500	1,500		
Training & Education	52300	9,885	9,800	9,800		
Repair & Maintenance (Equipment)	52400	38				
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	4,414	7,000	7,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	594,992	526,800	527,316	516	0.1%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	1,337	3,000	3,000		
Stationery & Office Supplies	53900	596	1,000	1,000		
Books & Journals	54100		1,000	1,000		
Minor Office Equipment	54200	1,060	1,000	1,000		
<b>Total Services &amp; Supplies Expenditures</b>		612,322	556,800	557,316	516	0.1%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Transfer In/Out</b>		(106,327)				
<b>Total Expenditures</b>		2,293,320	3,674,786	3,744,665	69,879	1.9%

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## Human Resources Office

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The Human Resources Office is responsible for personnel matters including payroll and benefits, labor and employee relations, recruitment and testing, employee engagement, processing personnel actions, employee performance appraisal and recognition programs, organizational development and training, health and safety compliance, workers compensation and special events coordination.

### Vision

A work environment in which honesty, integrity, and trust enriches the employee experience.

### Mission

Through strategic partnership and collaboration, we attract, retain, support and develop a diverse and inclusive workforce while fostering a fair, healthy and respectful work environment.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Human Resources Office	
<b>Contact Person:</b>	
Judy Yu	
<b>Program Purpose:</b>	
Administer payroll for District employees.	
<b>Description of Program:</b>	
The Payroll Program includes administering all aspects of the Air District's payroll, leave accruals, deductions, and other related areas dealing with payroll. It includes maintaining and utilizing the current Dayforce payroll system.	
<b>Justification of Change Request:</b>	
Increase funds to improve and add features to payroll system to allow for greater efficiency, and increase in professional service fees.	
<b>Activities</b>	
Process biweekly payroll.	
Maintain payroll and time keeping system.	
Monitor leave accruals.	
Audit payroll records.	
Customize payroll system to improve process and workflow.	
Submit required payroll reports.	
Respond to employment verifications and other external request for payroll information.	
Monitor and comply with federal, state, and local regulations related to payroll.	
Implement self-service features of payroll system.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Administer and process biweekly payroll in an efficient and effective manner. Assists with problem solving on all aspects of payroll.	Ongoing
Implement new features of the payroll and timekeeping system and customize system to improve process and workflow. Expand and implement self service features.	Ongoing
Implement document management module in payroll system.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		2.89	1.51	1.62	0.11	7.3%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	312,078	188,831	242,961	54,130	28.7%
Overtime Salaries	51150	5,781	10,000		(10,000)	(100.0)%
Temporary Salaries	51200		10,000	40,000	30,000	300.0%
Payroll Taxes	51300	4,713	2,678	3,564	886	33.1%
Pension Benefits	51400	56,775	44,037	56,402	12,365	28.1%
FICA Replacement Benefits	51500	3,378	2,884	3,165	281	9.7%
Group Insurance Benefits	51600	41,461	29,842	31,850	2,008	6.7%
Employee Transportation Subsidy	51700	3,043	2,179	2,406	227	10.4%
Workers' Compensation	51800	1,020	789	834	45	5.7%
Other Post Employment Benefits	51850	22,829	13,726	14,543	817	6.0%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		451,078	304,966	395,725	90,759	29.8%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220		2,800	2,800		
Training & Education	52300		2,000	2,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	256,872	160,000	260,000	100,000	62.5%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		256,872	164,800	264,800	100,000	60.7%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(30,351)				
<b>Total Expenditures</b>		677,599	469,766	660,525	190,759	40.6%

<b>Managing Division:</b>	
Human Resources Office	
<b>Contact Person:</b>	
Judy Yu	
<b>Program Purpose:</b>	
Administer benefits, workers' compensation, and safety programs for District employees.	
<b>Description of Program:</b>	
The Benefits Administration Program includes administering all aspect of employee and retiree benefits, workers' compensation, safety, ergonomics and special events. It includes maintaining and utilizing the current Dayforce human resources information system.	
<b>Justification of Change Request:</b>	
None	
<b>Activities</b>	
Administer benefits for employees and retirees in compliance with policies and procedures.	
Administer health, dental, vision, life and long term disability plans.	
Administer retirement and pension plans.	
Administer flexible spending accounts, employee assistance program, and transit subsidy.	
Administer onboarding and separation.	
Maintain human resources information systems.	
Administer workers' compensation program.	
Administer safety and ergonomics program.	
Conduct a variety of benefits, safety, special trainings and events.	
Administer requirements for fitness medical examinations.	
Monitor and comply with federal, state, and local regulations related to benefits.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Administer employee benefit program.	Ongoing
Develop and administer the worker's compensation, safety and ergonomic program.	Ongoing
Review and perform cost benefit analysis of existing benefit contracts and consider alternative plans.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		2.17	1.70	1.40	(0.30)	(17.6)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	228,479	204,785	186,950	(17,835)	(8.7)%
Overtime Salaries	51150	21,287	10,000		(10,000)	(100.0)%
Temporary Salaries	51200	15,126	10,000	40,000	30,000	300.0%
Payroll Taxes	51300	276,067	2,902	2,636	(266)	(9.2)%
Pension Benefits	51400	41,175	47,720	42,235	(5,485)	(11.5)%
FICA Replacement Benefits	51500	217,832	3,239	2,736	(503)	(15.5)%
Group Insurance Benefits	51600	2,877,679	3,128,625	3,362,535	233,910	7.5%
Employee Transportation Subsidy	51700	2,934	2,448	2,080	(368)	(15.0)%
Workers' Compensation	51800	132,030	887	724	(163)	(18.4)%
Other Post Employment Benefits	51850	18,249	15,420	12,584	(2,836)	(18.4)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		3,830,858	3,426,026	3,652,480	226,454	6.6%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		2,800	2,800		
Travel Out-of-State	52220		1,400	1,400		
Training & Education	52300	42,520	55,000	56,000	1,000	1.8%
Repair & Maintenance (Equipment)	52400					
Communications	52500	320				
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	62,194	140,000	140,000		
General Insurance	53400					
Shop & Field Supplies	53500	27	35,000	35,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		105,061	234,200	235,200	1,000	0.4%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(257,685)				
<b>Total Expenditures</b>		3,678,234	3,660,226	3,887,680	227,454	6.2%

<b>Managing Division:</b>	
Human Resources Office	
<b>Contact Person:</b>	
Judy Yu	
<b>Program Purpose:</b>	
Provide appropriate workplace learning and organization development to increase organizational effectiveness and results through training and development activities. Administer wellness events and activities to increase the well-being of the employees.	
<b>Description of Program:</b>	
The District's training and development program includes career developmental training for all non-management employees; and career developmental training, skills enhancement, safety, knowledge transfer, and succession planning for supervisory and management employees. It includes analysis of needs assessments and implementation of workforce development activities as part of an overall strategy to retain a top performing and motivated workforce. The program also includes the administration and coordination of wellness activities and events.	
<b>Justification of Change Request:</b>	
Increase in professional service fees and employee engagement program.	
<b>Activities</b>	
Provide District-wide and Division-specific trainings.	
Develop leadership development program and mentorship program as part of overall succession planning.	
Provide Ethics, Harassment Prevention, and any required trainings.	
Provide coaching and development support to management and staff as needed.	
Administer the performance evaluation program.	
Administer the educational reimbursement and loan program.	
Coordinate and implement the various wellness activities and events.	
Coordinate the employee engagement program.	
Monitor and comply with federal, state, and local regulations related to training.	
Administer Form 700.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Develop and administer the training programs for all staff level focusing in the changing needs and priorities of the Air District.	Ongoing
Administer Learning Management System and E-learning.	Ongoing
Coordinate the employee engagement program	Ongoing
Develop and administer the wellness program.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		2.20	1.23	1.40	0.17	13.8%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	245,139	158,818	205,052	46,234	29.1%
Overtime Salaries	51150	1,636				
Temporary Salaries	51200	287	10,000		(10,000)	(100.0)%
Payroll Taxes	51300	3,679	2,255	2,909	654	29.0%
Pension Benefits	51400	43,286	37,071	46,898	9,827	26.5%
FICA Replacement Benefits	51500	2,641	2,329	2,727	398	17.1%
Group Insurance Benefits	51600	32,349	23,204	30,920	7,716	33.3%
Employee Transportation Subsidy	51700	2,377	1,760	2,073	313	17.8%
Workers' Compensation	51800	793	637	721	84	13.2%
Other Post Employment Benefits	51850	18,720	11,084	12,544	1,460	13.2%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		350,907	247,158	303,844	56,686	22.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		1,400	1,400		
Travel Out-of-State	52220		1,400	1,400		
Training & Education	52300	168,162	210,000	360,000	150,000	71.4%
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	150				
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		168,312	212,800	362,800	150,000	70.5%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(23,349)				
<b>Total Expenditures</b>		495,870	459,958	666,644	206,686	44.9%



<b>Managing Division:</b>	
Human Resources Office	
<b>Contact Person:</b>	
Judy Yu	
<b>Program Purpose:</b>	
Provide management and staff support in the area of employment relations.	
<b>Description of Program:</b>	
The Employment Relations Program includes the following District activities: employee relations, labor relations, classification and compensation, Equal Employment Opportunity (EEO) programs, regulatory compliance, research and recordkeeping.	
<b>Justification of Change Request:</b>	
Increase in professional service fees.	
<b>Activities</b>	
Administer, interpret, and implement the Memorandum of Understanding (MOU) and Personnel Policies and Procedures of the Administrative Code.	
Provide management and staff consultation.	
Meet with Employee Association on appropriate subjects.	
Administer EEO Policy.	
Provide support of grievance/arbitration processes.	
Maintain accurate employment records.	
Provide discipline counseling.	
Monitor and comply with federal, state, and local regulations related to labor.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Administer, interpret, implement and comply with the MOU and Administrative Code.	Ongoing
Negotiate successor contract and continue positive relations with the Employees' Association.	Ongoing
Monitor and comply with federal, state, and local regulations.	Ongoing
Administer the Equal Employment Opportunity policy.	Ongoing
Ensure reliability of employment history and data.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		2.00	3.12	3.15	0.03	0.96%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	311,933	499,474	515,841	16,367	3.28%
Overtime Salaries	51150	1,434				
Temporary Salaries	51200					
Payroll Taxes	51300	4,630	7,119	7,342	223	3.1%
Pension Benefits	51400	60,629	117,057	119,573	2,516	2.1%
FICA Replacement Benefits	51500	3,296	5,941	6,160	219	3.7%
Group Insurance Benefits	51600	40,525	53,753	55,857	2,104	3.9%
Employee Transportation Subsidy	51700	2,964	4,489	4,682	193	4.3%
Workers' Compensation	51800	1,009	1,626	1,629	3	0.2%
Other Post Employment Benefits	51850	22,736	28,276	28,332	56	0.2%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		449,156	717,735	739,416	21,681	3.0%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	110	6,000	6,000		
Travel Out-of-State	52220					
Training & Education	52300	8,486	11,000	11,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500	332				
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	357,580	332,000	352,000	20,000	6.0%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900		500	500		
Books & Journals	54100		500	500		
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		366,508	350,000	370,000	20,000	5.7%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(30,180)				
<b>Total Expenditures</b>		785,484	1,067,735	1,109,416	41,681	3.90%

<b>Managing Division:</b>	
Human Resources Office	
<b>Contact Person:</b>	
Judy Yu	
<b>Program Purpose:</b>	
Administer a merit based recruitment and selection process for external and internal candidates to fill vacant positions.	
<b>Description of Program:</b>	
The Recruitment and Testing Program includes the following activities: testing of internal and external candidates, outreaching and advertising the positions as a choice of employment, maintaining the recruiting online system, maintaining equal employment policy, including diversity, equity and inclusion as part of the recruiting process, and compliance with all laws, policies, and requirements.	
<b>Justification of Change Request:</b>	
None	
<b>Activities</b>	
Conduct testing, including application screening, panel and hiring interviews, testing, etc.	
Advertise and outreach vacant positions in various mediums.	
Work with hiring managers to determine recruitment strategies.	
Perform background checks, reference checks, DMV checks and physical abilities checks.	
Participate in local, state and federal job fairs and similar outreach activities.	
Contract professional services for specialized executive management recruitments.	
Maintain online applicant tracking system.	
Monitor and comply with federal, state, and local regulations related to testing	
<b>Major Objectives</b>	<b>Delivery Date</b>
Conduct merit based testing for internal and external candidates.	Ongoing
Comply with all applicable recruitment policies, requirements and law.	Ongoing
Conduct regional, statewide and nationwide outreach to attract quality and diversity of candidates.	Ongoing
Maintain Air District's Equal Opportunity Policy for recruitment and testing.	Ongoing
Update classification specifications.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		2.80	2.80	3.10	0.30	10.71%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	377,994	342,203	428,786	86,583	25.30%
Overtime Salaries	51150	3,185				
Temporary Salaries	51200	23,429	40,000	40,000		
Payroll Taxes	51300	5,674	4,851	6,063	1,212	25.0%
Pension Benefits	51400	79,912	79,768	100,105	20,337	25.5%
FICA Replacement Benefits	51500	4,084	5,336	6,058	722	13.5%
Group Insurance Benefits	51600	50,096	47,278	53,625	6,347	13.4%
Employee Transportation Subsidy	51700	3,677	4,032	4,605	573	14.2%
Workers' Compensation	51800	1,223	1,460	1,602	142	9.7%
Other Post Employment Benefits	51850	28,541	25,397	27,865	2,468	9.7%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		577,815	550,325	668,709	118,384	21.5%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		2,800	2,800		
Travel Out-of-State	52220		2,800	2,800		
Training & Education	52300	262	3,000	3,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500	36,744	50,000	50,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	145				
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	38,968	80,000	90,000	10,000	12.5%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		76,119	138,600	148,600	10,000	7.2%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(35,207)				
<b>Total Expenditures</b>		618,727	688,925	817,309	128,384	18.64%

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## Administrative Resources Division

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The Administrative Resources Division provides administrative and operational support functions for the Air District, and is comprised of the Executive Operations Office, Business Office, Fleet and Facilities Office, Finance Office and the Human Resources Office.

The Executive Operations Office is responsible for providing overall administration and direction to Air District staff. Through this office, the Executive Officer/APCO interprets and oversees implementation of Board directives and policies and administers the business of the Air District.

The Business Office is responsible for contracts, purchasing, non-workers compensation risk management, mailroom services, and office support services.

The Fleet Office is responsible for the acquisition and maintenance of Air District pool vehicles and fleet, management of vehicle accidents and procurement of new vehicles. The facilities office is responsible for the planning, maintenance, construction oversight and operations of all Air District facilities, and manage security and safety measures.

The Human Resources Office is responsible for personnel matters including payroll and benefits, labor and employee relations, recruitment and testing, processing personnel actions, employee performance appraisal and recognition programs, organizational development and training, health and safety compliance, workers compensation and special events coordination.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Maricela Martinez	
<b>Program Purpose:</b>	
Facilities Planning and Maintenance of existing Air District owned facilities, leased satellite offices, equipment and supplies.	
<b>Description of Program:</b>	
The Facilities Office provides for the day to day operations of the Air District's offices at 375 Beale Street and 4114 Lakeside Drive and all (80+) leased satellite offices. The development of safety protocols is ongoing, security, and maintenance of existing infrastructure and equipment is ongoing and includes satellite offices.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Work with BAHA and consultants on facility related projects in reference to shared space and services at 375 Beale Street.	
Respond to emergency facility repair requests.	
Oversee general contractors for the construction of offices and cubicles. Procure furniture and reconfigure cubicle spaces. Oversee electricians and plumbers.	
Routine maintenance at offsite facilities: performing preventive and scheduled maintenance as well as maintenance performed in response to signs of wear and tear observed during planned maintenance activities.	
Special AD events and workshop logistics.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Implement a fire, life and safety preventative maintenance program for all District offices	Ongoing
Work with BAHA and consultants on facility related projects in reference to shared space and services at 375 Beale Street.	Ongoing
Respond to emergency facility repair requests.	Ongoing
Oversee general contractors for the construction of offices and cubicles. Procure furniture and reconfigure cubicle spaces. Oversee electricians and plumbers.	Ongoing
Routine maintenance at offsite facilities: performing preventive and scheduled maintenance as well as maintenance performed in response to signs of wear and tear observed during planned maintenance activities.	Ongoing
Special Air District events and workshop logistics	Ongoing



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		4.52	3.97	4.00	0.03	0.76%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	422,174	431,728	464,145	32,417	7.51%
Overtime Salaries	51150	25,426	20,000		(20,000)	(100.0)%
Temporary Salaries	51200					
Payroll Taxes	51300	6,512	6,103	6,518	415	6.8%
Pension Benefits	51400	88,167	100,351	109,773	9,422	9.4%
FICA Replacement Benefits	51500	4,686	7,570	7,817	247	3.3%
Group Insurance Benefits	51600	57,393	80,643	84,149	3,506	4.3%
Employee Transportation Subsidy	51700	4,223	5,721	5,942	221	3.9%
Workers' Compensation	51800	1,402	2,072	2,067	(5)	(0.2)%
Other Post Employment Benefits	51850	33,844	36,033	35,955	(78)	(0.2)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		643,827	690,221	716,366	26,145	3.8%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	2,187				
Travel Out-of-State	52220					
Training & Education	52300			2,000	2,000	
Repair & Maintenance (Equipment)	52400					
Communications	52500	5,809				
Building Maintenance	52600	254,463	575,000	575,000		
Utilities	52700	59,210	50,100	50,250	150	0.3%
Postage	52800					
Printing & Reproduction	52900		200	200		
Equipment Rental	53100		2,000	2,000		
Rents & Leases	53200	91,166	65,000	65,000		
Professional Services & Contracts	53300	268,122	225,000	550,250	325,250	144.6%
General Insurance	53400					
Shop & Field Supplies	53500	53	3,600	3,650	50	1.4%
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	219	1,000	1,000		
Books & Journals	54100					
Minor Office Equipment	54200	49,796		25,000	25,000	
<b>Total Services &amp; Supplies Expenditures</b>		731,025	921,900	1,274,350	352,450	38.2%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100	25,411				
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>		25,411				
<b>Transfer In/Out</b>		(43,320)				
<b>Total Expenditures</b>		1,356,943	1,612,121	1,990,716	378,595	23.48%

<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Satnam Hundel	
<b>Program Purpose:</b>	
Maintenance and administration of the day to day incoming/outgoing mail and reproduction operations of the Air District.	
<b>Description of Program:</b>	
The day-to-day administrative operations include: sorting and distribution of incoming and outgoing mail, and processing reproduction requests.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Process incoming and outgoing mail.	
Process reproduction requests, including document binding and package preparation.	
Prepare, reproduce and mail board packets, asbestos reports, permits, permit invoices, data update forms, and other materials as requested.	
Receive and deliver incoming packages and deliveries.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Process incoming and outgoing mail as well as packages.	Ongoing
Process reproduction requests.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		1.03	1.03	1.08	0.05	4.85%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	224,309	183,960	197,612	13,652	7.42%
Overtime Salaries	51150	187				
Temporary Salaries	51200	16,855				
Payroll Taxes	51300	3,391	2,627	2,808	181	6.9%
Pension Benefits	51400	39,965	43,188	47,297	4,109	9.5%
FICA Replacement Benefits	51500	2,434	1,967	2,104	137	7.0%
Group Insurance Benefits	51600	29,908	21,844	23,751	1,907	8.7%
Employee Transportation Subsidy	51700	2,190	1,486	1,599	113	7.6%
Workers' Compensation	51800	733	538	556	18	3.3%
Other Post Employment Benefits	51850	17,147	9,361	9,676	315	3.4%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		337,119	264,971	285,403	20,432	7.7%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300		2,500	2,500		
Repair & Maintenance (Equipment)	52400					
Communications	52500	241,249	246,225	295,470	49,245	20.0%
Building Maintenance	52600					
Utilities	52700					
Postage	52800	41,849	38,475	65,000	26,525	68.9%
Printing & Reproduction	52900					
Equipment Rental	53100	56,052	65,000	105,000	40,000	61.5%
Rents & Leases	53200					
Professional Services & Contracts	53300	36,758	247,800	400,000	152,200	61.4%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		375,908	600,000	867,970	267,970	44.7%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(22,683)				
<b>Total Expenditures</b>		690,344	864,971	1,153,373	288,402	33.34%

<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Maricela Martinez	
<b>Program Purpose:</b>	
This program will pay operating and maintenance costs associated with the Air District's office space located in Richmond, CA.	
<b>Description of Program:</b>	
This program will pay for the reconfiguring of the Headquarters East (Richmond) office and all costs associated with building maintenance of the facility, including shared costs associated with the Condominium Association. This year includes costs associated with building out Phase 2 and 3 of the Richmond Office.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
operating and maintenance costs associated with the Air District's office space located in Richmond, CA	
<b>Major Objectives</b>	<b>Delivery Date</b>
Reconfigure the Richmond Office (Headquarters East) with building out Phase 2 and 3 of the Richmond Office.	Ongoing

		Audited Program Actuals 2021	Approved Program Budget 2022	Proposed Program Budget 2023	FTE/Dollar Change \$	Percent Change %
<b>Number of Positions (FTE)</b>						
<b>Personnel Expenditures</b>						
Permanent Salaries	51100					
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300					
Pension Benefits	51400					
FICA Replacement Benefits	51500					
Group Insurance Benefits	51600					
Employee Transportation Subsidy	51700					
Workers' Compensation	51800					
Other Post Employment Benefits	51850					
Board Stipends	51900					
<b>Total Personnel Expenditures</b>						
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600	5,515		6,000	6,000	
Utilities	52700	91,276	11,000	56,000	45,000	409.1%
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	57,376	200,000	250,000	50,000	25.0%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Non-Capital Assets	54600	11,822		1,000	1,000	
<b>Total Services &amp; Supplies Expenditures</b>		165,989	211,000	313,000	102,000	48.3%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105	145,544	500,000	500,000		
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>		145,544	500,000	500,000		
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		311,533	711,000	813,000	102,000	14.35%

<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Satnam Hundel	
<b>Program Purpose:</b>	
Provide for the purchasing of equipment and supplies and the negotiating of service contracts.	
<b>Description of Program:</b>	
The purchasing section is responsible for the procurement of services, equipment and supplies. The section facilitates the administration of limited access license agreements, lease agreements, professional service contracts, and request for proposals/qualifications. The section is also responsible for the property management administration of various insurance policies, and the coordination of the disposal of surplus equipment.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Process purchase order requests.	
Approve the purchase of necessary office supplies as requested by District personnel.	
Administer District service contracts and negotiate lease renewals.	
Process service requests on equipment under maintenance.	
Deliver requested office supplies.	
Negotiate best price on sale of surplus equipment.	
Manage District insurance policies	
<b>Major Objectives</b>	<b>Delivery Date</b>
Process purchase order requests.	Daily
Approve the purchase of necessary office supplies as requested by District personnel.	Ongoing
Administer District service contracts, leases, and limited access license agreements.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		2.03	2.00	2.00		
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	219,107	218,052	258,340	40,288	18.48%
Overtime Salaries	51150	46	20,000		(20,000)	(100.0)%
Temporary Salaries	51200					
Payroll Taxes	51300	3,304	3,083	3,640	557	18.1%
Pension Benefits	51400	55,515	50,688	59,490	8,802	17.4%
FICA Replacement Benefits	51500	2,377	3,811	3,909	98	2.6%
Group Insurance Benefits	51600	29,148	34,445	35,567	1,122	3.3%
Employee Transportation Subsidy	51700	2,141	2,880	2,971	91	3.2%
Workers' Compensation	51800	709	1,043	1,034	(9)	(0.9)%
Other Post Employment Benefits	51850	17,397	18,141	17,978	(163)	(0.9)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		329,744	352,143	382,929	30,786	8.7%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300		1,500	1,500		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	370	44,164	75,400	31,236	70.7%
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300					
General Insurance	53400	416,903	500,000	790,000	290,000	58.0%
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	16,967	65,000	65,000		
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		434,240	610,664	931,900	321,236	52.6%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(22,187)				
<b>Total Expenditures</b>		741,797	962,807	1,314,829	352,022	36.56%



<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Maricela Martinez	
<b>Program Purpose:</b>	
This program will pay for sharing of limited business operations and technology functions between the Air District, Metropolitan Transportation Commission, and the Association of Bay Area Governments at 375 Beale Street. This program will also pay for the lease payments associated with the Air District's financing ownership interest of its portion of the facility.	
<b>Description of Program:</b>	
Shared services between the Air District, Metropolitan Transportation Commission and the Association of Bay Area Governments, including personnel and shared business operations, IT license and maintenance agreements required for a shared services component for the agencies and payments related to its lease payments through the issuance of a private placement of Certificate of Participation Notes (COPS) with the Bay Area Housing Authority.	
<b>Justification of Change Request:</b>	
The shared services component includes general services and technology functions: personnel, conference room scheduling, conference room set-up, video conferencing, webcasting, copy/print/mail production and distribution, shared fleet management, wellness center; email, calendaring, telephone systems, wireless network, internet connectivity, printing, electronic file storage, server rooms maintenance. Beginning in FYE 2019, the lease payments associated with paying down the COPS are being paid through this program.	
<b>Activities</b>	
Maintain service level agreements with partner agencies	
Maintain communication plan for building protocols	
Maintain and develop training materials for new technologies and services available at 375 Beale Street	
Maintain Shared Services Budget and Responsibilities	
<b>Major Objectives</b>	<b>Delivery Date</b>
Maintain service level agreements with partner agencies	Ongoing
Maintain communication plan for building protocols	Ongoing
Maintain and develop training materials for new technologies and services available at 375 Beale Street	Ongoing
Maintain Shared Services Budget and Responsibilities	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>						
<b>Personnel Expenditures</b>						
Permanent Salaries	51100					
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300					
Pension Benefits	51400					
FICA Replacement Benefits	51500					
Group Insurance Benefits	51600					
Employee Transportation Subsidy	51700					
Workers' Compensation	51800					
Other Post Employment Benefits	51850					
Board Stipends	51900					
<b>Total Personnel Expenditures</b>						
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700	3,416		5,000	5,000	
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200	564,938	1,200,000	1,200,000		
Professional Services & Contracts	53300	2,348,224	2,600,000	3,005,000	405,000	15.6%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		2,916,578	3,800,000	4,210,000	410,000	10.8%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		2,916,578	3,800,000	4,210,000	410,000	10.79%

<b>Managing Division:</b>	
Administrative Resources Division	
<b>Contact Person:</b>	
Maricela Martinez	
<b>Program Purpose:</b>	
Fleet maintenance and inspection to ensure safe and reliable transportation.	
<b>Description of Program:</b>	
<p>The vehicle maintenance section includes the maintenance of the District's 135-vehicle fleet, vehicle financing, tracking and diagnostics fuel records of District vehicles. All vehicle maintenance is outsourced for service. As of FYE 2021/22, one-hundred and five (105) vehicles are leased from Enterprise Fleet Services on a Full Maintenance Program. One (3) Electric vehicle is leased from Nissan Motor Acceptance Corporation where routine services are covered by the vehicle warranty plan; one (3) Hydrogen Fuel Cell vehicle is leased from Anderson Honda Motors Co. Inc; and twenty-seven (23) vehicles are owned by the District and are included in the Enterprise Maintenance Management Program in which Enterprise assists the District in handling all scheduled and non-scheduled repairs. One (1) Diesel vehicle is owned by the District and is service at a local service shop.</p>	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Perform factory-recommended preventive and routine vehicle maintenance.	
Maintain service support for response to emergency calls within one hour.	
Manage insurance contracts on District vehicles; process damage claims.	
Train staff in new technology in vehicle maintenance, evaluation and repairs.	
Modify and maintain up-to-date vehicle maintenance procedures.	
Oversee Enterprise-leased vehicles maintenance appointments.	
Perform yearly smog checks and reports on District vehicles.	
Quarterly Fuel Reporting.	
Vehicle disposal and purchasing.	
Cost management and billing.	
Plan and prepare annual budget, expenditures and analyze all financial objectives	
Create/update fleet policy and procedures, to include vehicle assignment, personal use, replacement policy, accident reporting process, and other procedures	
<b>Major Objectives</b>	<b>Delivery Date</b>
Implement Telematics vehicle management system	Ongoing
Completion of yearly maintenance on all District vehicles.	Annually
Completion of annual smog check for District vehicles.	Annually
Reduce the District vehicles carbon foot print with alternative fuel options such as Hybrid Vehicles, Electric Vehicles (EVs), and Hydrogen Fuel Cell	Ongoing

# Fleet Services

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		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		3.36	2.77	2.76	(0.01)	(0.36)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	285,820	288,149	349,875	61,726	21.42%
Overtime Salaries	51150	2,708	25,000		(25,000)	(100.0)%
Temporary Salaries	51200					
Payroll Taxes	51300	4,267	4,069	4,927	858	21.1%
Pension Benefits	51400	56,812	66,898	79,580	12,682	19.0%
FICA Replacement Benefits	51500	3,084	5,287	5,387	100	1.9%
Group Insurance Benefits	51600	37,759	45,204	45,754	550	1.2%
Employee Transportation Subsidy	51700	2,778	3,995	4,094	99	2.5%
Workers' Compensation	51800	917	1,447	1,425	(22)	(1.5)%
Other Post Employment Benefits	51850	22,164	25,163	24,776	(387)	(1.5)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		416,309	465,212	515,818	50,606	10.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	8,631				
Travel Out-of-State	52220					
Training & Education	52300		3,000	3,000		
Repair & Maintenance (Equipment)	52400	76	25,000	25,000		
Communications	52500	1,465		1,000	1,000	
Building Maintenance	52600	4,008				
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200	674,063	850,000	900,000	50,000	5.9%
Professional Services & Contracts	53300		12,500	50,000	37,500	300.0%
General Insurance	53400	2,500	57,500	57,500		
Shop & Field Supplies	53500	177		200	200	
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700	147,403	265,000	350,000	85,000	32.1%
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		838,323	1,213,000	1,386,700	173,700	14.3%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120	46,566	50,000	50,000		
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>		46,566	50,000	50,000		
<b>Transfer In/Out</b>		(27,561)				
<b>Total Expenditures</b>		1,273,637	1,728,212	1,952,518	224,306	12.98%

## Legislative Office

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The Legislative Office mission is to advocate for Air District policy and budget priorities at both the state and federal levels. The Legislative Office is responsible for tracking and developing positions on state and federal legislation and budget proposals, meeting with legislators and legislative staff about policy proposals and updating them on Air District activities, representing the Air District at legislative hearings, and interacting with stakeholder groups, state and local agencies, and members of the public. The Legislative Office works closely with other divisions within the Air District to help achieve the Air District's commitment to reducing air pollution in California and the Bay Area region by sharing information on current legislative policy and budget proposals that affect Air District programs and policies.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

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<b>Managing Division:</b>	
Legislative Office	
<b>Contact Person:</b>	
Alan Abbs	
<b>Program Purpose:</b>	
State and Federal legislative advocacy.	
<b>Description of Program:</b>	
The Legislative Office advocates for Air District policy and budget priorities at the state and federal level. The Legislative Office interacts with legislators and staff, advocate and opposition stakeholders, state and local agencies, and members of the public.	
<b>Justification of Change Request:</b>	
This is a new program.	
<b>Activities</b>	
Legislative Advocacy	
Information sharing with Air District staff	
Outreach to Legislature on Air District activities	
<b>Major Objectives</b>	<b>Delivery Date</b>
Track and develop positions on state and federal legislation.	Bi-weekly
Meet with legislators and legislative staff about policy proposals.	Ongoing
Update legislators and staff on Air District activities.	Ongoing
Publish legislative newsletter.	Monthly
Track and develop positions on state and federal budget proposals.	Ongoing
Attend legislative hearings.	Ongoing
Staff Air District Legislative Committee meetings.	Monthly
Represent Air District at meetings with stakeholder groups.	Monthly
Staff other Air District Board and Committee meetings, as necessary.	Ongoing



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>			2.00	2.00		
<b>Personnel Expenditures</b>						
Permanent Salaries	51100		313,666	334,811	21,145	6.74%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300		4,546	4,938	392	8.6%
Pension Benefits	51400		73,483	74,671	1,188	1.6%
FICA Replacement Benefits	51500		3,811	3,909	98	2.6%
Group Insurance Benefits	51600		42,329	49,297	6,968	16.5%
Employee Transportation Subsidy	51700		2,880	2,971	91	3.2%
Workers' Compensation	51800		1,043	1,034	(9)	(0.9)%
Other Post Employment Benefits	51850		18,141	17,978	(163)	(0.9)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>			459,899	489,609	29,710	6.5%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		3,000	3,250	250	8.3%
Travel Out-of-State	52220		3,450	3,750	300	8.7%
Training & Education	52300		750	2,500	1,750	233.3%
Repair & Maintenance (Equipment)	52400					
Communications	52500		2,000	2,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300		121,200	121,200		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900		250	250		
Books & Journals	54100		300	600	300	100.0%
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>			130,950	133,550	2,600	2.0%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>			590,849	623,159	32,310	5.47%

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## Legal Services Division

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The District Counsel provides legal advice, counseling and representation to the Board of Directors and its Committees, the Executive Officer/APCO, District staff, and the Advisory Council in the execution of their respective statutory mandates and responsibilities. The District Counsel also represents, or manages outside counsel, representing the District in all litigation involving the District and in matters before the District's Hearing Board. The District Counsel primarily practices in the areas of general civil law, Federal, State and local air pollution control law, administrative law, Federal and State civil litigation, government law and the California Environmental Quality Act (CEQA).

The District Counsel will continue to implement significant changes in the Mutual Settlement and Civil Penalty Programs; such efforts over the past several fiscal years have been very effective in improving these programs. Efforts by District Counsel's attorneys and the Mutual Settlement Program staff have resulted in a nearly complete effort of resolving the existing inventory of enforcement cases. In addition, implementation of a Small Claims Court program for some enforcement cases in which settlement could not be reached through pre-litigation negotiation has been highly successful. The efforts to be undertaken this fiscal year are once again designed to properly implement legal requirements regarding settlements, deter repeat violations, impose civil penalties commensurate with the nature of the air quality violation involved, remove the economic benefit of violations, and encourage rule compliance by the regulated community. This fiscal year, District Counsel will continue the development and improvement of the Mutual Settlement Program. The District Counsel will also continue to coordinate with, and provide training for, Compliance and Enforcement Division staff regarding case development. These efforts will ensure that effective enforcement cases are built from the beginning of investigations, and will result in more effective settlements and prosecutions. The District Counsel's attorneys will continue their focus on civil penalty enforcement investigations and actions, including civil litigation and, where appropriate, Hearing Board enforcement proceedings.

District Counsel's attorneys will continue to advise District staff on rulemaking, permitting and air quality planning activities. In this regard, District Counsel will continue its efforts to coordinate closely with the District's staff on these issues to minimize challenges to District decision-making. District Counsel will also continue to represent the Executive Officer/APCO before the Hearing Board, counsel the Board of Directors and its Committees as to their legal authority and duties and interact with EPA, CARB, other Air Districts and private attorneys on various matters. District Counsel will continue to use outside labor/employment law firms to handle the specialized practice of labor and employment law counseling, negotiations and litigation. Due in large part to the efforts of attorneys in the District Counsel's office, the vast majority of the litigation pending against the District was resolved in FYE 2005. Cases filed in the intervening years have been more efficiently addressed and resolved. In addition to continuing to provide pre-litigation counseling, and to handle litigation matters internally, the District Counsel will continue to manage the efforts of outside counsel as appropriate in litigation, employment, and specialized counseling matters.

The District Counsel will continue to provide the Board of Directors, the Executive Officer/APCO and District staff with exemplary legal counsel and representation.

<b>Managing Division:</b>	
Legal Services Division	
<b>Contact Person:</b>	
Adan Schwartz	
<b>Program Purpose:</b>	
To advise, counsel and assist the Board of Directors, the Executive Officer/APCO, and District staff on all legal matters related to the Air District's clean air mission and operations.	
<b>Description of Program:</b>	
The Air District Counsel provides a wide variety of legal services to the Board of Directors, the Executive Officer/APCO, Advisory Council, and District staff. Those services include advising and counseling on issues arising under Federal and State air pollution laws, the Brown Act, the California Environmental Quality Act (CEQA), the Public Records Act, and conflict of interest laws. Attorneys in the District Counsel's office prepare and review complex contracts, provide legal opinions and advice on rule development, and governmental and general law issues, such as enforcement, permitting and air quality planning matters. Work in the District Counsel's office also includes the development and implementation of legal policy documents for the District.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Staff all Board of Director and Board Committee meetings and provide legal advice and direction, as necessary, at such meetings.	
Draft all necessary resolutions for adoption by the Board of Directors.	
Provide all legal opinions, reports and correspondence requested by the Board of Directors, the Advisory Council and the Executive Officer/APCO. Provide all legal opinions, reports and correspondence requested by the Board of Directors, the Advisory Council and the Executive Officer/APCO. Review and comment on all legislative proposals affecting the District. Provide legal advice and review of all rule adoptions and amendments including CEQA analysis. Staff all meetings with District staff, members of the public, representatives of other public agencies, environmental groups, industry, the press and legislative representatives involving District permitting, rule development or enforcement. Provide legal advice, direction and contract drafting to administration of TFCA. Advise and assist the Executive Officer/APCO and District staff in legal matters involving contracts, the Public Records Act, conflicts of interest, leases and copyrights. Provide all staff support functions associated with the above activities. Advise Air District staff and the Board of Directors on all issues related to the Federal Clean Air Act, California Clean Air Act and associated State and Federal regulations.	
Provide all legal opinions, reports and correspondence requested by the Board of Directors, the Advisory Council and the Executive Officer/APCO.	
Review and comment on all legislative proposals affecting the District.	
Provide legal advice and review of all rule adoptions and amendments including CEQA analysis.	
Staff all meetings with District staff, members of the public, representatives of other public agencies, environmental groups, industry, the press and legislative representatives involving District permitting, rule development or enforcement.	
Provide legal advice, direction and contract drafting to administration of TFCA.	
Advise and assist the Executive Officer/APCO and District staff in legal matters involving contracts, the Public Records Act, conflicts of interest, leases and copyrights.	
Provide all staff support functions associated with the above activities.	
Advise Air District staff and the Board of Directors on all issues related to the Federal Clean Air Act, California Clean Air Act and associated State and Federal regulations.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Not Applicable	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		8.00	10.00	10.00		
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	1,649,228	1,541,621	1,964,311	422,690	27.4%
Overtime Salaries	51150	7,617				
Temporary Salaries	51200					
Payroll Taxes	51300	24,825	23,038	29,557	6,519	28.3%
Pension Benefits	51400	348,024	362,274	460,191	97,917	27.0%
FICA Replacement Benefits	51500	17,946	15,457	19,178	3,721	24.1%
Group Insurance Benefits	51600	219,714	148,170	207,390	59,220	40.0%
Employee Transportation Subsidy	51700	16,194	11,680	14,577	2,897	24.8%
Workers' Compensation	51800	5,334	4,230	5,072	842	19.9%
Other Post Employment Benefits	51850	132,552	73,573	88,208	14,635	19.9%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		2,421,434	2,180,043	2,788,484	608,441	27.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	3,387	3,000	3,000		
Travel Out-of-State	52220		4,000	4,000		
Training & Education	52300	5,980	6,500	6,500		
Repair & Maintenance (Equipment)	52400					
Communications	52500	3,066	5,000	5,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		4,000	4,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	35,942	44,000	54,000	10,000	22.7%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	208	1,000	1,000		
Books & Journals	54100	44,569	40,000	45,000	5,000	12.5%
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		93,152	107,500	122,500	15,000	14.0%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(149,014)				
<b>Total Expenditures</b>		2,365,572	2,287,543	2,910,984	623,441	27.3%

<b>Managing Division:</b>	
Legal Services Division	
<b>Contact Person:</b>	
Adan Schwartz	
<b>Program Purpose:</b>	
To represent the Air District in all proceedings involving variances, orders of abatement, permit appeals and permit revocations before the Air District's Hearing Board.	
<b>Description of Program:</b>	
The Air District Counsel provides all necessary legal representation and counsel for the District in variance, order of abatement, permit appeal and permit revocation actions before the Air District's Hearing Board. Permit holders may seek variance relief from the Hearing Board when they are unable to meet a District rule or permit requirement as long as state law requirements are met. The District may seek orders of abatement against facilities for on-going violations, or seek to revoke those facilities' permits. The Air District Counsel also represents the District in appeals by applicants or third parties to permit, emission reduction credit, and interchangeable emission reduction credit decisions made by the District. In addition, the Air District Counsel works with the Hearing Board's members and staff to improve the Hearing Board's rules and procedures.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Review and advise Air District staff regarding the legal and factual sufficiency of variance requests.	
Prepare and/or review all required written correspondence, pleadings and orders.	
Represent the Air District in all Hearing Board matters, including preparing all written submissions for these cases.	
Prepare Air District witnesses for hearings.	
Provide staff support functions associated with the above activities.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Not applicable.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.17	0.05	0.15	0.10	200.0%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	29,814	8,958	24,059	15,101	168.6%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	382	128	341	213	166.4%
Pension Benefits	51400	2,873	2,104	5,361	3,257	154.8%
FICA Replacement Benefits	51500	244	93	293	200	215.1%
Group Insurance Benefits	51600	3,095	1,129	2,731	1,602	141.9%
Employee Transportation Subsidy	51700	218	70	223	153	218.6%
Workers' Compensation	51800	96	25	78	53	212.0%
Other Post Employment Benefits	51850	1,474	442	1,348	906	205.0%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		38,196	12,949	34,434	21,485	165.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300					
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		38,196	12,949	34,434	21,485	165.9%



<b>Managing Division:</b>	
Legal Services Division	
<b>Contact Person:</b>	
Adan Schwartz	
<b>Program Purpose:</b>	
To remove the economic benefit from, and provide a credible and effective deterrence to, violations of Air District Rules by reaching settlements or pursuing penalty enforcement actions fairly and consistently.	
<b>Description of Program:</b>	
The Air District Counsel, in cooperation with the Enforcement and Compliance Division, enforces the Air District's rules by reaching informal settlements through the Mutual Settlement Program, by pursuing administrative enforcement actions (orders of abatement and revocation of permits), by filing and prosecuting civil penalty actions, or by referring cases to other agencies for consideration of civil or criminal enforcement actions within those agencies' jurisdiction.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Administer Mutual Settlement Program.	
Pursue Small Claims Court actions to collect civil penalties.	
Provide full time clerical staff support for this program.	
Prepare witnesses and documentary evidence for administrative hearings and civil litigation associated with actions to recover civil penalties.	
Meet and confer with District staff and defendants to discuss settlement or to advance litigation.	
Represent the District in all court hearings, settlement conferences and civil discovery.	
Coordinate the referral of cases for civil and criminal prosecution to District Attorney offices and other agencies with jurisdiction over air quality issues.	
Prepare all correspondence and prepare and file all pleadings in civil and administrative actions.	
Settle or pursue enforcement actions on all Notices of Violation (NOVs).	
<b>Major Objectives</b>	<b>Delivery Date</b>
Not applicable.	Ongoing

# Penalties Enforcement & Settlement

203

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		4.58	5.27	5.18	(0.09)	(1.7)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	630,117	743,340	814,158	70,818	9.5%
Overtime Salaries	51150	178				
Temporary Salaries	51200					
Payroll Taxes	51300	9,536	10,570	11,562	992	9.4%
Pension Benefits	51400	137,097	173,797	186,992	13,195	7.6%
FICA Replacement Benefits	51500	6,923	10,051	10,114	63	0.6%
Group Insurance Benefits	51600	84,426	91,424	89,315	(2,109)	(2.3)%
Employee Transportation Subsidy	51700	6,249	7,596	7,688	92	1.2%
Workers' Compensation	51800	2,038	2,751	2,675	(76)	(2.8)%
Other Post Employment Benefits	51850	52,659	47,844	46,519	(1,325)	(2.8)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		929,223	1,087,373	1,169,023	81,650	7.5%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		2,800	2,800		
Travel Out-of-State	52220					
Training & Education	52300		2,000	2,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300					
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100		1,000	1,000		
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>			5,800	5,800		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		929,223	1,093,173	1,174,823	81,650	7.5%

<b>Managing Division:</b>	
Legal Services Division	
<b>Contact Person:</b>	
Adan Schwartz	
<b>Program Purpose:</b>	
To represent and oversee the Air District representation in State and Federal courts.	
<b>Description of Program:</b>	
Individuals, corporations and organizations may sue the Air District in State or Federal court over District actions; the District Counsel represents the District in such matters. The District Counsel also directs the efforts of outside counsel handling such litigation and advising the District in specialized legal areas such as labor law, employment law and tort actions.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Represent Air District in State court actions.	
Represent Air District in Federal court actions.	
Provide litigation status reports to Air District Board of Directors.	
Legal research for litigation matters.	
Monitor and direct activities of outside counsel in general litigation and specialized legal areas such as labor law, employment law and tort actions.	
Provide clerical support for litigation matters.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Not Applicable	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.45	0.56	0.46	(0.10)	(17.9)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	93,535	126,160	88,490	(37,670)	(29.9)%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	1,451	1,947	1,278	(669)	(34.4)%
Pension Benefits	51400	25,833	29,715	20,760	(8,955)	(30.1)%
FICA Replacement Benefits	51500	1,063	1,066	905	(161)	(15.1)%
Group Insurance Benefits	51600	12,856	14,383	10,704	(3,679)	(25.6)%
Employee Transportation Subsidy	51700	961	806	688	(118)	(14.6)%
Workers' Compensation	51800	303	292	239	(53)	(18.2)%
Other Post Employment Benefits	51850	8,385	5,074	4,163	(911)	(18.0)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		144,387	179,443	127,227	(52,216)	(29.1)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	36				
Travel Out-of-State	52220					
Training & Education	52300		3,000	3,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800	16	2,300	2,000	(300)	(13.0)%
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	437,606	235,000	235,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100		4,000	4,000		
Minor Office Equipment	54200	568	3,000	3,000		
<b>Total Services &amp; Supplies Expenditures</b>		438,226	247,300	247,000	(300)	(0.1)%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		582,613	426,743	374,227	(52,516)	(12.3)%

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## Communications Office

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The Communications Office coordinates all agency media outreach, Air District messaging, crisis communications, media relations as well as print, digital and social media outreach for the Air District. The Office provides media and public outreach about the Air District's programs, operations and emergency response.

The Office manages advertising and outreach for Spare the Air, the Employer Program, and the Commuter Benefits Program. The Office oversees the Air District and Spare the Air social media sites, strategies and programs. The Office maintains the Spare the Air website and related sites and the Spare the Air mobile apps. The Office represents the Air District at community events for Spare the Air throughout the region.

Office functions include production of publications and digital collateral for the general public and target audiences. This includes publishing newsletters, the annual report, videos and collateral materials. The Office also provides and oversees graphic design services, social media content creation, translation services and videography. The Office also provides Air District presentations and tours for international delegations, organizations and school groups.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Communications Office	
<b>Contact Person:</b>	
Kristine Roselius	
<b>Program Purpose:</b>	
Act as the Air District's main point of contact to the public through media and social media. Increase public awareness and understanding of the roles that the public and the Air District have in creating behavior change and reducing air pollution and the impacts of climate change.	
<b>Description of Program:</b>	
Provide proactive media outreach about air quality issues, Air District programs and the purpose and functions of the agency through printed materials, media events, promotional materials, baaqmd.gov website, press releases, publications, videos, podcasts and social media. Develop graphically appealing and compelling images and infographics to better message Air District efforts on social media, presentations and displays.	
<b>Justification of Change Request:</b>	
Budget increase due to ongoing AB617 support, increased videography and website accessibility needs.	
<b>Activities</b>	
Maintain up-to-date and relevant air quality information on the Air District website.	
Develop video and audio podcasts about air quality issues and the Air District's programs and rules.	
Develop wildfire messaging, procedures, graphics, printed and web materials.	
Produce publications including plans, brochures, booklets and other Air District documents.	
Issue press releases and host media events highlighting Air District accomplishments.	
Coordinate the Air District presence at events and fairs throughout the region.	
Develop and implement media, social media and communication strategies around major Air District policies and issues.	
Develop and maintain effective working relationships with members of the media and social media influencers.	
Track and analyze print, internet, radio, social media and television coverage of the Air District.	
Provide development opportunities for staff related to activities and objectives of the Air District.	
Develop emergency response internal, media and social media outreach procedures	
Develop crisis communications internal, media and social media outreach procedures	
Development and management of Air District social media sites	
Support for AB617 efforts.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Develop media response / operating procedures, Air District media policy, and social media policy.	Ongoing
Produce Air District Annual Report.	June 2023
Publish quarterly Air Currents newsletter.	Quarterly
Conduct media training for public information officers and other Air District staff.	Ongoing
Develop videos, news releases / statements, infographics and display graphics for Air District programs / events.	Ongoing
Develop and manage Air District social media posts.	Ongoing
Crisis communications and emergency response for air quality incidents.	Ongoing
Develop and maintain media relations.	Ongoing
Host media events to promote Air District programs and initiatives.	Ongoing



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		7.88	3.91	6.48	2.57	65.7%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	890,185	496,369	863,334	366,965	73.9%
Overtime Salaries	51150	12,407	7,000	7,000		
Temporary Salaries	51200					
Payroll Taxes	51300	13,413	7,043	12,210	5,167	73.4%
Pension Benefits	51400	177,100	115,805	200,888	85,083	73.5%
FICA Replacement Benefits	51500	9,629	7,444	12,668	5,224	70.2%
Group Insurance Benefits	51600	117,895	63,830	118,290	54,460	85.3%
Employee Transportation Subsidy	51700	8,671	5,625	9,628	4,003	71.2%
Workers' Compensation	51800	2,906	2,037	3,350	1,313	64.5%
Other Post Employment Benefits	51850	69,896	35,430	58,262	22,832	64.4%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,302,102	740,583	1,285,630	545,047	73.6%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	686	14,000	14,000		
Travel Out-of-State	52220		6,000	6,000		
Training & Education	52300	5,058	21,500	21,500		
Repair & Maintenance (Equipment)	52400					
Communications	52500	9,205	47,000	47,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800		4,000	4,000		
Printing & Reproduction	52900	19,003	42,500	42,500		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	289,543	441,000	482,750	41,750	9.5%
General Insurance	53400					
Shop & Field Supplies	53500		500	500		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	1,803	11,000	11,000		
Stationery & Office Supplies	53900	3,258	4,000	4,000		
Books & Journals	54100					
Minor Office Equipment	54200		1,000	1,000		
<b>Total Services &amp; Supplies Expenditures</b>		328,556	592,500	634,250	41,750	7.0%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(58,624)				
<b>Total Expenditures</b>		1,572,034	1,333,083	1,919,880	586,797	44.0%

<b>Managing Division:</b>	
Communications Office	
<b>Contact Person:</b>	
Kristina Chu	
<b>Program Purpose:</b>	
The Spare the Air winter program informs the public about the Wood Burning Rule, the health impacts of wood smoke pollution and alternative, cleaner forms of heat and change-out incentives.	
<b>Description of Program:</b>	
The Wood Burning Rule was passed in 2008 and wood burning is banned when a Spare the Air Alert is called for fine particulate pollution. The Spare the Air winter campaign informs the public about the health impacts of wood smoke both inside and outside the home. A seasonal messaging/advertising campaign is developed and delivered to the public through regional advertising, media outreach, neighborhood events and through seasonal door-to-door outreach and survey campaign.	
<b>Justification of Change Request:</b>	
No change.	
<b>Activities</b>	
Develop and disseminate a Spare the Air winter campaign to inform the public about the health impacts of wood smoke.	
Prepare and issue media releases, respond to media inquiries and plan media events/deskside & editorial board visits.	
Conduct public opinion surveys to evaluate program and measure behavior change.	
Manage and update the baaqmd.gov and sparetheairnow.org websites as well as social media sites including Twitter, Linked In, Pinterest and Facebook.	
Manage notification methods for Spare the Air Alerts, including automated phone alerts, text and email alerts, online banners, iPhone/Android app and widget.	
Deliver public outreach, advertising and media relations campaigns.	
Provide public outreach at community events throughout the Bay Area.	
Door to door outreach/surveys	
Provide overview of campaign to Executive Committee and Board of Directors.	
Provide outreach to local government leaders and community organizations and the general public about the Spare the Air winter program.	
Promote cleaner heating options and available incentives.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Media outreach for Spare the Air winter.	Ongoing
Launch Spare the Air winter season.	November 2022
Execute and evaluate Spare the Air winter season public outreach campaign.	June 2023
Develop video podcasts, video news releases / statements, displays and infographics for Spare the Air winter programs / events.	Ongoing
Respond to public inquiries, provide informational speeches and presentations.	Ongoing
Update website alerts and Spare the Air app.	Ongoing
Monitor and measure campaign effectiveness via public opinion surveys.	March 2023
Develop Spare the Air winter season summary.	April 2023
Issue Alert advisories when air quality is forecast to reach unhealthy levels.	Ongoing
Provide information about the health impacts of wood smoke to the public, community organizations and local government leaders.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.77	2.92	0.80	(2.12)	(72.6)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	84,758	349,558	100,716	(248,842)	(71.2)%
Overtime Salaries	51150	1,884				
Temporary Salaries	51200					
Payroll Taxes	51300	1,286	4,953	1,418	(3,535)	(71.4)%
Pension Benefits	51400	20,694	81,443	23,415	(58,028)	(71.2)%
FICA Replacement Benefits	51500	961	5,565	1,569	(3,996)	(71.8)%
Group Insurance Benefits	51600	11,746	51,547	14,513	(37,034)	(71.8)%
Employee Transportation Subsidy	51700	868	4,205	1,193	(3,012)	(71.6)%
Workers' Compensation	51800	274	1,523	415	(1,108)	(72.8)%
Other Post Employment Benefits	51850	9,308	26,487	7,218	(19,269)	(72.7)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		131,779	525,281	150,457	(374,824)	(71.4)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	1,202,923	1,125,000	1,125,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		1,202,923	1,125,000	1,125,000		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,334,702	1,650,281	1,275,457	(374,824)	(22.7)%

<b>Managing Division:</b>	
Communications Office	
<b>Contact Person:</b>	
Kristina Chu	
<b>Program Purpose:</b>	
The Spare the Air program encourages the public to reduce their driving, a major source of Bay Area air pollution, and promotes the use of public transit, biking, walking, carpooling, trip reduction and other behavior changes that reduce pollution from transportation sources.	
<b>Description of Program:</b>	
The Spare the Air Program provides health alerts and informs Bay Area residents about air pollution and encourages them to reduce single occupancy driving, especially during their commute to and from work, to improve air quality. The Spare the Air program will also help to promote the Commuter Benefits Program which supports the overall goal of reducing the number of vehicles on Bay Area roads.	
When air quality is forecast to be unhealthy, the Air District issues Spare the Air Alerts. Outreach to the public is conducted through an advertising and media relations campaign as well as through social media sites such as Twitter and Facebook.	
<b>Justification of Change Request:</b>	
No change.	
<b>Activities</b>	
Conduct campaign to educate the public about individual choices to reduce air pollution.	
Prepare and issue media releases, respond to media inquiries and plan media events.	
Conduct public opinion surveys to evaluate program and measure behavior change.	
Manage, re-design and update website landing pages and provide regular updates, measurements and responses for social media sites such as Twitter, Pinterest and Facebook.	
Provide public outreach at community events throughout the Bay Area.	
Notify the public of Spare the Air Alerts through AirAlerts, text alerts, the media, sparettheair.org, baaqmd.gov, the iPhone/Android app and social media sites.	
Manage public outreach campaigns for advertising, social media and media relations.	
Provide overview of campaign to Administrative Committee and Board of Directors.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Develop the Spare the Air campaign.	Ongoing
Launch Spare the Air summer season.	Ongoing
Monitor and measure campaign effectiveness via public opinion surveys.	October 2022
Manage the Spare the Air advertising, media relations and social media campaign.	Ongoing
Promote Spare the Air at public events.	Ongoing
Develop videos, news releases / statements, displays and infographics for Spare the Air program / events.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>						
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	745				
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	11				
Pension Benefits	51400	249				
FICA Replacement Benefits	51500	9				
Group Insurance Benefits	51600	108				
Employee Transportation Subsidy	51700	8				
Workers' Compensation	51800	2				
Other Post Employment Benefits	51850	83				
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,215				
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	1,176,610	1,000,000	1,000,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		1,176,610	1,000,000	1,000,000		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,177,825	1,000,000	1,000,000		

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## Technology Implementation Office

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The Technology Implementation Office (TIO) mission is to advance emerging, cost-effective solutions to achieve greenhouse gas emissions reductions for the transportation and industrial source sectors. TIO will connect climate technologies and customers by providing financial incentives (through grants and loans) as well as technical and matchmaking support. Climate technology areas include zero emissions vehicles and infrastructure, zero emissions energy storage and backup systems, composting, and waste-to-energy projects (co-digestion, waste treatment, anaerobic digestion, combined heat and power). By supporting the scale-up of climate technologies, TIO can help achieve state and regional greenhouse gas emissions targets, reduce emissions in impacted communities, while also making technologies cost-effective even in regions without strong climate policies.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Technology Implementation Office	
<b>Contact Person:</b>	
Derrick Tang	
<b>Program Purpose:</b>	
The Air District's Climate Investments program advances emerging and cost-effective solutions to achieve greenhouse gas emissions reduction. The program's goal is to support the 2017 Clean Air Plan goal of a carbon-free Bay Area by 2050 and mainstream technologies so they can be scaled up throughout and beyond the Bay Area.	
<b>Description of Program:</b>	
The Climate Tech Finance program increases access to capital for entrepreneurs and public agencies to develop and adopt technologies that reduce greenhouse gases. The Clean Air Centers program establishes a network of publicly accessible facilities with high-end air filtration for use during smoke events in communities most impacted by those events.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Oversee loan and loan guarantee partnership and projects.	
Perform evaluations of climate technologies.	
Identify technologies and customers and provide technical support and financing to implement technologies.	
Convene stakeholders for technology matchmaking and peer-to-peer information exchanges.	
Implement grant program to fund the purchase of air filtration units for publicly accessible Clean Air Centers.	
<b>Major Objectives</b>	<b>Delivery Date</b>
1. Provide loans and loan guarantees for implementing new technologies.	Ongoing
2. Expand partnerships to offer enhanced climate loan services statewide.	December 2022
3. Launch, implement, and maintain Clean Air Centers grant program.	June 2023



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		3.29	2.26	3.12	0.86	38.1%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	362,877	311,043	441,447	130,404	41.9%
Overtime Salaries	51150	434	25,000	25,000		
Temporary Salaries	51200		75,000	75,000		
Payroll Taxes	51300	5,500	4,421	6,250	1,829	41.4%
Pension Benefits	51400	80,802	72,691	98,326	25,635	35.3%
FICA Replacement Benefits	51500	3,905	4,300	6,101	1,801	41.9%
Group Insurance Benefits	51600	47,724	46,963	66,341	19,378	41.3%
Employee Transportation Subsidy	51700	3,521	3,250	4,637	1,387	42.7%
Workers' Compensation	51800	1,174	1,177	1,614	437	37.1%
Other Post Employment Benefits	51850	27,606	20,470	28,061	7,591	37.1%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		533,543	564,315	752,777	188,462	33.4%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	35	2,300	2,300		
Travel Out-of-State	52220		3,000	3,000		
Training & Education	52300	65	6,000	6,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500	1,225	1,500	1,500		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	143,429	165,000	250,000	85,000	51.5%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		3,000	3,000		
Stationery & Office Supplies	53900		400	400		
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		144,754	181,200	266,200	85,000	46.9%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		678,297	745,515	1,018,977	273,462	36.7%

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## Strategic Incentives Division

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The Strategic Incentives Division administers grant programs to facilitate the execution of projects and programs focused primarily on the reduction of emissions from mobile sources in the Bay Area. The primary grant programs include the Transportation Fund for Clean Air (TFCA), the Carl Moyer Program (CMP), the Mobile Source Incentive Fund (MSIF), the Lower-Emission School Bus Program (LESBP), in addition to other miscellaneous grant programs. These programs support the implementation of transportation and mobile source measures, as well as other incentive-based initiatives that improve air quality in the region. In FYE 2022 the Strategic Incentives Division will administer more than \$100 million in new grant revenue funds.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Alona Davis	
<b>Program Purpose:</b>	
Administer funding for grant programs related to non-mobile sources.	
<b>Description of Program:</b>	
In 2022, the Air District will implement a program that will provide incentive funding to reduce particulate matter from wood-burning devices in residential homes. The program is funded by a US Environmental Protection Agency (EPA) Targeted Airshed Grant award and funding from the Air District's General Fund as match. On January 20, 2021, the Air District Board of Directors, authorized the District to accept, obligate, and expend up to \$2,120,345 in funding from the US EPA and allocated up to \$500,000 of General Fund from Designated Reserves as match funding. The funding will be awarded on a first-come first-serve basis and is anticipated to have a program duration of two to five years.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Develop guidelines and policies & procedures for the administration of the woodsmoke reduction program.	
Contract with vendors that wish to participate in the low-income voucher program.	
Conduct workshops and outreach.	
Review and evaluate applications for eligibility with program requirements, and recommend projects to be awarded.	
Prepare and execute contracts and vouchers for projects awarded.	
Monitor status and performance of projects, and conduct inspections.	
Prepare technical, financial, and staff reports.	
Conduct program development for each solicitation cycle	
<b>Major Objectives</b>	<b>Delivery Date</b>
Update online grants management system.	July 2022
Open solicitation for first round of woodsmoke program.	July 2022
Submit quarterly reports and other required reports to funding source (EPA).	Ongoing
Contract with vendors that wish to participate in the low-income voucher program.	December 2022

# Non-Mobile Source Grant Programs

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		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>			0.49	0.43	(0.06)	(12.24)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100		65,097	60,073	(5,024)	(7.72)%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300		929	854	(75)	(8.1)%
Pension Benefits	51400		15,202	13,594	(1,608)	(10.6)%
FICA Replacement Benefits	51500		934	840	(94)	(10.1)%
Group Insurance Benefits	51600		9,976	8,405	(1,571)	(15.7)%
Employee Transportation Subsidy	51700		706	639	(67)	(9.5)%
Workers' Compensation	51800		256	222	(34)	(13.3)%
Other Post Employment Benefits	51850		4,444	3,865	(579)	(13.0)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>			97,544	88,492	(9,052)	(9.3)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300		50,000	50,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>			50,000	50,000		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>			147,544	138,492	(9,052)	(6.14)%

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Chengfeng Wang	
<b>Program Purpose:</b>	
Expand availability of funding for emission reduction projects in the Bay Area by identifying and securing new sources of funding. Also manage small pilot and demonstration projects funded by Air District general funds.	
<b>Description of Program:</b>	
This program, established in 2010, is focused on identifying and securing new sources of funding for the Bay Area region. Staff identifies and secures funding from Federal, State, local governments and other funding sources. Over time, this program aims to expand the availability of grant funding in the region in order to create additional opportunities for Bay Area businesses and residents to implement projects that reduce criteria pollutants, greenhouse gases, and toxic air contaminants from mobile and stationary sources. This program is also used to conduct activities to support pilot and demonstration projects that are not funded by non-Air District funding sources.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Identify new sources of funding and prepare grant applications to secure new funding sources.	
Form partnerships to leverage Air District funding resources.	
Manage Air District funded programs: conduct outreach, evaluate applications and award funding to eligible recipients, and process reimbursement requests.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Form partnerships to leverage Air District funding resources.	Ongoing
Secure new sources of funding	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.61	2.49	0.54	(1.95)	(78.3)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	80,445	345,305	79,177	(266,128)	(77.1)%
Overtime Salaries	51150	572				
Temporary Salaries	51200					
Payroll Taxes	51300	1,181	4,927	1,138	(3,789)	(76.9)%
Pension Benefits	51400	20,723	80,708	18,132	(62,576)	(77.5)%
FICA Replacement Benefits	51500	832	4,745	1,055	(3,690)	(77.8)%
Group Insurance Benefits	51600	10,360	50,624	10,235	(40,389)	(79.8)%
Employee Transportation Subsidy	51700	745	3,586	802	(2,784)	(77.6)%
Workers' Compensation	51800	260	1,299	279	(1,020)	(78.5)%
Other Post Employment Benefits	51850	5,512	22,585	4,854	(17,731)	(78.5)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		120,630	513,779	115,672	(398,107)	(77.5)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		13,200	13,200		
Travel Out-of-State	52220		8,000	8,000		
Training & Education	52300		7,500	7,500		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300		100,000	95,000	(5,000)	(5.0)%
General Insurance	53400					
Shop & Field Supplies	53500		1,000	1,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		20,000	20,000		
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>			149,700	144,700	(5,000)	(3.3)%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		120,630	663,479	260,372	(403,107)	(60.8)%

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## Compliance & Enforcement Division

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The Compliance & Enforcement Division ensures the Air District will realize the emission reductions achieved by the air quality regulations adopted by the Board of Directors, and permit conditions issued by the Executive Officer/APCO. Compliance with Air District, state, and federal regulations is achieved through a robust Compliance Assurance and Enforcement Program that includes comprehensive inspections and investigations and a complementary Compliance Assistance Program that supports compliance objectives of the Division by maintaining operations and assisting industry with air quality regulations and requirements. The Division works closely with local and state regulatory agencies, regulated industry and members of the community to provide the highest level of service to protect air quality and public health. The Division implements Air District strategies and enforces regulations that pertain to stationary sources, and has some mobile source enforcement authority in collaboration with the California Air Resources Board. Division priorities include conducting Title V and Synthetic Minor facility inspections, locating unpermitted sources of operations, resolving violations at facilities with ongoing non-compliance and responding to and investigating air quality complaints. Staff work collaboratively across Divisions to achieve the Air District's mission and apply the appropriate level of enforcement proportional to the level of non-compliance. The Division vigorously pursues violators who show a disregard for the law and well-being of the public and ensures corrective actions and measures to resolve violations are taken.

The Compliance and Enforcement Division continues to focus on activities that support the Air District's commitment to achieve clean air to protect public health and the environment as follows:

The Compliance Assurance and Enforcement Programs focus on announced and unannounced inspections of air pollution sources to ensure compliance. Targeted strategies are used to guide inspections to identify non-compliance and reduce excess emissions. Sources include: Title V and Synthetic Minors facilities, petroleum refineries, chemical plants, dry cleaners, gasoline dispensing facilities, autobody shops, asbestos renovations and demolitions, agricultural and prescribed burning, and other permitted sources. Other facets of the program requiring Division resources include investigations of Title V deviation reporting, Reportable Compliance Activities, and other inspections pertaining to the Portable Equipment Registration Program (PERP), Asbestos projects (renovations, demolitions and naturally occurring asbestos – NOA), compliance determinations for State Air Toxics Control Measures (ATCMs) and Federal Maximum Available Control Technology (MACTs) for air toxics. Air pollution complaints and incident response and investigations are a high priority in the Division that aim to address and resolve air quality concerns of local communities.

The Compliance Assistance Program develops outreach materials, advisories, policies and procedures and guidance information and implements compliance strategies that complement a wide range of enforcement efforts. The program aims to enhance industry and public understanding of compliance and enforcement programs and regulatory requirements, address compliance concerns and assist in resolving air quality violations. Key programs and projects in Compliance Assistance and Operations include the Air District's Wood Smoke Reduction Program, Air Quality Complaint Program, AB617 Community Health Protection Program in West Oakland and Richmond/San Pablo, Wildfire Air Quality Response Program, Commuter Benefits, Title V, Open Burning, Flare Monitoring, Naturally Occurring Asbestos, Inspector Training, Green Business Certifications, Variance and Hearing Board Activities, and many others involving state, federal and Air District regulations and requirements. The program also maintains online web information, the dispatch operating system and the compliance assistance and complaint phone lines which are all integral interfaces with the public.

<b>Managing Division:</b>	
Compliance & Enforcement Division	
<b>Contact Person:</b>	
John Marvin	
<b>Program Purpose:</b>	
Enforce applicable Federal, State, and District air pollution regulations and permit conditions.	
<b>Description of Program:</b>	
<p>The Enforcement Program consists of activities designed to respond when sources are found in violation of applicable Federal, State and Air District regulations and permit conditions. A strong, technically-based enforcement program provides both an essential deterrent to continued or future non-compliance as well as consistency in enforcement practices throughout the regulated community. This program includes all Division activities necessary to address non-compliance, including issuing Notices of Violation (NOV) and Notices to Comply (NTC), identifying causes and solutions for non-compliance, developing enforcement cases for legal action, and providing testimony during hearings and court cases. Other elements of the program include responding to the public's air pollution complaints, returning sources to compliance, and supporting enforcement of the variance and abatement order process. In addition, the toxic air contaminant activities, such as mobile source enforcement of diesel particulate matter ATCMs and asbestos demolition/renovation enforcement, ensure compliance with Federal, State and District regulations to protect the public from exposure to known carcinogens. Oversight of the Division's Safety Program is coordinated with the training functions in Program 402.</p>	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Investigate and enforce air quality violations; issue and process NOVs and NTCs; re-inspect sources to verify compliance status after issuance. Work with Legal Division to procure penalty settlement and/or successful prosecution.	
Receive and investigate citizen inquiries and general air pollution complaints. Respond to these complaints as soon as possible where highest priority response is given to ongoing complaints alleged against potential nuisance sites.	
Prepare enforcement cases in coordination with Legal Division; conduct/coordinate investigations to support their development for legal actions.	
Provide technical analysis and support for variances, abatement orders, and permit appeals to the Hearing Board. Prepare a weekly District position report on all matters before the Hearing Board. Ensure that increments of progress are met.	
Refinery Flares: review, comment, approve and enforce provisions in Regulation 12, Rules 11 and 12.	
Provide staff at community meetings to present information on the complaint process, enforcement activities, etc.	
Participate in interagency environmental task force programs to coordinate District enforcement activities with other County/State/Federal governmental agencies.	
CARB Mobile Source regulations enforcement in CARE impacted areas with special focus on AB617 communities of West Oakland and Richmond.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Not applicable	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		31.87	33.15	34.55	1.40	4.2%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	3,296,880	3,605,878	4,164,545	558,667	15.5%
Overtime Salaries	51150	22,099	117,000	117,000		
Temporary Salaries	51200	1,414	10,000	10,000		
Payroll Taxes	51300	49,610	50,977	58,651	7,674	15.1%
Pension Benefits	51400	699,988	838,168	952,894	114,726	13.7%
FICA Replacement Benefits	51500	35,663	63,171	67,519	4,348	6.9%
Group Insurance Benefits	51600	436,760	605,071	709,341	104,270	17.2%
Employee Transportation Subsidy	51700	32,209	47,736	51,321	3,585	7.5%
Workers' Compensation	51800	10,668	17,289	17,856	567	3.3%
Other Post Employment Benefits	51850	259,649	300,682	310,547	9,865	3.3%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		4,844,940	5,655,972	6,459,674	803,702	14.2%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	2,734	18,800	18,800		
Travel Out-of-State	52220		1,450	1,450		
Training & Education	52300		6,790	6,790		
Repair & Maintenance (Equipment)	52400	50	91,250	191,250	100,000	109.6%
Communications	52500	64,041	137,000	137,000		
Building Maintenance	52600		2,500	2,500		
Utilities	52700	1,403	4,000	4,000		
Postage	52800					
Printing & Reproduction	52900	1,240	2,000	2,000		
Equipment Rental	53100					
Rents & Leases	53200	63,465	73,600	77,100	3,500	4.8%
Professional Services & Contracts	53300	12	23,000	23,000		
General Insurance	53400					
Shop & Field Supplies	53500	16,430	18,090	18,090		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	678	2,000	2,000		
Stationery & Office Supplies	53900	36				
Books & Journals	54100					
Minor Office Equipment	54200		1,000	1,000		
<b>Total Services &amp; Supplies Expenditures</b>		150,089	381,480	484,980	103,500	27.1%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		4,995,029	6,037,452	6,944,654	907,202	15.0%

<b>Managing Division:</b>	
Compliance & Enforcement Division	
<b>Contact Person:</b>	
Tracy Lee & Edward Giacometti	
<b>Program Purpose:</b>	
Promote compliance with Air District regulations through program development and industry/source education.	
<b>Description of Program:</b>	
<p>The Compliance Assistance and Operations Program is an essential part of the Compliance &amp; Enforcement Division. This program focuses on the development of outreach materials, advisories, policies and procedures and guidance information and the implementation of compliance strategies that complement a wide range of enforcement efforts. Staff conduct comprehensive program reviews, analyze and process petitions, plans, reportable compliance activities and other notifications received, maintain compliance and enforcement data tracking systems, and coordinate within the division and across other Air District teams to develop program strategies that address compliance concerns. The program also maintains online web information, the dispatch operating system and compliance assistance and complaint phone lines which are all integral interfaces with the public. The Compliance Assistance and Operations Program provides administrative support to enforcement activities, programs and projects and strives to improve consistency and efficiency of the division through staff training, program and policy development and enhancements.</p>	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
<p>Provide industry and members of the public with specialized educational and technical assistance to achieve and maintain compliance. Develop Compliance Assistance materials for specific business sectors and the public (woodsmoke). Provide compliance assistance during routine inspections and following enforcement action. Compliance assistance is also provided for all air quality complaints for the public through dispatch or other 1-800 or 1-877 telephone line systems. Outreach is conducted for compliance assistance for several programs, including mass-mailings of woodsmoke reduction program brochures and educational materials in sensitive wood smoke areas. Division staff identify and translate Compliance Assistance materials for small businesses and other industry sectors where non-English speaking operators need additional assistance.</p>	
<p>Develop and maintain Division Policies and Procedures, compliance advisories, and other documents/processes to ensure consistent application of enforcement activities. Build partnerships with other public and community organizations to strengthen compliance assistance activities. Conduct compliance assistance and enforcement activities for the woodsmoke reduction and other stationary sources. Maintain compliance assistance phone lines and dispatch operating system during core business hours.</p>	
<p>Training and Safety: provide staff with pertinent classes, educational materials and a robust safety curriculum to support core activities. Maintain ongoing Safety Training and implement new OSHA requirements as needed.</p>	
<p>Operations: develop and maintain air programs to support Air District and California Air Resources Board (CARB) rule requirements, including but not limited to woodsmoke, flare monitoring, asbestos demolition/renovation, naturally occurring asbestos, boilers, open burning, reportable compliance activities. soil aeration and mobile source(s) compliance. Provide equipment and capital management for communication, computers and related devices. Provide multilingual services to access all Division programs. Review, analyze and process petitions, plans, complaints, Reportable Compliance Activities (RCAs - e.g., breakdowns, Ground-level monitor (GLM) releases, non-operational monitors, pressure relief valve releases) and other notifications received.</p>	
<b>Major Objectives</b>	<b>Delivery Date</b>
Not applicable.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		14.53	18.12	18.32	0.20	1.1%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	1,712,292	2,060,331	2,317,396	257,065	12.5%
Overtime Salaries	51150	7,360	5,000	5,000		
Temporary Salaries	51200		25,000	25,000		
Payroll Taxes	51300	25,812	29,160	32,629	3,469	11.9%
Pension Benefits	51400	332,646	479,447	534,721	55,274	11.5%
FICA Replacement Benefits	51500	18,429	34,527	35,803	1,276	3.7%
Group Insurance Benefits	51600	226,420	329,523	350,221	20,698	6.3%
Employee Transportation Subsidy	51700	16,576	26,091	27,214	1,123	4.3%
Workers' Compensation	51800	5,587	9,450	9,469	19	0.2%
Other Post Employment Benefits	51850	126,559	164,341	164,675	334	0.2%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		2,471,681	3,162,870	3,502,128	339,258	10.7%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	336	9,200	9,200		
Travel Out-of-State	52220		7,000	7,000		
Training & Education	52300	14,912	17,000	17,000		
Repair & Maintenance (Equipment)	52400		4,000	4,000		
Communications	52500	23,826	128,000	128,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800		1,500	2,000	500	33.3%
Printing & Reproduction	52900	4,232	8,000	8,000		
Equipment Rental	53100					
Rents & Leases	53200		500	500		
Professional Services & Contracts	53300	30,094	30,000	30,000		
General Insurance	53400					
Shop & Field Supplies	53500	243				
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		1,000	1,000		
Stationery & Office Supplies	53900	3,666	4,000	4,000		
Books & Journals	54100					
Minor Office Equipment	54200		1,500	1,500		
<b>Total Services &amp; Supplies Expenditures</b>		77,309	211,700	212,200	500	0.2%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		2,548,990	3,374,570	3,714,328	339,758	10.1%

<b>Managing Division:</b>	
Compliance & Enforcement Division	
<b>Contact Person:</b>	
Tracy Lee & Edward Giacometti	
<b>Program Purpose:</b>	
A robust inspection program aimed to ensure facilities operating in the Bay Area comply with all applicable Air District, State and Federal regulations to protect air quality and public health.	
<b>Description of Program:</b>	
<p>The program involves conducting comprehensive compliance inspections and investigations of stationary sources ranging from large industrial facilities, such as refineries, chemical plants, wastewater treatment, landfills, power plants and metal facilities, to smaller businesses, such as gasoline stations, auto body shops and dry cleaners. The program also includes enforcement of State Airborne Toxic Control Measures for sources that generate asbestos and diesel particulate matter. Beyond routine inspections to ensure that equipment, emissions monitoring, abatement and controls operate in compliance with regulatory requirements, the program involves responding to major incidents and potential air emission releases of hazardous chemicals and pollutants. Facilities discovered to be in violation are required to initiate timely corrective actions, minimize offsite community impacts and take steps to resolve air quality violations. Enforcement actions may require enhanced communications and coordination with other local agencies and first responders that result in joint investigations and enforcement case development.</p>	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Refinery Inspection Program for Regulatory and Title 5 Permit Compliance.	
Title V Inspections Program / EPA Grant / Aerometric Information Retrieval System (AIRS) and audits.	
Synthetic Minor Inspection Program.	
Initiate response to major air pollution incidents as soon as possible, and within minutes of notification, provide technical assistance and support to first response agencies during and after incidents; prepare incident reports.	
Asbestos, Grant, diesel PM, and Refrigeration Management Inspections Program.	
Conduct targeted auto body painting facility inspections.	
State Portable Equipment Inspection Program.	
Gasoline Dispensing Facilities (GDFs) Inspections Program.	
Inspection Communications / Computer Programs.	
Conduct targeted prescribed burns Title 17/ Regulation 5 Open Burning inspections.	
Perform analysis as required to track and analyze existing process safety management (PSM) programs, Federal and State risk management programs (RMP/RMPP); work with other agencies to improve programs.	
Participate in interagency activities, such as County environmental task forces, incident response teams, and other activities relating to prevention, preparedness and emergency response.	
Conduct targeted inspections at refinery/chemical plants and general facilities.	
Staff air quality related community meetings to provide information on District Programs	
<b>Major Objectives</b>	<b>Delivery Date</b>
Refinery Inspection Program: Conduct compliance inspections and program audits of refineries and determine if Title V Permit Compliance are being met.	Annually
Prepare and submit required reports to EPA, Negotiation of EPA 105 Grant Program Outputs.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		34.86	36.11	35.31	(0.80)	(2.2)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	3,859,877	4,150,687	4,470,612	319,925	7.7%
Overtime Salaries	51150	12,738	8,000	8,000		
Temporary Salaries	51200	23,002				
Payroll Taxes	51300	58,053	58,883	63,138	4,255	7.2%
Pension Benefits	51400	833,756	966,135	1,029,185	63,050	6.5%
FICA Replacement Benefits	51500	41,831	68,811	69,005	194	0.3%
Group Insurance Benefits	51600	511,410	678,884	709,917	31,033	4.6%
Employee Transportation Subsidy	51700	37,702	51,999	52,451	452	0.9%
Workers' Compensation	51800	12,483	18,833	18,250	(583)	(3.1)%
Other Post Employment Benefits	51850	307,284	327,530	317,386	(10,144)	(3.1)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		5,698,136	6,329,762	6,737,944	408,182	6.4%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	4,682	10,000	10,000		
Travel Out-of-State	52220		2,550	2,550		
Training & Education	52300	5,014	5,168	5,168		
Repair & Maintenance (Equipment)	52400	9,939	60,000	60,000		
Communications	52500	71,907	65,000	33,500	(31,500)	(48.5)%
Building Maintenance	52600		4,000	4,000		
Utilities	52700	9,054	3,000	3,000		
Postage	52800					
Printing & Reproduction	52900		1,000	1,000		
Equipment Rental	53100					
Rents & Leases	53200	99,502	89,100	89,100		
Professional Services & Contracts	53300	98	15,500	15,500		
General Insurance	53400					
Shop & Field Supplies	53500	59,601	26,000	26,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700	193				
Computer Hardware & Software	53800	6,297	23,000	23,000		
Stationery & Office Supplies	53900	1,618	2,300	2,300		
Books & Journals	54100					
Minor Office Equipment	54200					
Non-Capital Assets	54600	30,078				
<b>Total Services &amp; Supplies Expenditures</b>		297,983	306,618	275,118	(31,500)	(10.3)%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125	112,311	100,000	100,000		
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>		112,311	100,000	100,000		
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		6,108,430	6,736,380	7,113,062	376,682	5.6%

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## Engineering Division

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Engineering Division (Division) gives high priority to the timely review of New Source Review permit applications and permit renewals. The typical application evaluation includes analyzing emissions impacts and determining compliance with applicable air quality requirements, including Best Available Control Technology (BACT), 'No Net Increase' offset requirements, New Source Review (NSR) of Toxic Air Contaminants (TACs) and California Environmental Quality Act (CEQA). There are about 10,000 facilities with about 26,000 devices and operations that have Air District permits. The Division processes, reviews, issues, and renews Title V (Major Facility Review) permits for about 83 facilities.

The Division is working on projects associated with the petroleum refineries, including developing improved emission factors for fugitive emission leaks from heavy liquid service components and implementing Regulation 12, Rule 15.

The Division implements Regulation 11, Rule 18, Reduction of Risk from Air Toxic Emissions at Existing Facilities. The Division expects to refine toxic emissions and prioritization scores for approximately 350 facilities and expects to conduct refined site-wide health risk assessments (HRAs) for about 200 facilities. HRA results will determine if the facilities are subject to the risk reduction requirements of this rule. Risk reduction plans will be reviewed, approved, and tracked. The toxics programs also support Community Health Protection Program goals to eliminate health disparities in overburdened communities.

The Division implements the State Air Toxics "Hot Spots" Program, which applies to existing facilities that emit Toxic Air Contaminants (TACs). Based on the annual TACs emissions inventory, the Division calculates prioritization scores for facilities, conducts HRAs for high priority facilities, and reports HRA results to CARB.

The Division will implement the permit reforms adopted on December 15, 2021. Regulations 2-1 and 2-5 were amended to increase health protections in overburdened communities by: (1) defining overburdened communities, (2) establishing a more stringent cancer risk limit in overburdened communities, (3) enhancing public notifications in the overburdened communities, (4) updating gasoline station health risk screening guidelines, and (5) amending permit review timelines.

The Division continues to implement the Criteria Air Pollutants and Toxic Air Contaminants Reporting (CTR) Regulation. The latest amendments to the rule became effective on January 1, 2022. The purpose of the regulation is to establish a uniform statewide system of annual reporting of emissions of criteria air pollutants and toxic air contaminants for permitted facilities. The Division has been actively working with other agencies and CAPCOA in the development of uniform emissions inventory guidelines for different source categories.

Due to PG&E Public Safety Power Shutoffs (PSPS), there is a large increase in the number of applications for backup generators.

The Division is participating in the Air District's Assembly Bill 617 (AB 617) implementation, which includes a Community Health Protection Program to benefit communities most directly affected by air pollution. The Division participates in the workgroups for the CARB BARCT/BACT Technology Clearinghouse, CARB Permitting FAQs for Environmental Justice Workgroup, Technical Assessment Coordination, Emissions Inventory with CARB and other air districts, and the community workgroups.

The Division continues to help develop and to transition to the Production System, which includes an online system for the regulated community. These tools will increase consistency, efficiency, and accuracy by allowing customers to submit applications, report data for the emissions inventory, pay invoices and renew permits through an online interface.

The Division provides technical support to other divisions, agencies, and programs, including rule development, emissions inventory, compliance and enforcement, planning, monitoring and measurement, the Technology Implementation Office, and the Air District's Regional Climate Action Plan. Key rule development efforts include amendments to Regulation 3 (Fees), and amendments to rules to implement Expedited Best Available Retrofit Control Technology (BARCT) for AB617.

<b>Managing Division:</b>	
Engineering Division	
<b>Contact Person:</b>	
Nicolas Maiden	
<b>Program Purpose:</b>	
Evaluate all Non-Title V permit applications. Review and process data updates and permit renewals.	
<b>Description of Program:</b>	
<p>The Permit Evaluation Program involves activities related to the evaluation of permit applications submitted to the District (except Title V permit applications, which are covered under Program 506). This includes applications for: (1) new/modified sources subject to District New Source Review requirements, (2) emissions banking, (3) Interchangeable Emission Reduction Credits (IERCs), and (4) Prevention of Significant Deterioration (PSD) &amp; Acid Rain permits. Staff calculates emissions and evaluates compliance with regulatory requirements, including case-by-case Best Available Control Technology (BACT) and offset determinations. The program includes California Environmental Quality Act (CEQA) review and Climate Protection activities related to permitted sources.</p> <p>The Permit Renewal Program involves activities related to the annual renewal of District permits. The permit renewal process involves collection of data needed to update the Air District's emissions inventory, review of permit conditions, preparation of permit fee invoices, reconciliation of discrepancies and issuance of permit documents. Information gathered during this process is used for planning and rule development may also result in enforcement action or additional permitting.</p>	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Evaluate all non-Title V permit applications (1,500 estimated).	
Complete CEQA-review functions.	
Provide technical support to all divisions including estimating emissions, rule/condition interpretations and rule development.	
Assist other agencies, industry and the public.	
Participate in cross-agency committees such as California Air Pollution Controls Officers Association (CAPCOA). Engineering Managers' Subcommittee and National Association of Clean Air Agencies (NACAA).	
Support implementation of rules (e.g., Refinery Regulations, GHG Regulations).	
Request, enter and review annual data update requests. Review and maintain permit conditions. Review permit renewal invoice program.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Ensure the timely workflow of the permit renewal program	Ongoing
Implement Regulation 12-15 Petroleum Refining Emissions Tracking Emission Inventory Guidelines	June 2022

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		40.11	44.91	42.42	(2.49)	(5.5)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	5,046,102	5,648,632	5,593,547	(55,085)	(1.0)%
Overtime Salaries	51150	56,780	40,000	40,000		
Temporary Salaries	51200	26,788				
Payroll Taxes	51300	76,247	80,183	78,920	(1,263)	(1.6)%
Pension Benefits	51400	1,074,549	1,310,784	1,283,358	(27,426)	(2.1)%
FICA Replacement Benefits	51500	54,935	85,544	82,886	(2,658)	(3.1)%
Group Insurance Benefits	51600	671,775	826,937	777,335	(49,602)	(6.0)%
Employee Transportation Subsidy	51700	49,678	64,643	63,002	(1,641)	(2.5)%
Workers' Compensation	51800	16,340	23,413	21,921	(1,492)	(6.4)%
Other Post Employment Benefits	51850	403,140	407,177	381,230	(25,947)	(6.4)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		7,476,334	8,487,313	8,322,199	(165,114)	(1.9)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	212	13,000	13,000		
Travel Out-of-State	52220					
Training & Education	52300		2,464	2,464		
Repair & Maintenance (Equipment)	52400					
Communications	52500		110	110		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	247,322	401,059	401,059		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	255	2,000	2,000		
Stationery & Office Supplies	53900					
Books & Journals	54100		200	200		
Minor Office Equipment	54200		368	368		
<b>Total Services &amp; Supplies Expenditures</b>		247,789	419,201	419,201		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		7,724,123	8,906,514	8,741,400	(165,114)	(1.9)%

<b>Managing Division:</b>	
Engineering Division	
<b>Contact Person:</b>	
Carol Allen	
<b>Program Purpose:</b>	
To develop and implement an effective air toxics control strategy that integrates Federal, State, and local requirements.	
<b>Description of Program:</b>	
<p>The Air Toxics Program involves the integration of Federal and State air toxics mandates with local goals established by the Air District's Board of Directors. The program includes air toxics new source review (NSR), reduction of risk from existing facilities (Regulation 11, Rule 18), air toxics control measures, and the Air Toxics "Hot Spots" Program (AB2588). The Air Toxics Program also provides support to other Community Health Protection programs that seek to eliminate air quality disparities in overburden communities. Staff provides guidance on toxic emission calculations, controls, and impacts, maintains the toxic emission inventory, assists with incident and compliance evaluation, conducts health risk assessments (HRAs) for stationary sources, and approves risk reduction plans for existing facilities.</p>	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Perform HRAs for permit applications involving new or modified sources (estimated 300 HRAs per year).	
Prepare facility-wide HRAs for facilities subject to Rule 11-18 (about 185 HRAs over 4 years). Conduct HRAs for alternative scenarios and proposed revisions to support implementation and verification of risk reduction measures.	
Support implementation of amendments to Rule 2-1 and 2-5. Update health effects values and add new TACs to databases. Develop updated procedures for gas dispensing facility (GDF) HRAs.	
Maintain and improve air toxics emissions inventory. Support implementation of new CARB toxics emissions reporting requirements. Support District and TARMAC efforts to improve toxic emission factors for various source categories.	
Complete annual air toxics prioritization for Hot Spots Program and conduct or review new HRAs required for high-priority sites that are exempt from Rule 11-18. Coordinate public notification and risk reduction audits.	
Review HRAs and Prevention of Significant Deterioration (PSD) modeling analyses for major permit applications.	
Support rule development efforts for reducing PM2.5 once health effect values for PM2.5 become available from Office of Environmental Health Hazard Assessment (OEHHA).	
Review and approve Rule 11-18 risk reduction plans and TBARCT determinations and support emission reduction permitting activities.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Conduct HRAs and other modeling analyses for NSR projects that trigger Rule 2-5 or PSD.	Ongoing
Conduct preliminary, draft, and final HRAs for Phase 1 Rule 11-18 facilities.	Ongoing
Create and implement updated HRA procedures for GDFs based on approved Rule 2-5 amendments.	July 2022
Continue updating Toxic Emission Factor Guidelines including 1-hour guidance.	December 2022
Support AIM's preparation of annual stationary source toxic inventories and HRA results for CARB and EPA.	October 2022
Publish periodic Air Toxic Emissions and Air Toxics Control Program reports.	Ongoing
Develop procedures for review and approval of Rule 11-18 risk reduction plans.	August 2022

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		7.07	6.44	7.86	1.42	22.0%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	1,000,940	970,113	1,186,479	216,366	22.3%
Overtime Salaries	51150	5,605	8,000	8,000		
Temporary Salaries	51200					
Payroll Taxes	51300	15,219	13,825	16,815	2,990	21.6%
Pension Benefits	51400	218,204	227,104	277,930	50,826	22.4%
FICA Replacement Benefits	51500	10,970	12,277	15,351	3,074	25.0%
Group Insurance Benefits	51600	134,295	130,924	160,961	30,037	22.9%
Employee Transportation Subsidy	51700	9,891	9,277	11,669	2,392	25.8%
Workers' Compensation	51800	3,253	3,360	4,060	700	20.8%
Other Post Employment Benefits	51850	78,768	58,434	70,609	12,175	20.8%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,477,145	1,433,314	1,751,874	318,560	22.2%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		1,300	1,300		
Travel Out-of-State	52220		750	750		
Training & Education	52300		4,600	4,600		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800		39,940	39,940		
Printing & Reproduction	52900	1,642	7,000	7,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	18,751	1,000	1,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	152	4,000	4,000		
Stationery & Office Supplies	53900		300	300		
Books & Journals	54100					
Minor Office Equipment	54200		400	400		
<b>Total Services &amp; Supplies Expenditures</b>		20,545	59,290	59,290		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,497,690	1,492,604	1,811,164	318,560	21.3%

<b>Managing Division:</b>	
Engineering Division	
<b>Contact Person:</b>	
Fred Tanaka	
<b>Program Purpose:</b>	
Develop and maintain permit systems & provide administrative services	
<b>Description of Program:</b>	
The Permit Operations program involves the collection, updating and maintenance of data from permitted sources of air pollution, and the development and maintenance of systems to manage these data. Data include source/device locations, operational data, emission factors, emissions inventory, emissions banking and "no net increase" tracking. Additional program activities include maintaining procedures, coordination & tracking of permit-related activities, general administrative activities and customer support.	
<b>Justification of Change Request:</b>	
Not applicable	
<b>Activities</b>	
Process and maintain data from permitted facilities.	
Update and correct data from permitted facilities.	
Maintain and update database systems.	
Maintain program forms.	
Manage and improve data quality.	
Provide administrative support.	
Maintain permit tracking and management programs.	
Maintain emissions bank and small facility bank.	
Maintain division pages on website.	
Manage division records including metadata and documents.	
Provide customer support.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Produce annual stationary source emissions inventory to California Air Resources Board (CARB) and EPA	July 2022

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		4.55	4.46	4.61	0.15	3.4%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	593,473	626,872	610,417	(16,455)	(2.6)%
Overtime Salaries	51150	1,164	5,000	5,000		
Temporary Salaries	51200	63,522				
Payroll Taxes	51300	8,920	8,917	8,616	(301)	(3.4)%
Pension Benefits	51400	120,553	146,559	142,723	(3,836)	(2.6)%
FICA Replacement Benefits	51500	6,419	8,499	9,014	515	6.1%
Group Insurance Benefits	51600	78,869	89,936	99,638	9,702	10.8%
Employee Transportation Subsidy	51700	5,778	6,422	6,851	429	6.7%
Workers' Compensation	51800	1,919	2,326	2,384	58	2.5%
Other Post Employment Benefits	51850	44,910	40,454	41,456	1,002	2.5%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		925,527	934,985	926,099	(8,886)	(1.0)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	9,339	75,166	75,166		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	1,935	12,255	12,255		
General Insurance	53400					
Shop & Field Supplies	53500		4,151	4,151		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	2,343	1,021	1,021		
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		13,617	92,593	92,593		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		939,144	1,027,578	1,018,692	(8,886)	(0.9)%

<b>Managing Division:</b>	
Engineering Division	
<b>Contact Person:</b>	
Sanjeev Kamboj	
<b>Program Purpose:</b>	
Implementation of Federal Operating Permit Program for Major Facilities.	
<b>Description of Program:</b>	
The Title V program involves activities related to Title V of the Federal Clean Air Act (CAA), which requires the Air District to issue federally enforceable permits to major and other designated facilities. The program is intended to enhance compliance with the CAA via permits that explicitly include all Federal, State, and Air District requirements applicable to sources of air pollution at subject facilities.	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Evaluate and process Title V applications (initial, renewal, revision, administrative amendment and reopening).	
Conduct Title V outreach activities and public hearings, as needed.	
Provide Title V training to the Air District staff.	
Track EPA rulemaking related to Title V, Section 112, compliance monitoring and acid rain.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Implement streamlining measures and ensure timely issuance of the Title V applications.	Ongoing



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		2.22	3.00	2.51	(0.49)	(16.3)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	268,803	386,939	334,681	(52,258)	(13.5)%
Overtime Salaries	51150	1,096	66,330	66,330		
Temporary Salaries	51200		8,006	8,006		
Payroll Taxes	51300	4,058	5,501	4,738	(763)	(13.9)%
Pension Benefits	51400	69,789	90,307	78,142	(12,165)	(13.5)%
FICA Replacement Benefits	51500	2,912	5,707	4,905	(802)	(14.1)%
Group Insurance Benefits	51600	35,741	55,078	42,269	(12,809)	(23.3)%
Employee Transportation Subsidy	51700	2,680	4,313	3,729	(584)	(13.5)%
Workers' Compensation	51800	863	1,562	1,297	(265)	(17.0)%
Other Post Employment Benefits	51850	21,000	27,166	22,562	(4,604)	(16.9)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		406,942	650,909	566,659	(84,250)	(12.9)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		378	378		
Travel Out-of-State	52220					
Training & Education	52300		907	907		
Repair & Maintenance (Equipment)	52400					
Communications	52500		530	530		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	1,025	28,873	28,873		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300		402,723	402,723		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	125	919	919		
Stationery & Office Supplies	53900					
Books & Journals	54100		613	613		
Minor Office Equipment	54200		185	185		
<b>Total Services &amp; Supplies Expenditures</b>		1,150	435,128	435,128		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		408,092	1,086,037	1,001,787	(84,250)	(7.8)%

<b>Managing Division:</b>	
Engineering Division	
<b>Contact Person:</b>	
Fred Tanaka	
<b>Program Purpose:</b>	
Develop the infrastructure for consistent and efficient permit evaluation and processing, and complete projects intended to develop and improve programs within the Engineering Division.	
<b>Description of Program:</b>	
<p>The Engineering Special Projects program involves activities that are intended to ensure consistent, efficient, and high-quality, permit evaluation and processing. This includes the development of permit rules, policies, procedures, training and tools within the division. The program involves the deployment of the Production System and other tools including an online portal for customer to submit information electronically. Goals of the program include the reduction of time and effort needed to evaluate and issue permit applications, and the improvement of the quality of permit services provided such as training and tools for internal and external customers. In addition, new programs or changes to existing programs are developed and implemented.</p> <p>The program also implements public noticing, public records fulfillment and other projects not specified in other Division programs. Planning and implementation of AB 617 activities for permitted facilities are also handled in this program, including Criteria Air Pollutants and Toxic Air Contaminants Reporting (CTR).</p>	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Develop and maintain District permit rules, policies and procedures.	
Update permitting tools such as Permit Handbook, Best Available Control Technology (BACT) and Toxic Best Available Control Technology (TBACT) Workbook documents.	
Review and improve the point source emissions inventory.	
Manage training program.	
Coordinate Public Noticing activities.	
Process Public Records Requests for division records.	
Develop/update permitting programs including emissions factors, standard permit conditions, permit handbook chapters, BACT workbook and other manuals to streamline permitting and increase consistency.	
Develop and implement AB 617 work including inventory, rule development, reporting, technology clearinghouse development, community risk reduction and re-envisioning of permitting in impacted communities.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Complete and submit Interchangeable Emission Reduction Credit (IERC) report to California Air Resources Board (CARB).	March 2023
Complete and submit Offset Equivalence report for EPA.	March 2023

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		5.05	6.07	6.66	0.59	9.7%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	709,746	842,226	969,272	127,046	15.1%
Overtime Salaries	51150	3,261	5,000	5,000		
Temporary Salaries	51200	1,496				
Payroll Taxes	51300	10,685	12,022	13,767	1,745	14.5%
Pension Benefits	51400	143,855	196,858	226,253	29,395	14.9%
FICA Replacement Benefits	51500	7,675	11,562	13,019	1,457	12.6%
Group Insurance Benefits	51600	93,671	117,582	133,959	16,377	13.9%
Employee Transportation Subsidy	51700	6,939	8,737	9,895	1,158	13.3%
Workers' Compensation	51800	2,296	3,164	3,443	279	8.8%
Other Post Employment Benefits	51850	57,773	55,033	59,878	4,845	8.8%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,037,397	1,252,184	1,434,486	182,302	14.6%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	116	5,000	5,000		
Travel Out-of-State	52220					
Training & Education	52300	6,800	65,000	65,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500	5,201	5,000	5,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800	15				
Printing & Reproduction	52900	806	52,100	52,100		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300		50,000	50,000		
General Insurance	53400					
Shop & Field Supplies	53500	10,902	10,000	10,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	3,965	60,000	60,000		
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		27,805	247,100	247,100		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,065,202	1,499,284	1,681,586	182,302	12.2%

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## Assessment, Inventory & Model Division

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The Assessment, Inventory, and Modeling (AIM) Division prepares comprehensive source emission inventories for the Bay Area and conducts air quality modeling at both regional and community scales. AIM prepares technical assessments that evaluate equity in air pollution exposures and health impacts in support of District programs. AIM coordinates and implements programs to improve and report estimates of emissions of criteria pollutants, toxic air contaminants, and climate forcing pollutants. AIM assesses emissions, concentrations, and exposures of toxic air contaminants, particulate matter, ozone and their precursors, to support targeted strategies that reduce impacts of air pollution both regionally and within communities, especially where Assembly Bill (AB) 617 community action plans are being developed. AIM reviews and provides guidance on environmental health risk assessments within environmental review documents prepared pursuant to California Environmental Quality Act (CEQA).

In FYE 2023, AIM will continue to implement the multi-pollutant Bay Area 2017 Clean Air Plan (2017 Plan), which addresses ozone, particulate matter, toxic air contaminants and greenhouse gases (GHGs). The 2017 Plan includes goals to attain all ambient air quality standards, eliminate disparities in health risk from air pollution, and reduce regional GHG emissions 40% below 1990 levels by 2030 and 80% below 1990 levels by 2050. To meet the requirements of AB 617, AIM will work to produce technical assessments to support community air quality action plans, including: identifying and prioritizing impacted communities, coordinating with community co-leads Steering Committees to reduce emissions and exposures, and providing tools and products that inform local strategies.

In FYE 2023, in partnership with other Divisions, AIM will analyze aerometric data, conduct regional modeling, and apply statistical analyses to support the District's grant programs, rule development, permitting, climate protection, and planning activities. AIM will conduct source apportionment analyses and hybrid photochemical and dispersion modeling, characterize emissions and air quality, and assess air quality health impacts to support AB 617. AIM will conduct equity assessments in support of AB 617 and rule develop activities. AIM will continue to work with CARB, U.S. EPA, NOAA, NASA, Northern California air districts, and other stakeholders on the regional modeling, focused mainly on ozone, air toxics and PM. These studies emissions inventory development, modeling, and analysis of air quality and pollutant transport in North Central California. AIM will further improve modeling emissions estimates and continue conducting data analysis and modeling to better understand formation of fine PM, ozone and air toxics, and their health impacts in the Bay Area. AIM will investigate transport of pollutants between the Bay Area and neighboring regions and intercontinental transport of pollutants.

In FYE 2023, AIM will continue work with other Divisions on the technical analysis, outreach, and risk reduction components of the CARE Program. AB 617 will require an expansion of the CARE program's technical work, including: updates to regional-scale air toxics emissions estimates and modeling; an expanded program focused on local-scale emissions inventory development and modeling of air toxics and fine particulate matter; assessment via measurements and analyses in impacted communities of fine particulate matter and air toxic emissions and modeling; identifying impacted communities; and working with State agencies, cities, counties, local stakeholders and others to develop and implement community action plans. AIM supports the work of other Divisions in reviewing health risk assessments within CEQA documents to provide comments where assessments are inconsistent with Air District guidance.

Many District programs are supported by updating and reporting inventories of air pollutant emissions. In FYE 2023, AIM will work with other Divisions to review emissions inventory products and develop a quality assurance plan for them. Updated emissions methods and databases are needed for assessing impacts of pollution sources and to meet reporting and rule development requirements of the District. New requirements from CARB, posed by AB 617 and the Criteria and Toxic Report Rule, require annual emissions reports for toxics and criteria pollutants for major emitters and improved consistency in methods for estimating emissions across California's air districts. In FYE 2023, AIM will conduct modeling studies to evaluate the impacts of residential wood burning on outdoor air quality and health.

<b>Managing Division:</b>	
Assessment, Inventory & Model Division	
<b>Contact Person:</b>	
Song Bai	
<b>Program Purpose:</b>	
Compile source inventories for criteria pollutants, toxic air contaminants (TACs) and greenhouse gases (GHGs) for planning, rule development, modeling and exposure assessments, and public information; assess emissions estimates to support programs to reduce health risks from air pollution and to reduce levels of climate-forcing pollutants.	
<b>Description of Program:</b>	
Staff assigned to this program compiles inventories of air pollution emissions (criteria pollutants, TAC, and GHGs) from industrial sources, motor vehicles, commercial and agricultural activities, consumer products, and natural sources, which are used for air quality planning, rules development, and air quality progress tracking. To meet State requirements, the Source Inventories Program reports permitted source emissions to the California Air Resources Board (CARB) annually; CARB's newly adopted Criteria and Toxics Reporting (CTR) Regulation requires additional staff time and resources to report emissions from permitted facilities using methods standardized across California air districts. Staff estimates emissions for local-scale exposure assessments and Community Action Plans required by Assembly Bill (AB) 617. Staff also prepares and maintains GHG emission inventories and forecasts for the region, with near-term focus on particulate matter (PM), volatile organic compounds (VOC), and methane emissions from permitted facilities.	
<b>Justification of Change Request:</b>	
Emissions inventory is fundamental for air quality source apportionment analysis, as well as planning, rule development, modeling and exposure assessments, and public information sharing. AB 617 continues to impose major new requirements, such as meeting CTR Regulation requirements and developing quality-assured, hyper-local emissions estimates in AB 617 communities, which demand additional resources from the Source Inventories Program.	
<b>Activities</b>	
Develop emissions inventories and improve the District's ability to assess emissions estimates.	
Prepare and improve emissions estimates to report to CARB; coordinate with Engineering Division to ensure consistent reporting under state requirements and the new CTR regulation.	
Refine and evaluate emissions estimates to support Air District programs, with emphasis on methane, TAC, and fine particulate matter and incorporation of new measurement and analysis techniques.	
Provide inventory information to support Air District staff in various programs, including assessment of AB 617 communities and development of local air quality Action Plans.	
Provide inventory information and emissions estimates under public record request.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Develop activity datasets and methods for hyper-local emissions estimates to support AB 617.	June 2023
Prepare and transmit source emissions estimates to meet State annual reporting requirements.	June 2023
Improve emissions methods by incorporating measurements and/or new models to develop PM, VOC, and methane emissions estimates for Bay Area refinery sector and waste sector.	June 2023

## Source Inventories

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		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		6.41	7.20	6.82	(0.38)	(5.3)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	921,683	1,072,916	1,051,250	(21,666)	(2.0)%
Overtime Salaries	51150		5,000	5,000		
Temporary Salaries	51200					
Payroll Taxes	51300	13,929	15,297	14,905	(392)	(2.6)%
Pension Benefits	51400	197,339	251,119	240,664	(10,455)	(4.2)%
FICA Replacement Benefits	51500	10,025	13,729	13,338	(391)	(2.8)%
Group Insurance Benefits	51600	122,803	169,623	163,643	(5,980)	(3.5)%
Employee Transportation Subsidy	51700	9,155	10,374	10,138	(236)	(2.3)%
Workers' Compensation	51800	2,981	3,757	3,527	(230)	(6.1)%
Other Post Employment Benefits	51850	70,880	65,346	61,343	(4,003)	(6.1)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,348,795	1,607,161	1,563,808	(43,353)	(2.7)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		3,900	2,400	(1,500)	(38.5)%
Travel Out-of-State	52220		3,100	2,600	(500)	(16.1)%
Training & Education	52300	7,339	23,000	23,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	215,125	121,000	121,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	1,870	22,000	22,000		
Stationery & Office Supplies	53900	574	200	200		
Books & Journals	54100		600	600		
Minor Office Equipment	54200		1,000	1,000		
<b>Total Services &amp; Supplies Expenditures</b>		224,908	174,800	172,800	(2,000)	(1.1)%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,573,703	1,781,961	1,736,608	(45,353)	(2.5)%

<b>Managing Division:</b>	
Assessment, Inventory & Model Division	
<b>Contact Person:</b>	
Saffet Tanrikulu	
<b>Program Purpose:</b>	
Provide technical support to the District's initiatives and collaborative activities through modeling and air quality analyses.	
<b>Description of Program:</b>	
This program provides technical support to various District activities, including: Assembly Bill 617 related programs, the Air Quality Planning Program, Strategic Incentives Division programs, the Climate Protection Program, the Spare the Air Program, the ambient data Quality Assurance (QA)/Quality Control (QC) Program, the Central California Air Quality Studies (CCAQS), and the California Baseline Ozone Transport Study (CABOTS). It also manages the District's modeling- and data analysis-related contracts; participates in the District's rule development, permit modeling, air monitoring and emissions inventory/exposure assessment activities; and responds to requests from District staff and the public for ambient data. It also collaborates with federal and state agencies to assess pollutant exposure, health impacts and international pollutant transport.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Support Assembly Bill 617: perform PM and air toxics modeling; assess air quality and health impacts.	
Perform air quality modeling and data analysis to support the District's rulemaking activities.	
Support District's Air Quality Planning Program: conduct data analysis and modeling.	
Support permitting activities: Prepare meteorological inputs for AERMOD to support permit modeling.	
Support the Strategic Incentives Division: create and update pollutant concentration maps.	
Perform quality assurance and quality control on District's meteorological data.	
Manage the District's data analysis and modeling-related contracts.	
Participate in CARB's Central California Air Quality Study programs.	
Participate in NASA's effort to estimate wildfire ambient and health impacts.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Perform air quality dispersion modeling for selected AB 617 communities.	Ongoing
Perform regional and local air quality modeling and analyses to support the District's rule development efforts.	Ongoing
Perform regional PM and air toxics modeling and analyses to assess pollutant formation in the Bay Area.	Ongoing
Perform source apportionment analyses to quantify the contribution of various emission sources.	Ongoing
Update emissions modeling data, e.g., conduct modeling with improved condensable PM emissions estimates.	Ongoing
Update health impact analyses of ozone and PM; update health risk analyses for air toxics and other pollutants.	Ongoing
Update assessment of regional and local pollutant transport and impacts of primary vs secondary PM.	Ongoing
Assess contribution of locally generated vs transported as well as primary vs secondary PM exposure.	Ongoing



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		3.91	3.84	3.71	(0.13)	(3.4)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	566,878	571,691	577,183	5,492	1.0%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	8,499	8,180	8,212	32	0.4%
Pension Benefits	51400	108,146	133,803	133,122	(681)	(0.5)%
FICA Replacement Benefits	51500	6,095	7,324	7,251	(73)	(1.0)%
Group Insurance Benefits	51600	74,585	78,081	76,317	(1,764)	(2.3)%
Employee Transportation Subsidy	51700	5,493	5,535	5,511	(24)	(0.4)%
Workers' Compensation	51800	1,829	2,005	1,918	(87)	(4.3)%
Other Post Employment Benefits	51850	44,750	34,863	33,348	(1,515)	(4.3)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		816,275	841,482	842,862	1,380	0.2%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		1,380	1,400	20	1.4%
Travel Out-of-State	52220		3,780	3,900	120	3.2%
Training & Education	52300	300	7,000	6,500	(500)	(7.1)%
Repair & Maintenance (Equipment)	52400	414	8,000	8,000		
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	200,767	320,000	320,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	17	500	500		
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		201,498	340,660	340,300	(360)	(0.1)%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,017,773	1,182,142	1,183,162	1,020	0.1%

<b>Managing Division:</b>	
Assessment, Inventory & Model Division	
<b>Contact Person:</b>	
Saffet Tanrikulu	
<b>Program Purpose:</b>	
Perform air quality modeling and data analyses to evaluate emission control strategies to attain and maintain air quality standards.	
<b>Description of Program:</b>	
This program maintains and applies state-of-the-science meteorological, emissions inventory and air quality models to investigate the formation of ozone, fine and ultrafine particulate matter (PM <sub>2.5</sub> and PM <sub>0.1</sub> ), and toxic air contaminants in the Bay Area; assesses the attainment status of the Bay Area with respect to Federal and State standards; supports Federal and State air quality plan development activities; quantifies the transport of ozone, PM and toxic air contaminants and their precursors within the Bay Area as well as between the Bay Area and neighboring districts; and quantifies the health impacts of ozone, PM, and toxic air contaminants. This program also includes analyses of ambient data, preparation of model inputs, monetary valuation of air pollution impacts in the Bay Area, maintenance of the District's cluster computer system, development of graphics and statistical programs to evaluate model inputs and outputs, and collaboration with modeling and air quality planning staff of CARB, U.S. EPA, NOAA, NASA, neighboring districts, industry, academia and other stakeholders.	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Analyze the Bay Area's status relative to national and state ambient air quality standards.	
Conduct ambient data analyses for ozone, PM <sub>2.5</sub> , PM <sub>0.1</sub> and toxic air contaminants.	
Evaluate and improve model performance for multi-pollutant applications.	
Maintain and apply air pollution health impacts and monetary valuation models.	
Maintain and apply emissions inventory models to prepare inputs to air quality models.	
Conduct source apportionment studies and trend analyses.	
Prepare ambient data for model inputs and evaluation of model outputs.	
Maintain the District's cluster computer system on which models are run.	
Develop in-house staff expertise related to modeling and air quality analysis.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Evaluate and improve regional air quality model performance.	Ongoing
Maintain and evaluate air quality dispersion models.	Ongoing
Evaluate and improve WRF meteorological model performance.	Ongoing
Evaluate and update BenMAP for assessing health impacts of pollutants.	Ongoing
Maintain the meteorological and air quality database for modeling.	Ongoing
Update analysis of regional air quality model sensitivity to emission reductions for PM and toxics.	Ongoing
Update and improve emissions estimates for modeling.	Ongoing
Maintain modeling computers, update modeling software and computer libraries.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		3.37	3.50	3.50		
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	485,326	516,642	543,478	26,836	5.2%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	7,301	7,353	7,695	342	4.7%
Pension Benefits	51400	112,905	120,901	125,667	4,766	3.9%
FICA Replacement Benefits	51500	5,254	6,670	6,840	170	2.5%
Group Insurance Benefits	51600	64,340	80,480	79,827	(653)	(0.8)%
Employee Transportation Subsidy	51700	4,737	5,040	5,199	159	3.2%
Workers' Compensation	51800	1,563	1,825	1,809	(16)	(0.9)%
Other Post Employment Benefits	51850	38,177	31,746	31,461	(285)	(0.9)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		719,603	770,657	801,976	31,319	4.1%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		1,600	1,600		
Travel Out-of-State	52220		2,080	2,100	20	1.0%
Training & Education	52300		2,000	2,000		
Repair & Maintenance (Equipment)	52400	8,672	12,000	12,000		
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		3,500	4,000	500	14.3%
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300		10,000	10,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		8,000	8,000		
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		8,672	39,180	39,700	520	1.3%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		728,275	809,837	841,676	31,839	3.9%

<b>Managing Division:</b>	
Assessment, Inventory & Model Division	
<b>Contact Person:</b>	
Song Bai	
<b>Program Purpose:</b>	
Evaluate community health risks from ambient toxic air contaminants (TACs), fine particulate matter (PM) and other pollutants. Develop mitigation strategies and measures for local sources and locations with higher exposures and risk levels and vulnerable populations.	
<b>Description of Program:</b>	
The District's CARE program targets community risk reduction activities and actively supports the development of local air quality Action Plans required by Assembly Bill 617. The CARE program coordinates emissions estimation, air modeling and monitoring, analysis of health records and socio-economic datasets, and exposure and health assessments to identify areas with vulnerable populations and relatively high air pollution. Information derived from these activities is used for risk reduction activities, such as rulemaking, grant and incentive programs, local air quality plans, collaboration with public health professionals, advocacy of State and local regulatory programs, and community engagement processes.	
<b>Justification of Change Request:</b>	
AB 617 continues to impose major new requirements, which demand additional products and resources from the CARE Program on a specified timeline to assess community-scale air quality, engage with communities, and provide technical support to local Community Action Plans.	
<b>Activities</b>	
Conduct local-scale modeling and analyses to support assessment of AB 617 communities and development of action plans.	
Develop and improve modeling methods to identify emission sources affecting impacted communities and improve data analysis.	
Compile demographic, business, and activity data; enhance data visualization/analysis for community partnerships and local planning guidance.	
Develop mitigation strategies for development near busy roadways and other air pollution sources.	
Participate in outreach and assist in evaluating community risks and hazards, through measurement and modeling programs.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Conduct community-scale assessments in Richmond/San Pablo and other communities; collaborate with other District Divisions to develop community prioritization methods.	June 2023
Develop and document improved methodology/tools for community-scale modeling to support AB 617 Community Emission Reduction Plan (CERP) development.	June 2023
Work collaboratively across Air District Divisions to build Technical Assessments Teams and perform community-level technical assessment work.	June 2023

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		3.23	3.46	3.92	0.46	13.3%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	567,638	590,874	701,171	110,297	18.7%
Overtime Salaries	51150		5,000	5,000		
Temporary Salaries	51200					
Payroll Taxes	51300	8,623	8,488	10,084	1,596	18.8%
Pension Benefits	51400	124,805	138,627	159,217	20,590	14.9%
FICA Replacement Benefits	51500	6,214	6,589	7,652	1,063	16.1%
Group Insurance Benefits	51600	76,188	73,118	81,886	8,768	12.0%
Employee Transportation Subsidy	51700	5,607	4,979	5,816	837	16.8%
Workers' Compensation	51800	1,836	1,803	2,024	221	12.3%
Other Post Employment Benefits	51850	45,008	31,361	35,196	3,835	12.2%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		835,919	860,839	1,008,046	147,207	17.1%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		2,300	2,300		
Travel Out-of-State	52220		2,600	2,600		
Training & Education	52300		8,500	8,500		
Repair & Maintenance (Equipment)	52400	1,581	5,000	5,000		
Communications	52500	2,137	3,000	3,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		2,000	2,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	148,415	250,500	250,500		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	9,502	19,000	19,000		
Stationery & Office Supplies	53900		200	200		
Books & Journals	54100		500	500		
Minor Office Equipment	54200		100	100		
<b>Total Services &amp; Supplies Expenditures</b>		161,635	293,700	293,700		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		997,554	1,154,539	1,301,746	147,207	12.8%

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## Planning & Climate Protection Division

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The Planning and Climate Protection Division develops and implements local community emissions reduction plans per AB 617, prepares plans to meet State and Federal air quality standards, and coordinates and implements climate protection activities. Division staff analyze ambient conditions and local and regional toxic air contaminants, particulate matter, ozone and their precursors, and greenhouse gas emissions to develop and implement programs to reduce impacts on people and the planet. Division staff works with cities, counties and other agencies to encourage transportation and land use decisions that improve air quality and protect the climate, and prepares, reviews and provides guidance on environmental documents prepared pursuant to California Environmental Quality Act (CEQA).

In FYE 2023, staff will continue to implement the multi-pollutant Bay Area 2017 Clean Air Plan (2017 Plan), which addresses ozone, particulate matter, toxic air contaminants and greenhouse gases (GHGs). To meet the requirements of AB 617 staff will work in close coordination with community partners and steering committees in West Oakland, Richmond-North Richmond-San Pablo Area, and East Oakland to identify and prioritize pollution and exposure reduction strategies, implement measures to reduce emissions and exposure, and provide support and assistance to local and regional partner agencies on taking action. Staff will update and continue implementing the CEQA Thresholds and Guidelines in consultation with local lead agencies, regional agencies, and others. Staff will provide assistance to cities and counties on advancing local plans and policies that improve air quality, address health disparities, and recognize environmental injustices, including General Plan updates and EJ elements per SB 1000. Staff will track the development of new national ambient air quality standards and address any associated planning requirements as needed. Staff will continue to work with Cal EPA, the California Air Resources Board (CARB), and Federal, State, regional and local agencies to reduce emissions associated with ports and goods movement and implement other mobile source programs.

In FYE 2023, staff will implement GHG emission reduction measures identified in the 2017 Plan. Staff will: expand the Bay Area Healthy Home Initiative in Contra Costa and Alameda counties; continue to lead and expand a regional Building Decarbonization Program; elevate and expand best practices resulting from the Climate Protection Grant Program; support the Diesel Free by '33 initiative; complete an update to CEQA Thresholds for GHGs; work with local governments and community choice energy programs to develop low-carbon alternatives for emergency back-up power and use of battery storage and microgrids; support the development of rules and rule amendments to reduce GHGs, including improving the GHG emissions inventory; work with CARB to develop a robust Scoping Plan Update; assist local governments with the development and implementation of climate action plans and local GHG reduction strategies; develop model ordinances and best practices to accelerate local policy adoption for reducing GHGs; collaborate with regional agency partners to develop a strong Plan Bay Area 2050; work with partner agencies to implement regional GHG reduction strategies through the Bay Area Regional Collaborative.

<b>Managing Division:</b>	
Planning & Climate Protection Division	
<b>Contact Person:</b>	
Wendy Goodfriend	
<b>Program Purpose:</b>	
Prepare and track regional plans to attain and maintain State and National ambient air quality standards and lead development of community emission reduction plans per AB 617.	
<b>Description of Program:</b>	
Historically, this program has focused on preparing regional air quality plans to attain or maintain State and National air quality standards. This work has included preparation and submission of State Triennial Updates (i.e., Clean Air Plan) and SIP related documents. Currently, this program is working closely with the most overburdened communities and impacted neighborhoods across the region to implement Assembly Bill 617 through the Air District's Community Health Protection Program. District staff are working closely with community co-leads, Steering Committees and community members to develop community emission reduction plans that incorporate local scale emissions and exposure analyses and diverse and varied strategies to improve community health by reducing exposure to air pollutants. Preparing regional and local air quality plan requires collaboration across the Air District, and trusted partnerships with local, regional and State agencies, community groups and community members. As part of this program, District staff prepare and obtain certification of CEQA documents as necessary; track the effectiveness of air quality plans; track, comment and ensure compliance with State and National air quality planning requirements; and report to CARB and EPA on status and progress.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Lead the development of community emission reduction plans in AB 617 communities (Richmond-North Richmond-San Pablo and East Oakland).	
Support capacity building in high priority AB 617 communities, including the development of Getting Started/Starter Kits, and supporting local planning efforts.	
Support local government planning and policy development efforts to improve air quality in overburdened communities, including SB1000 support.	
Create and disseminate accessible and relevant information on air quality planning, CEQA Thresholds and Guidelines, and planning to achieve State and Federal ambient air quality standards.	
Lead updates of the regional Clean Air Plan in collaboration with all Divisions, track progress, adjust implementation as necessary.	
Track development of new or amended State or Federal ambient air quality standards, and prepare documents or analyses to meet new or amended standards.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Lead the development of a community emission reduction plan for the Path to Clean Air Richmond-North Richmond-San Pablo area.	August 2022
Lead the development of a community emission reduction plan for the East Oakland area.	Ongoing
Coordinate the development of Getting Started/Starter Kits for select high priority AB 617 communities.	Ongoing
Work with cities and counties to implement SB 1000, incorporate EJ and health equity into plans and programs.	Ongoing
Develop an easy to use virtual repository of air quality planning, CEQA, local land use policy tools, and information to support local and community action.	Ongoing



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		7.80	7.98	9.30	1.32	16.5%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	1,122,447	1,128,590	1,349,150	220,560	19.5%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	16,932	16,108	19,173	3,065	19.0%
Pension Benefits	51400	257,229	263,891	312,469	48,578	18.4%
FICA Replacement Benefits	51500	12,113	15,201	18,166	2,965	19.5%
Group Insurance Benefits	51600	148,554	143,655	163,998	20,343	14.2%
Employee Transportation Subsidy	51700	10,916	11,487	13,808	2,321	20.2%
Workers' Compensation	51800	3,631	4,160	4,804	644	15.5%
Other Post Employment Benefits	51850	86,839	72,353	83,553	11,200	15.5%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,658,661	1,655,445	1,965,121	309,676	18.7%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	130	2,100	2,100		
Travel Out-of-State	52220		2,000	2,000		
Training & Education	52300		3,000	3,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500	6,701				
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	471	11,000	11,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	15,604	200,000	200,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	76	500	500		
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		22,982	218,600	218,600		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,681,643	1,874,045	2,183,721	309,676	16.5%

<b>Managing Division:</b>	
Planning & Climate Protection Division	
<b>Contact Person:</b>	
Wendy Goodfriend	
<b>Program Purpose:</b>	
Implement regional and local air quality, land use, mobile source and transportation plans, policies and measures.	
<b>Description of Program:</b>	
This program focuses on working with state, regional and local agencies and community partners to facilitate implementation of land use and transportation measures to attain and maintain ambient air quality standards and reduce emissions and exposure to fine particulate matter and toxic air contaminants in overburdened communities. On an ongoing basis, potential air quality and greenhouse gas impacts of land use and transportation plans and projects disclosed through CEQA are reviewed and comments provided to lead agencies. The program works closely with community partners, state, regional and local agencies, and the private sector to reduce emissions and exposure through implementation of clean air plans and projects, including AB617 Community Emissions Reductions Plans, projects to address ports and goods movement operations, relevant CARB rulemaking, guidelines, plans and programs.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Lead AB617 plan implementation, e.g., Owing our Air: West Oakland Community Action Plan, in partnership with community co-leads, steering committee, community members and state, local and regional agencies.	
Update CEQA Thresholds of Significance and maintain easy to use Guidelines with current best practice methods and mitigation measures.	
Track and review priority CEQA projects, provide comments to lead agencies, support lead agencies with tools, data and methods.	
Implement transportation, building and energy measures in the 2017 Clean Air Plan in collaboration with MTC, ABAG, BARC and other regional and local entities.	
Work with EPA, CARB, and Federal, State, regional and local agencies to reduce impacts from mobile sources, e.g., ports, goods movement, railroads, shipping.	
Collaborate with MTC to implement Plan Bay Area 2050 to encourage TDM, TOD and smart growth strategies that have air quality improvement co-benefits.	
Participate in Transportation Conformity and provide consultation to Federal agencies regarding general conformity review of non-transportation projects.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Update the Air District's CEQA Thresholds of Significance and Guidelines, disseminate and support lead agencies in their use.	June 2022
Continue to provide technical support and assistance to lead agencies and local governments on air quality and greenhouse gas analysis and mitigation.	Ongoing
Lead the implementation of Owing our Air: The West Oakland Community Action Plan.	Ongoing
Continue to track and prioritize CEQA projects for review and provide outcome oriented comments to lead agencies.	Ongoing
Lead the implementation of the Path to Clean Air Richmond-North Richmond-San Pablo CERP once adopted.	Ongoing

## Implement Plans, Policies and Measures

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		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		6.24	5.68	5.36	(0.32)	(5.6)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	874,679	813,467	795,518	(17,949)	(2.2)%
Overtime Salaries	51150	3,712		4,000	4,000	
Temporary Salaries	51200		46,000		(46,000)	(100.0)%
Payroll Taxes	51300	13,035	11,595	11,271	(324)	(2.8)%
Pension Benefits	51400	127,832	190,252	183,761	(6,491)	(3.4)%
FICA Replacement Benefits	51500	9,374	10,827	10,484	(343)	(3.2)%
Group Insurance Benefits	51600	114,713	111,579	103,575	(8,004)	(7.2)%
Employee Transportation Subsidy	51700	8,445	8,182	7,969	(213)	(2.6)%
Workers' Compensation	51800	2,808	2,963	2,773	(190)	(6.4)%
Other Post Employment Benefits	51850	68,508	51,536	48,221	(3,315)	(6.4)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,223,106	1,246,401	1,167,572	(78,829)	(6.3)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		2,100	2,100		
Travel Out-of-State	52220		1,700	1,700		
Training & Education	52300	7,215	5,000	5,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500	732				
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		600	600		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	228,644	185,000	185,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		1,000	1,000		
Stationery & Office Supplies	53900		500	500		
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		236,591	195,900	195,900		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,459,697	1,442,301	1,363,472	(78,829)	(5.5)%

<b>Managing Division:</b>	
Planning & Climate Protection Division	
<b>Contact Person:</b>	
Abby Young	
<b>Program Purpose:</b>	
Set the strategic direction for and coordinate agency-wide efforts to accelerate the reduction of climate pollutants and integrate climate protection into Air District programs to reduce criteria and toxic air pollutants.	
<b>Description of Program:</b>	
Air District climate protection activities for FYE 2023 coordinated by the Climate Protection Section will include: supporting the development of proposed rules to reduce GHGs, including coordinating a Working Group to support implementation of indoor appliance rules; implementing and continuing to expand the Bay Area Healthy Homes Initiative; finalizing an update and supporting use of the GHG CEQA thresholds of significance; continuing to lead and expand a regional campaign to decarbonize new and existing buildings, including supporting local initiatives, building upon Climate Protection Grant projects and coordinating efforts among community choice energy (CCE) programs; supporting local implementation of GHG reductions by developing model policies, best practices and toolkits through efforts such as the Building Decarbonization Program and Diesel Free By '33 initiative; working with local governments and CCEs to develop low-carbon alternatives for emergency back-up power and use of battery storage and microgrids; implementing priority actions to reduce F-gas emissions; collaborating with the CA Air Resources Board and other State agencies on the 2022 Scoping Plan Update; collaborating with MTC to implement Plan Bay Area; continued collaboration with local, regional, state, and national agencies on climate protection efforts; and continued integration of climate protection strategies in existing Air District programs, such as AB 617.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Coordinate the integration of climate protection strategies into existing Air District programs.	
Provide local governments with policy resources to accelerate local building decarbonization efforts.	
Expand the Bay Area Healthy Homes Initiative in Contra Costa and Alameda counties.	
Update and provide outreach and support for local government implementation of GHG CEQA thresholds.	
Lead the implementation of the Diesel Free By '33 initiative.	
Collaborate with CARB and other State agencies on the 2022 Scoping Plan Update.	
Work with community choice energy programs and others in developing low-carbon emergency power alternatives.	
Provide leadership through convening events, providing networking and information-sharing for local governments and stakeholders.	
Participate in Statewide and regional climate protection programs with BARC, MTC, ABAG, and BCDC.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Implement GHG reduction strategies identified in the 2017 Clean Air Plan.	June 2023
Expand the Building Decarbonization Program by focusing regional action on vulnerable communities.	June 2023
Finalize GHG thresholds of significance for CEQA and develop supporting guidance and tools.	June 2023
Redesign and strengthen approach to delivering support to local climate planning and implementation efforts.	June 2023
Work with state agencies to strengthen GHG reduction from the Scoping Plan and other key policies.	June 2023
Support all divisions by tracking and assessing the latest GHG science and studies.	June 2023
Develop methods to evaluate the efficacy of Air District climate programs.	June 2023

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		6.11	7.46	6.37	(1.09)	(14.6)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	936,798	1,121,882	1,025,049	(96,833)	(8.6)%
Overtime Salaries	51150	4,208				
Temporary Salaries	51200					
Payroll Taxes	51300	14,272	16,014	14,589	(1,425)	(8.9)%
Pension Benefits	51400	225,226	262,627	232,573	(30,054)	(11.4)%
FICA Replacement Benefits	51500	10,291	14,215	12,447	(1,768)	(12.4)%
Group Insurance Benefits	51600	125,789	146,922	138,850	(8,072)	(5.5)%
Employee Transportation Subsidy	51700	9,284	10,742	9,461	(1,281)	(11.9)%
Workers' Compensation	51800	3,051	3,890	3,292	(598)	(15.4)%
Other Post Employment Benefits	51850	76,298	67,661	57,249	(10,412)	(15.4)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,405,217	1,643,953	1,493,510	(150,443)	(9.2)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	817	5,160	3,660	(1,500)	(29.1)%
Travel Out-of-State	52220		6,750	6,750		
Training & Education	52300	300	6,600	6,900	300	4.5%
Repair & Maintenance (Equipment)	52400					
Communications	52500	1,783				
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		1,200	1,200		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	1,108,370	340,000	340,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	131	500	500		
Books & Journals	54100		100	100		
Minor Office Equipment	54200		200	200		
<b>Total Services &amp; Supplies Expenditures</b>		1,111,401	360,510	359,310	(1,200)	(0.3)%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		2,516,618	2,004,463	1,852,820	(151,643)	(7.6)%

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## Rules Division

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The Rules Division is responsible for the development of regulations to implement Air District plans to attain federal and State air quality standards, and to protect public health. In addition to development of rules derived from planning documents, staff assists with the preparation of air quality plans. Other measures are developed under the direction of the Board of Directors to further protect public health and safety and reduce emissions of greenhouse gases. In addition, staff reviews existing regulations and develops revisions to improve clarity, efficiency and effectiveness. For each control measure, staff assesses potential emission reductions, technological feasibility, socioeconomic impacts, cost-effectiveness, and environmental impacts under CEQA. Staff conducts public workshops and other public involvement processes, prepares staff reports, and makes presentations and recommendations to the Board of Directors at public hearings and committee meetings. Staff also manages and coordinates the rule development process for other Divisions. In this fiscal year, the program will continue to develop rules pursuant to the 2017 Clean Air Plan, AB 617 BARCT Schedule, Methane and PM Strategies as directed by the Board of Directors.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Rules Division	
<b>Contact Person:</b>	
Victor Douglas	
<b>Program Purpose:</b>	
The primary purpose of this program is to develop and propose emissions reductions strategies to reduce air pollutant emissions in the Bay Area.	
<b>Description of Program:</b>	
The Rule Development Program is responsible for evaluating sources for potential emissions control strategies and the development of regulations to attain Federal and State air quality standards, and to protect public health. In addition, staff reviews existing regulations and develops revisions to improve clarity, efficiency and effectiveness.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Continue creating a new Rule 13-5: Refinery Hydrogen Systems to reduce methane and volatile organic compounds	
Continue to develop amendments to Rule 9-4 and 9-6 Building Appliances to reduce NOx emissions	
Create Prioritization Framework to align source evaluation priorities with the priorities of the Air District Board and the Community	
Analyze potential for additional emissions reductions from amendments to Rule 9-13: Portland Cement Manufacturing to reduce particulate matter	
Analyze potential for additional emissions reductions from amendments to Rule 9-14: Petroleum Coke Calcining Operations to reduce NOx emissions	
Continue supporting the Richmond/North Richmond/San Pablo Community Emission Reduction Planning process by providing staff resources to help the Steering Committee develop and prioritize emissions reduction measures	
Continue to develop amendments to Rule 8-8: Wastewater Collection and Separation Systems to reduce organic compounds	
Continue to develop amendments to Rule 8-5: Storage of Organic Liquids to reduce organic compounds from storage tanks	
Continue to develop amendments to 8-18: Equipment Leaks to reduce organic compounds	
Perform new source evaluations as resources allow	
<b>Major Objectives</b>	<b>Delivery Date</b>
Finalize new Rule 13-5: Refinery Hydrogen Systems to reduce methane and volatile organic compounds	April 2022
Finalize amendments to Rule 9-4 and 9-6 Building Appliances to reduce NOx emissions	June 2022
Finish analysis of amendments to Rule 9-14: Petroleum Coke Calcining Operations to reduce NOx emissions	July 2022
Finish analysis of amendments to Rule 9-13: Portland Cement Manufacturing to reduce particulate matter	July 2022
Finalize Prioritization Framework to align source evaluation priorities with the priorities of the Air District Board and the Community	December 2022
Finalize amendments on at least one of the following AB 617 BARCT Schedule rules: 8-5 (Storage of Organic Liquids), 8-8 (Wastewater Collection and Separation Systems), or 8-18 (Equipment Leaks)	December 2022



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		9.68	12.14	10.99	(1.15)	(9.5)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	1,454,267	1,445,904	1,711,544	265,640	18.4%
Overtime Salaries	51150	5,949	12,000	5,000	(7,000)	(58.3)%
Temporary Salaries	51200					
Payroll Taxes	51300	21,822	20,593	24,423	3,830	18.6%
Pension Benefits	51400	301,087	338,135	394,186	56,051	16.6%
FICA Replacement Benefits	51500	15,718	19,331	21,485	2,154	11.1%
Group Insurance Benefits	51600	192,937	174,108	200,275	26,167	15.0%
Employee Transportation Subsidy	51700	14,178	14,608	16,330	1,722	11.8%
Workers' Compensation	51800	4,704	5,291	5,682	391	7.4%
Other Post Employment Benefits	51850	112,258	92,011	98,817	6,806	7.4%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		2,122,920	2,121,981	2,477,742	355,761	16.8%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	30	8,250	4,000	(4,250)	(51.5)%
Travel Out-of-State	52220		3,650		(3,650)	(100.0)%
Training & Education	52300		8,200	8,700	500	6.1%
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	471	35,000	22,000	(13,000)	(37.1)%
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	55,718	221,000	441,000	220,000	99.5%
General Insurance	53400					
Shop & Field Supplies	53500		500	500		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	298	3,000	3,000		
Stationery & Office Supplies	53900		750	500	(250)	(33.3)%
Books & Journals	54100		300	300		
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		56,517	280,650	480,000	199,350	71.0%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		2,179,437	2,402,631	2,957,742	555,111	23.1%

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## Community Engagement Division

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The Community Engagement Office is the Air District's main point of contact with the public and engages the public in Air District programs and policies. Community Engagement staff collaborate with diverse communities and other partners to advance public health, equity, and environmental justice in the Bay Area. To that end, staff work with community members and other partners to increase community awareness and transparency of air quality issues, build capacity, implement community-identified solutions, and increase opportunities for the public to participate in Air District decision-making. Community Engagement staff particularly seek opportunities for communities that have been historically excluded, discriminated against, under-represented, or under-resourced to participate and shape Air District decisions.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Community Engagement Division	
<b>Contact Person:</b>	
Kristen Law	
<b>Program Purpose:</b>	
<p>The Community Engagement Office is committed to providing meaningful engagement, reducing disparities in air quality impacts, and improving air quality for all Bay Area communities. To do that, we connect with community members, develop and maintain lasting partnerships to understand community needs and desired solutions, and work alongside communities toward positive change. The Office is the Air District's main point of contact with the public to increase awareness, foster relationships, and ensure stakeholder participation to guide Air District planning and decision-making.</p>	
<b>Description of Program:</b>	
<p>The Office is specially tasked with coordinating engagement across departments and with the community to ensure we meet our shared mission to create a healthy breathing environment for every Bay Area resident. The Office seeks opportunities for those that have been historically excluded, discriminated against, under-represented, or under-resourced to participate and shape Air District decisions. The Office co-leads efforts with communities to enable policy solutions that bolster community power, promote public health and equity, and improve regional conditions. The Office coordinates and facilitates stakeholder engagement in programs; supports the Community Advisory Council; leads the implementation of the District's AB 617 program; develops and implements an agency-wide Environmental Justice policy; plays a key role in convening Community-Agency partnerships; develops and deploys community engagement best practices; administers various equity-focused grant programs that support community-led initiatives to improve air quality in impacted communities.</p>	
<b>Justification of Change Request:</b>	
<p>The Board nominated East Oakland as the new AB 617 CERP Community for 2022 and expanded the Community Grant Program. The Office is supporting an agency-wide Environmental Justice Policy and has been tasked with providing expanded capacity-building support for pollution-burdened communities. Expanded engagement requires increased language access and increased staff overtime for new staff. Small increase in conference and seminars reflects higher fees from inflation; the addition of membership and dues are to support Bar memberships for two staff.</p>	
<b>Activities</b>	
Environmental Justice Policy: Launch an agency-wide policy that implements environmental justice principles.	
Community Advisory Council: Provide staffing support to Council to increase community leadership in District decisions.	
AB 617: Partner with community groups and Air District divisions to implement AB 617.	
Community Grant Program: Administer grants to build community capacity and foster community participation	
Administer Title VI of the Civil Rights Act of 1964.	
Training: Develop curriculum and train Air District staff on Community Engagement and Environmental Justice.	
Youth Engagement: Develop and implement a youth engagement plan.	
Air Filtration: Develop and administer air filtration programs to impacted communities.	
Spare the Air: Provide direction and support to the Air District's Spare the Air Resource teams.	
General Engagement: Community workshops, events, and other engagement opportunities.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Support an agency-wide Environmental Justice Policy and community engagement guidelines	June 2023
Support Community Advisory Council and inclusive, transparent, accessible community engagement	Ongoing
Launch new AB 617 community collaboration, continue to implement AB 617 and track progress.	Ongoing
Support community capacity building through a Community Grant Program	Ongoing
Increase Air District Staff trained in community engagement and environmental justice	Ongoing
Develop and implement air filtration programs in impacted communities	Ongoing
Youth engagement: Develop and implement a youth engagement plan	June 2023

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		9.27	13.84	16.05	2.21	16.0%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	1,026,925	2,091,289	2,200,979	109,690	5.2%
Overtime Salaries	51150	13,591	15,000	22,500	7,500	50.0%
Temporary Salaries	51200					
Payroll Taxes	51300	15,229	29,794	31,130	1,336	4.5%
Pension Benefits	51400	210,451	488,305	494,251	5,946	1.2%
FICA Replacement Benefits	51500	10,972	30,188	31,360	1,172	3.9%
Group Insurance Benefits	51600	134,729	309,813	287,848	(21,965)	(7.1)%
Employee Transportation Subsidy	51700	9,879	22,812	23,837	1,025	4.5%
Workers' Compensation	51800	3,294	8,262	8,294	32	0.4%
Other Post Employment Benefits	51850	77,375	143,689	144,238	549	0.4%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,502,445	3,139,152	3,244,437	105,285	3.4%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		5,500	5,500		
Travel Out-of-State	52220		4,800	4,800		
Training & Education	52300	28,648	16,500	16,700	200	1.2%
Repair & Maintenance (Equipment)	52400					
Communications	52500	13,737	13,000	13,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		3,500	3,500		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	1,002,163	1,665,000	1,771,500	106,500	6.4%
General Insurance	53400					
Shop & Field Supplies	53500		2,000	2,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	110	1,500	1,500		
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		1,044,658	1,711,800	1,818,500	106,700	6.2%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(66,282)				
<b>Total Expenditures</b>		2,480,821	4,850,952	5,062,937	211,985	4.4%

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## Information Services Division

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The Information Services Division focuses on Information technology operations, engineering, user support and the management of District records.

Under this Division, Engineering and Operations Program staff provide design, implementation, security and maintenance of all computer server infrastructures including but not limited to email, telecommunications, network, file storage, business continuity/disaster recovery, and remote connectivity. The support team in this program provides user support to District staff for all technologies and user support to outside members of the regulated community that utilize on-line District technologies.

Records Management Program Staff (RM) are responsible for storing, maintaining, securing, and providing copies of Air District official documents. These documents are made available for public, regulated community and internal request in accordance with Policy and Procedures.

In FY2021, the RM program procured Hyland OnBase software and is working to implement and deploy the system to meet the needs and requirements of the District. RM provides assistance for staff from each Division individually as official records are migrated to OnBase. RM digitizes paper documents as needed for all Divisions.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Information Services Division	
<b>Contact Person:</b>	
Magen Holloway	
<b>Program Purpose:</b>	
To provide archival and retrieval services for the District's records produced by various Divisions.	
<b>Description of Program:</b>	
The Records Management Program (RM) is responsible for maintaining the Air District official records for each Division. These documents are made available for public, industry and internal request in accordance to the APCO Policy and Procedures.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Manage and Support of Physical and Electronic Storage of District Records.	
RM is configuring and implementing the new OB software with the assistance of consultants from Xerox. The Xerox is contracted to configure Air District records and corresponding Record Retention in OB. Xerox will also migrate historic records from AppXtender software and the Air District shared drives.	
Train Division Records Custodians on new OB software.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Configure new OB software.	June 2023
Train staff on use of OB software.	June 2023
Migrate records from shared drives to OB software	June 2023



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		1.98	2.00	2.00		
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	265,556	276,991	299,098	22,107	8.0%
Overtime Salaries	51150	1,730				
Temporary Salaries	51200					
Payroll Taxes	51300	3,848	3,937	4,231	294	7.5%
Pension Benefits	51400	57,327	64,740	66,528	1,788	2.8%
FICA Replacement Benefits	51500	2,762	3,811	3,909	98	2.6%
Group Insurance Benefits	51600	33,840	34,445	35,567	1,122	3.3%
Employee Transportation Subsidy	51700	2,489	2,880	2,971	91	3.2%
Workers' Compensation	51800	828	1,043	1,034	(9)	(0.9)%
Other Post Employment Benefits	51850	19,680	18,141	17,978	(163)	(0.9)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		388,060	405,988	431,316	25,328	6.2%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		3,000	3,000		
Travel Out-of-State	52220					
Training & Education	52300	3,397	15,100	10,000	(5,100)	(33.8)%
Repair & Maintenance (Equipment)	52400					
Communications	52500	11,330	7,800	4,000	(3,800)	(48.7)%
Building Maintenance	52600		10,200		(10,200)	(100.0)%
Utilities	52700	4,709	3,800		(3,800)	(100.0)%
Postage	52800					
Printing & Reproduction	52900	1,998	69,800	90,000	20,200	28.9%
Equipment Rental	53100					
Rents & Leases	53200	88,673	110,000	245,000	135,000	122.7%
Professional Services & Contracts	53300		195,000	270,000	75,000	38.5%
General Insurance	53400					
Shop & Field Supplies	53500	1,404	10,000	10,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	990	65,000	65,000		
Stationery & Office Supplies	53900		6,000	6,000		
Books & Journals	54100					
Minor Office Equipment	54200					
Non-Capital Assets	54600	147,623				
<b>Total Services &amp; Supplies Expenditures</b>		260,124	495,700	703,000	207,300	41.8%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115	(127,390)				
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>		(127,390)				
<b>Transfer In/Out</b>		(12,217)				
<b>Total Expenditures</b>		508,577	901,688	1,134,316	232,628	25.8%

<b>Managing Division:</b>	
Information Services Division	
<b>Contact Person:</b>	
Derek Klein	
<b>Program Purpose:</b>	
Provide computer, networking and telecommunications infrastructure. Provide second tier service and support for escalated user support issues.	
<b>Description of Program:</b>	
Operate, engineer, purchase, install, upgrade, secure, monitor, maintain, and repair new software systems, computer networks, network servers, telephone systems, voicemail systems, firewalls, personal computers, workstations, file and database server hardware, and operating system and application software.	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Operation and system administration of HP-3000 servers.	
Administration of Cisco telephone and voice mail system.	
Administration of Simplify and other VMWare servers.	
Configuration and administration of network routers, switches, firewalls and internet access.	
Operation and system administration of HP-9000 servers.	
Support and administer DNS servers.	
Administration of desktop operating system and applications software.	
Administration of Windows Active Directory and servers.	
Administration of NetApp SAN storage system.	
Purchase, installation, upgrade, maintenance, and repair of desktop workstations and printers.	
Administration of MS Exchange-Online, Internet and remote access systems.	
Administration of Multi-Agency Shared Services Printing and Scanning systems	
<b>Major Objectives</b>	<b>Delivery Date</b>
Maintain computer operations availability for 10 hours/day, 5 days/week.	Daily
Provide communications availability for 10 hours/day, 5 days/week.	Daily
Maintain LAN operations availability for 10 hours/day, 5 days/week.	Daily
Maintain network routers and firewall.	Weekly
Provide system connectivity support for JD Edwards.	Monthly
Support, troubleshoot and maintain desktop workstations.	Weekly
Support and upgrade remote access capabilities.	Monthly
Maintain voice messaging system, including menus and changes for field staff.	Monthly

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		8.06	6.00	9.00	3.00	50.0%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	979,835	897,519	1,296,285	398,766	44.4%
Overtime Salaries	51150	14,397				
Temporary Salaries	51200					
Payroll Taxes	51300	14,702	12,900	18,507	5,607	43.5%
Pension Benefits	51400	234,399	210,084	303,004	92,920	44.2%
FICA Replacement Benefits	51500	10,577	11,434	17,589	6,155	53.8%
Group Insurance Benefits	51600	129,416	129,256	175,796	46,540	36.0%
Employee Transportation Subsidy	51700	9,528	8,640	13,369	4,729	54.7%
Workers' Compensation	51800	3,169	3,129	4,652	1,523	48.7%
Other Post Employment Benefits	51850	76,501	54,422	80,899	26,477	48.7%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,472,524	1,327,384	1,910,101	582,717	43.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	22	10,000	11,700	1,700	17.0%
Travel Out-of-State	52220					
Training & Education	52300		50,000	60,000	10,000	20.0%
Repair & Maintenance (Equipment)	52400	675,929	689,000	735,000	46,000	6.7%
Communications	52500	30,156	17,000	21,600	4,600	27.1%
Building Maintenance	52600					
Utilities	52700					
Postage	52800	72				
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	224,468	555,000	575,000	20,000	3.6%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	285,153	251,300	509,800	258,500	102.9%
Stationery & Office Supplies	53900	227				
Books & Journals	54100					
Minor Office Equipment	54200					
Non-Capital Assets	54600	399,550				
<b>Total Services &amp; Supplies Expenditures</b>		1,615,577	1,572,300	1,913,100	340,800	21.7%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115		400,000	900,000	500,000	125.0%
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130		400,000	200,000	(200,000)	(50.0)%
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>			800,000	1,100,000	300,000	37.5%
<b>Transfer In/Out</b>		(98,555)				
<b>Total Expenditures</b>		2,989,546	3,699,684	4,923,201	1,223,517	33.1%

<b>Managing Division:</b>	
Information Services Division	
<b>Contact Person:</b>	
Duane Vazquez	
<b>Program Purpose:</b>	
Provide end user support and manage the procurement of computer workstations and telecommunications systems.	
<b>Description of Program:</b>	
Operate, engineer, procure, install, configure, upgrade, maintain, repair and manage inventory for software and hardware computers, telephone systems, voicemail systems, wireless/cellular, printers and misc. peripheral devices . Provide technical assistance for computer systems, telephone systems, voicemail systems, hardware, and software. Assist in developing user training curriculum. Track and optimize user support metrics.	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Administration of desktop operating system and applications software.	
Administration of Cisco telephone and voice mail system.	
Configuration and administration of MFC printers, voip handsets, cellular devices, misc handheld & peripheral devices	
Purchase, installation, upgrade, maintenance, and repair of desktop workstations and printers.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Maintain computer operations availability for 10 hours/day, 5 days/week.	Daily
Support, troubleshoot and maintain desktop workstations.	Weekly
Maintain voice messaging system, including menus and changes for field staff.	Monthly

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>			4.00	1.00	(3.00)	(75.00)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100		472,398	159,285	(313,113)	(66.28)%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300		6,692	2,257	(4,435)	(66.3)%
Pension Benefits	51400		110,029	35,484	(74,545)	(67.8)%
FICA Replacement Benefits	51500		7,622	1,954	(5,668)	(74.4)%
Group Insurance Benefits	51600		70,706	18,210	(52,496)	(74.2)%
Employee Transportation Subsidy	51700		5,760	1,485	(4,275)	(74.2)%
Workers' Compensation	51800		2,086	517	(1,569)	(75.2)%
Other Post Employment Benefits	51850		36,281	8,989	(27,292)	(75.2)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>			711,574	228,181	(483,393)	(67.9)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		2,000	2,000		
Travel Out-of-State	52220					
Training & Education	52300		35,000	35,000		
Repair & Maintenance (Equipment)	52400		10,000	10,000		
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300					
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		160,000	185,000	25,000	15.6%
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>			207,000	232,000	25,000	12.1%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>			918,574	460,181	(458,393)	(49.90)%

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## My Air Online

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The Office of My Air Online supports three major District objectives. First is software development for legacy system deprecation. This objective is focused on modernize permitting, compliance and enforcement including optimization via business process reengineering. The second objective is to maintain the Districts public web presence including secure and reliable information access, proactive digital notification, and equity through access to information, 508 compliance, and language translation. The third objective is to create and support a unified digital payment customer experience, grow online adoption, and ultimately expand to include outbound digital payments to enhance business continuity.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
My Air Online	
<b>Contact Person:</b>	
Joy Chen	
<b>Program Purpose:</b>	
This program provides design, development, quality assurance and implementation support for the District's new permitting and compliance system.	
<b>Description of Program:</b>	
This program is responsible for software development for permitting, compliance and enforcement as well as online payment integration.	
<b>Justification of Change Request:</b>	
Supports a roughly \$50 million dollar District revenue stream derived from the regulated community.	
<b>Activities</b>	
Permitting and compliance development and implementation.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Legacy System Deprecation via: Permitting and Compliance, Business Process Re-engineering, In-Sourced Support Model	Daily
Unified Digital Payments via: Grow Online Payment Adoption, Payment Reconciliation Governance, Expand from Inbound to Outbound	Daily



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		5.14	5.00	6.00	1.00	20.0%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	880,062	857,671	1,027,255	169,584	19.8%
Overtime Salaries	51150	1,608				
Temporary Salaries	51200					
Payroll Taxes	51300	13,185	12,362	14,766	2,404	19.4%
Pension Benefits	51400	196,583	201,233	231,907	30,674	15.2%
FICA Replacement Benefits	51500	9,485	9,528	11,726	2,198	23.1%
Group Insurance Benefits	51600	116,254	91,341	107,755	16,414	18.0%
Employee Transportation Subsidy	51700	8,544	7,200	8,913	1,713	23.8%
Workers' Compensation	51800	2,846	2,608	3,101	493	18.9%
Other Post Employment Benefits	51850	67,383	45,351	53,933	8,582	18.9%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,295,950	1,227,294	1,459,356	232,062	18.9%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300		15,000	16,022	1,022	6.8%
Repair & Maintenance (Equipment)	52400					
Communications	52500	3,081	2,500	2,670	170	6.8%
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300		150,000	160,215	10,215	6.8%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	2,536	100,000	106,810	6,810	6.8%
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		5,617	267,500	285,717	18,217	6.8%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115	2,952,425	2,853,347	3,047,660	194,313	6.8%
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>		2,952,425	2,853,347	3,047,660	194,313	6.8%
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		4,253,992	4,348,141	4,792,733	444,592	10.2%

<b>Managing Division:</b>	
My Air Online	
<b>Contact Person:</b>	
Anja Page	
<b>Program Purpose:</b>	
The Air District Websites support and maintain the agency's web presence to provide the public with information about air quality, including health alerts and real-time air quality data, plans and technical information, as well as access to registrations, permits, regulations and other information for business and industry constituents.	
<b>Description of Program:</b>	
Development, support, and maintenance of the Air District's web content management system (Sitecore) and websites, including BAAQMD.gov and SparetheAir.org.	
<b>Justification of Change Request:</b>	
Supports Diversity, Equity and Inclusion by allowing 24/7 access to 508 compliant information in five languages English, Spanish, Tagalog, Vietnamese and Chinese.	
<b>Activities</b>	
Collaborate on efforts to increase multilingual translation, accessibility, and legal compliance for Air District websites	
Support, assist, and train Division Content Editors in the use of the web content management system	
Ensure content meets grammatical conventions, reading-level standards, and consistency requirements	
Develop, test, and implement new features and website components while providing technical support for online services	
Maintain and manage website systems with ongoing upgrades and improvements	
Monitor visitor usage through statistics and logs to inform priorities and decisions on feature development	
Document website processes, issue resolution, and functionality	
<b>Major Objectives</b>	<b>Delivery Date</b>
Public Web Presence via: Secure, Reliable Information (Pull), Proactive Digital Notifications (Push), Equity (i.e. 508, Languages, Data Access)	Ongoing

# Website Development & Maintenance

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		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		2.01	2.00	2.04	0.04	2.0%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	313,675	303,270	320,907	17,637	5.8%
Overtime Salaries	51150	178				
Temporary Salaries	51200					
Payroll Taxes	51300	4,716	4,319	4,545	226	5.2%
Pension Benefits	51400	69,386	71,005	74,446	3,441	4.8%
FICA Replacement Benefits	51500	3,390	3,811	3,992	181	4.7%
Group Insurance Benefits	51600	41,591	42,060	43,900	1,840	4.4%
Employee Transportation Subsidy	51700	3,056	2,880	3,035	155	5.4%
Workers' Compensation	51800	1,014	1,043	1,056	13	1.2%
Other Post Employment Benefits	51850	24,677	18,141	18,363	222	1.2%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		461,683	446,529	470,244	23,715	5.3%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500	1,645		1,757	1,757	
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	2,901		3,099	3,099	
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	1,156,928	917,581	980,068	62,487	6.8%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		142,000	151,670	9,670	6.8%
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		1,161,474	1,059,581	1,136,594	77,013	7.3%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(30,622)				
<b>Total Expenditures</b>		1,592,535	1,506,110	1,606,838	100,728	6.7%

<b>Managing Division:</b> My Air Online	
<b>Contact Person:</b> Blair Adams	
<b>Program Purpose:</b> Legacy system data management.	
<b>Description of Program:</b> This program provides legacy system data maintenance include extract, transform and load services.	
<b>Justification of Change Request:</b> Not applicable.	
<b>Activities</b>	
<b>Major Objectives</b>	<b>Delivery Date</b>
Data Maintenance: Extract, transform and load of legacy data into new system.	Daily

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		5.49	5.58	5.81	0.23	4.1%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	765,338	797,445	868,253	70,808	8.9%
Overtime Salaries	51150	13,098				
Temporary Salaries	51200					
Payroll Taxes	51300	11,539	11,343	12,281	938	8.3%
Pension Benefits	51400	155,428	186,498	204,318	17,820	9.6%
FICA Replacement Benefits	51500	8,331	10,633	11,358	725	6.8%
Group Insurance Benefits	51600	101,967	119,250	122,314	3,064	2.6%
Employee Transportation Subsidy	51700	7,879	8,035	8,633	598	7.4%
Workers' Compensation	51800	2,475	2,910	3,004	94	3.2%
Other Post Employment Benefits	51850	61,818	50,612	52,241	1,629	3.2%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,127,873	1,186,726	1,282,402	95,676	8.1%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300		15,000	16,022	1,022	6.8%
Repair & Maintenance (Equipment)	52400					
Communications	52500	732	1,500		(1,500)	(100.0)%
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300		55,000		(55,000)	(100.0)%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		24,500	13,351	(11,149)	(45.5)%
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		732	96,000	29,373	(66,627)	(69.4)%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,128,605	1,282,726	1,311,775	29,049	2.3%

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## Meteorology & Measurement Division

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The Meteorology and Measurement Division provides emissions, air quality, and meteorological data; chemical analysis; forecasting; and data analysis to support the activities of the Compliance & Enforcement, Engineering, Planning, Legal, Rules, Assessment, Inventory & Modeling, Communications, and Community Engagement Divisions. The data is used to

- determine if the Air District is in attainment with state and federal standards,
- determine if facilities are in compliance with Air District regulations,
- provide a scientific basis for Air District programmatic decisions, and
- to communicate about air quality with the public.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Ila perkins	
<b>Program Purpose:</b>	
Provide the data required to determine and measure progress towards the Bay Area's attainment of National and State ambient air quality standards, community monitoring, as well as determine and measure progress of other Air District programs.	
<b>Description of Program:</b>	
The primary function of the Air Monitoring - Operations Section is to operate and maintain a network of air quality and meteorological measurement sites that provide data required to determine attainment status of both National and State ambient air quality standards, new and modified regulations, National and State sampling strategies, as well as provide more targeted community level air quality assessment monitoring in support of AB617 activities and refinery (Schedule X funded) communities. Additionally, a network of toxics gaseous and particulate monitors collect data to develop trends and help define risk, and for National and State programs. Air monitoring and meteorological data, as well as sampling projects such as the Photochemical Assessment Monitoring Stations (PAMS) and PM2.5 speciation sampling, are also used for Air Quality Index (AQI) forecasts, Clean Air Plan (CAP) modeling, Prevention of Significant Deterioration (PSD) modeling, Refinery Community Monitoring, AB 617 monitoring and Environmental Impact Reports (EIRs).	
<b>Justification of Change Request:</b>	
Program Code 802 was previously for all Air Monitoring activities. Effective FYE 2022, Air Monitoring is separated into Operations (Program Code 802) and Projects & Technology (Program Code 810).	
<b>Activities</b>	
Operate and maintain the air monitoring network to provide a minimum of 90% valid data each quarter to determine the attainment status for National and State ambient air quality standards.	
Operate and maintain non-criteria pollutant monitors to provide data on ozone precursors, data for ozone forecasting, and data for fine particulate forecasting.	
Operate a Photochemical Assessment Monitoring Station (PAMS) network that meets EPA requirements.	
Operate a gaseous toxics network to provide data for State and Air District programs.	
Operate a network of fine particulate (PM2.5), black carbon, and particulate matter speciation samplers and analyzers in support of the determination of compliance with the National Ambient Air Quality Standards for PM2.5, wood smoke trends, and other area wide particulate matter studies.	
Operate two Near Road monitoring stations as mandated by EPA; two in the San Francisco-Oakland-Fremont CBSA, and one in the San Jose-Sunnyvale-Santa Clara CBSA; Operate an additional near road site positioned along the Interstate 580 corridor.	
Aid in the development and evaluation of existing technologies for air quality measurements.	
Implement community level air quality monitoring in support of AB617 and Schedule X (communities near refineries)	
<b>Major Objectives</b>	<b>Delivery Date</b>
Collect and process data that has been subjected to rigorous Quality Control (QC) as part of National, State and Air District programs.	Ongoing
Implementation of community level monitoring and air quality assessment in support of AB 617 and Schedule X	Ongoing



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		26.00	22.00	20.00	(2.00)	(9.10)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	2,889,710	2,419,104	2,421,787	2,683	0.1%
Overtime Salaries	51150	525	8,500		(8,500)	(100.0)%
Temporary Salaries	51200					
Payroll Taxes	51300	43,626	34,237	34,087	(150)	(0.4)%
Pension Benefits	51400	620,294	562,425	548,458	(13,967)	(2.5)%
FICA Replacement Benefits	51500	31,462	42,036	39,255	(2,781)	(6.6)%
Group Insurance Benefits	51600	384,360	387,326	387,599	273	0.1%
Employee Transportation Subsidy	51700	28,380	31,765	29,837	(1,928)	(6.1)%
Workers' Compensation	51800	9,345	11,505	10,382	(1,123)	(9.8)%
Other Post Employment Benefits	51850	236,273	200,084	180,548	(19,536)	(9.8)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		4,243,975	3,696,982	3,651,953	(45,029)	(1.2)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200	5,842	20,000	22,700	2,700	13.5%
Travel Out-of-State	52220		10,000	20,000	10,000	100.0%
Training & Education	52300		5,000	34,500	29,500	590.0%
Repair & Maintenance (Equipment)	52400	36,974	78,196	81,841	3,645	4.7%
Communications	52500	4,465		73,685	73,685	
Building Maintenance	52600	3,007	59,820	221,244	161,424	269.8%
Utilities	52700	83,613	120,151	132,166	12,015	10.0%
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200	418,885	487,549	507,051	19,502	4.0%
Professional Services & Contracts	53300	92,159	415,000	415,000		
General Insurance	53400					
Shop & Field Supplies	53500	156,381	310,927	311,980	1,053	0.3%
Laboratory Supplies	53600	18,460	76,361	87,815	11,454	15.0%
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Non-Capital Assets	54600	5,944				
<b>Total Services &amp; Supplies Expenditures</b>		825,730	1,583,004	1,907,982	324,978	20.5%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125	304,013	666,711	1,234,517	567,806	85.2%
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>		304,013	666,711	1,234,517	567,806	85.2%
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		5,373,718	5,946,697	6,794,452	847,755	14.3%

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Mairi Beacon	
<b>Program Purpose:</b>	
Provide laboratory, analytical, and technical services and support to other Air District Divisions and Sections.	
<b>Description of Program:</b>	
The primary function of the Laboratory Program is to provide laboratory analyses, analytical services and technical support to other Divisions, Sections and special programs in completing their objectives. The Laboratory Program evaluates and implements analytical methods as required by new, analytical capabilities or amendments and additions to Air District regulations. The analytical services of the program provide technical information for enforcement action, permit evaluation, and regulatory standard development. Close liaison is maintained with other air pollution agencies and technical groups.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Perform gravimetric analyses on various filter media for BAAQMD and other agencies.	
Perform speciation analyses on various filter media including ion, carbon, and metals.	
Perform analyses associated with the Air District's toxics network.	
Perform analyses in support of Compliance and Enforcement and Source Test actions.	
Perform analyses of incident samples collected by the Air District.	
Perform analyses to provide comparative data for new and proposed field instrumentation.	
Identify and recommend analytical methods to support various Air District actions.	
Provide information on suitability of analyses proposed by outside laboratories.	
Participate in internal and external laboratory audits.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Provide gravimetric and speciation data to MQA and AAQA.	Ongoing
Provide analytical data in support of Compliance and Enforcement actions.	Ongoing
Provide analytical data in support of the Source Test section.	Ongoing
Provide Air Monitoring Special Projects group and other agencies comparative data for the evaluation of new instrumentation.	Ongoing
Participate in internal and external safety evaluations and reporting.	Ongoing
Participate in internal and external laboratory audits.	Ongoing
Provide technical expertise and advice to other Air District divisions regarding laboratory methods and capabilities.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		8.00	12.00	9.00	(3.00)	(25.00)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	963,918	1,438,580	1,242,489	(196,091)	(13.6)%
Overtime Salaries	51150	1	5,000	5,000		
Temporary Salaries	51200	3,280				
Payroll Taxes	51300	14,477	20,412	17,551	(2,861)	(14.0)%
Pension Benefits	51400	202,272	340,638	287,527	(53,111)	(15.6)%
FICA Replacement Benefits	51500	10,405	22,397	18,004	(4,393)	(19.6)%
Group Insurance Benefits	51600	127,323	229,991	180,345	(49,646)	(21.6)%
Employee Transportation Subsidy	51700	10,425	16,925	13,685	(3,240)	(19.1)%
Workers' Compensation	51800	3,118	6,130	4,761	(1,369)	(22.3)%
Other Post Employment Benefits	51850	75,662	106,608	82,808	(23,800)	(22.3)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,410,881	2,186,681	1,852,170	(334,511)	(15.3)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		200	200		
Travel Out-of-State	52220		5,000	5,000		
Training & Education	52300	4,020	7,000	7,000		
Repair & Maintenance (Equipment)	52400	67,518	82,000	90,000	8,000	9.8%
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	11,407	26,400	26,400		
General Insurance	53400					
Shop & Field Supplies	53500	360	3,000		(3,000)	(100.0)%
Laboratory Supplies	53600	45,036	100,000	100,000		
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	1,767	2,000	2,000		
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		130,108	225,600	230,600	5,000	2.2%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,540,989	2,412,281	2,082,770	(329,511)	(13.7)%

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Jerry Bovee	
<b>Program Purpose:</b>	
Provide source testing and technical expertise to Air District Divisions.	
<b>Description of Program:</b>	
The primary functions of the Source Test Section are to: conduct analytical source tests; conduct performance audits on Continuous Emissions Monitors (CEMs); review third party source tests; research and develop new analytical source test procedures; and, provide technical expertise and advice to other Divisions. These data are used to produce engineering studies to determine compliance status for specific source categories, determine whether to issue Permits to Operate, update the emissions inventory, determine actual abatement control effectiveness, provide data & technical assistance for Air District studies including AB 617, and develop applicable standards and produce emissions data for new or revised regulations.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Evaluate up to 400 facility submitted source test reports	
Conduct up to 45 particulate or gaseous toxics source tests.	
Conduct at least 90 instrumental gaseous source tests.	
Conduct up to 24 source tests at gasoline bulk terminals and bulk plants.	
Conduct up to 400 source tests on gasoline cargo tanks.	
Conduct up to 30 Enhanced Vapor Recovery source tests at Gasoline Distribution Facilities (GDF)	
Conduct up to 150 Field Accuracy Tests (FATs) on CEM systems.	
Evaluate up to 450 indicated excesses and other CEM-related call-ins.	
Maintain an electronic list of all source tests conducted at Title V facilities.	
Provide source testing to support rule development and implementation efforts.	
Manage South Bay Odor Study contracts and deliverables	
Provide Rule 12-15 refinery fence line monitoring program oversight	
<b>Major Objectives</b>	<b>Delivery Date</b>
Prepare reports on emissions from various source categories.	Ongoing
Prepare reports on particulate/gaseous toxic emissions from specific sources.	Ongoing
Prepare quarterly and annual summary of CEM data from specific sources.	Ongoing
Prepare reports on VOC emissions from gasoline bulk terminals and plants.	Ongoing
Prepare reports on VOC emissions from gasoline cargo tanks.	Ongoing
Provide monthly reports on indicated excesses from CEM systems.	Ongoing
Prepare reports on compliance rates and emissions, based on outside contractor tests.	Ongoing
Participate in source attribution studies associated with AB 617	Ongoing
Implement new emission testing methods and technologies	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		12.88	14.09	14.19	0.10	0.7%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	1,611,204	1,821,529	1,936,627	115,098	6.3%
Overtime Salaries	51150	625	7,500	6,000	(1,500)	(20.0)%
Temporary Salaries	51200					
Payroll Taxes	51300	24,122	25,873	27,365	1,492	5.8%
Pension Benefits	51400	328,852	419,155	444,035	24,880	5.9%
FICA Replacement Benefits	51500	17,280	26,853	27,737	884	3.3%
Group Insurance Benefits	51600	211,741	311,490	322,614	11,124	3.6%
Employee Transportation Subsidy	51700	15,569	20,292	21,083	791	3.9%
Workers' Compensation	51800	5,181	7,349	7,336	(13)	(0.2)%
Other Post Employment Benefits	51850	125,788	127,815	127,575	(240)	(0.2)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		2,340,362	2,767,856	2,920,372	152,516	5.5%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		3,000	3,000		
Travel Out-of-State	52220		4,000	4,000		
Training & Education	52300	7,725	11,850	10,850	(1,000)	(8.4)%
Repair & Maintenance (Equipment)	52400	389	5,000	3,000	(2,000)	(40.0)%
Communications	52500	1,774		1,800	1,800	
Building Maintenance	52600	820	8,800	8,800		
Utilities	52700	21,765	17,250	22,000	4,750	27.5%
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200	290,636	288,750	295,000	6,250	2.2%
Professional Services & Contracts	53300	225,167	55,500	45,500	(10,000)	(18.0)%
General Insurance	53400					
Shop & Field Supplies	53500	46,201	54,000	49,650	(4,350)	(8.1)%
Laboratory Supplies	53600	5,341	10,400	10,400		
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Non-Capital Assets	54600	2,623				
<b>Total Services &amp; Supplies Expenditures</b>		602,441	458,550	454,000	(4,550)	(1.0)%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120		60,000	100,000	40,000	66.7%
Lab & Monitoring Equipment	60125	27,731	80,000	60,000	(20,000)	(25.0)%
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>		27,731	140,000	160,000	20,000	14.3%
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		2,970,534	3,366,406	3,534,372	167,966	5.0%

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Charles Knoderer	
<b>Program Purpose:</b>	
Provide air quality and open burning forecasts, support for wildfire impacts, and collect, validate, analyze, and disseminate aerometric and meteorological data.	
<b>Description of Program:</b>	
The primary function of the Meteorological Section is to provide air quality forecasts, including open burn, and mandated Air Quality Index (AQI) forecasts, special forecasts for programs such as mandatory curtailment of wood burning, forecasts for wildfire smoke impacts, and episode/alert forecasts. Data analysis objectives include the validation, compilation and interpretation of meteorological and air quality data, and distribution of data to various data systems, including EPA's AQS database. Other objectives include evaluation for legal actions and determination of long-term air quality trends.	
<b>Justification of Change Request:</b>	
The Overtime Budget (51155) was increased to account for inflation. This includes additional meetings to coordinate open burning with other agencies (such as CalFire and ARB) and additional forecast responsibilities due to increased wildfire impacts on local air quality.	
<b>Activities</b>	
Provide support for tracking and forecasting smoke plume impacts during wildfire events.	
Provide reliable and timely Air Quality forecasts to the Air District and the public on weekdays, weekends and holidays.	
Review prescribed and marsh burn plans. Issue the daily open burn decision to Regional, State, and National Fire Agencies and the public. Allocate and distribute burn acreage for prescribed, marsh, and Sonoma County stubble burning.	
Quality assure EPA mandated air quality data and provide to EPA within 90 days of the end of a quarter.	
Develop forecasting techniques for winter particulate and summer ozone seasons, including statistical regression equations and develop and maintain the databases these methods are based upon.	
Review air quality and meteorological data from the five oil refinery Ground Level Monitoring (GLM) Networks and evaluate Excess Reports for the Compliance & Enforcement Division regarding compliance with Air District Regulations 1 & 9.	
Respond to record requests for information on air quality and meteorological data from the public. Provide presentations for Air District functions including Board and Committee meetings, and community outreach and public information meetings.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Provide daily air quality forecasts and burn acreage allocations to meet Air District needs. Provide additional support during wildfire impacts.	Ongoing
Submit quality assured air quality data to EPA's AQS Database.	Quarterly
Provide air quality, meteorological, and GLM data in electronic format to requestors.	Monthly
Continue improvements to databases for air quality and meteorological data.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		4.37	4.40	3.98	(0.42)	(9.5)%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	663,439	621,628	586,338	(35,290)	(5.7)%
Overtime Salaries	51150	7,872		5,000	5,000	
Temporary Salaries	51200					
Payroll Taxes	51300	10,024	8,876	8,311	(565)	(6.4)%
Pension Benefits	51400	200,833	145,346	132,495	(12,851)	(8.8)%
FICA Replacement Benefits	51500	7,241	8,388	7,786	(602)	(7.2)%
Group Insurance Benefits	51600	88,641	77,127	74,486	(2,641)	(3.4)%
Employee Transportation Subsidy	51700	6,533	6,338	5,918	(420)	(6.6)%
Workers' Compensation	51800	2,144	2,296	2,059	(237)	(10.3)%
Other Post Employment Benefits	51850	53,762	39,923	35,809	(4,114)	(10.3)%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,040,489	909,922	858,202	(51,720)	(5.7)%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		2,100	2,100		
Travel Out-of-State	52220		15,000	15,000		
Training & Education	52300	805				
Repair & Maintenance (Equipment)	52400		12,000	12,000		
Communications	52500			3,500	3,500	
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200	1,940				
Professional Services & Contracts	53300	98,535	34,000	34,000		
General Insurance	53400					
Shop & Field Supplies	53500		4,000	4,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	820	20,000	20,000		
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		102,100	87,100	90,600	3,500	4.0%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,142,589	997,022	948,802	(48,220)	(4.8)%

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Charles Knoderer	
<b>Program Purpose:</b>	
Provide independent performance evaluation services for the Air Monitoring Section and evaluate equipment and siting for air quality monitoring performed by industry and/or their consultants within the Air District's boundaries.	
<b>Description of Program:</b>	
The primary function of the Performance Evaluation (PE) Section is to ensure the accuracy of data collected throughout the Air District's air monitoring network. The PE Section is also responsible for audits and data evaluation of the H2S and SO2 ground level monitors (GLMs) and operation of H2S and SO2 mobile sampling units for odor complaint investigations and episodic sampling. Provide episodic ambient air-sampling after incidents at local refineries and chemical plants. Measure pollutants significant enough to cause wide-spread complaints.	
<b>Justification of Change Request:</b>	
Not Applicable	
<b>Activities</b>	
Conduct performance evaluation audits on ambient air monitoring equipment as required by EPA and California Air Resources Board (CARB) regulations, and create accuracy records for reporting to EPA.	
Conduct performance evaluation audits on industry SO2 and H2S GLMs and prepare summary reports of the audits.	
Conduct performance evaluation audits on non-criteria pollutant monitors and prepare summary reports of the audits.	
Participate in inter-agency performance evaluation program conducted by EPA and CARB at Air District sites.	
Perform source-oriented sampling and mobile monitoring during complaint, odor, and episode conditions to provide data required for enforcement action. Between incidents, maintain the instruments and vehicles, as needed.	
Participate in interdivisional teams working on improving Air District regulations and the Manual of Procedures, special studies and customer service.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Maintain the directory of information on network drives for Air District access to all Quality Assurance (QA) data and activities.	Ongoing
Maintain criteria pollutant calibration standards and calibrators to meet EPA requirements.	Ongoing
Revise Standard Operating Procedures (SOPs) to reflect changes in procedures.	Ongoing



# Air Monitoring Instrument Performance Evaluation

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		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		4.00	3.00	4.00	1.00	33.30%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	364,351	360,478	495,178	134,700	37.4%
Overtime Salaries	51150	985				
Temporary Salaries	51200					
Payroll Taxes	51300	5,478	5,107	7,010	1,903	37.3%
Pension Benefits	51400	78,813	83,974	114,540	30,566	36.4%
FICA Replacement Benefits	51500	3,932	5,780	6,964	1,184	20.5%
Group Insurance Benefits	51600	48,230	70,113	69,987	(126)	(0.2)%
Employee Transportation Subsidy	51700	3,542	4,368	5,293	925	21.2%
Workers' Compensation	51800	1,179	1,582	1,842	260	16.4%
Other Post Employment Benefits	51850	28,141	27,512	32,028	4,516	16.4%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		534,651	558,914	732,842	173,928	31.1%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		455	455		
Travel Out-of-State	52220		2,500	3,750	1,250	50.0%
Training & Education	52300					
Repair & Maintenance (Equipment)	52400		6,400	6,400		
Communications	52500					
Building Maintenance	52600		11,250	11,250		
Utilities	52700	530				
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	929	2,550	2,550		
General Insurance	53400					
Shop & Field Supplies	53500	9,537	16,535	16,535		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100		160	160		
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		10,996	39,850	41,100	1,250	3.1%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125	15,295	20,400	90,000	69,600	341.2%
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>		15,295	20,400	90,000	69,600	341.2%
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		560,942	619,164	863,942	244,778	39.5%

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Charles Knoderer	
<b>Program Purpose:</b>	
Operate and maintain the Bay Area BioWatch network for the Federal Department of Homeland Security (DHS) in cooperation with the EPA.	
<b>Description of Program:</b>	
The BioWatch Monitoring Program consists of a network of sample collection units located throughout the Bay Area. Filter media are collected and replaced on a daily basis. Exposed filter housing are delivered to an outside laboratory for analysis. The network operates 24-hours a day, 365 days a year. This program is fully funded by a Department of Homeland Security grant and any budgetary changes were made to more accurately reflect the grant request.	
<b>Justification of Change Request:</b>	
All funding changes are covered by the DHS grant award.	
<b>Activities</b>	
Operate and maintain BioWatch collection sites to provide exposed filter media for laboratory analysis.	
Provide training and contract oversight for the BioWatch program.	
Implement Consequence Management Plan for the BioWatch program.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Provide oversight of facilities and equipment.	Ongoing
Assure program requirements for computer entry, sampling, and filter delivery are met.	Ongoing
Assure impacted Air Monitoring and contractor staff are notified in the event of positive results.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.08	0.06	0.10	0.04	66.7%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	7,859	5,370	12,548	7,178	133.7%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	115	75	177	102	136.0%
Pension Benefits	51400	1,922	1,239	2,859	1,620	130.8%
FICA Replacement Benefits	51500	84	119	189	70	58.8%
Group Insurance Benefits	51600	1,038	962	1,755	793	82.4%
Employee Transportation Subsidy	51700	75	91	144	53	58.2%
Workers' Compensation	51800	25	33	50	17	51.5%
Other Post Employment Benefits	51850	451	571	872	301	52.7%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		11,569	8,460	18,594	10,134	119.8%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700		37,014		(37,014)	(100.0)%
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200	40,189	66,654		(66,654)	(100.0)%
Professional Services & Contracts	53300	1,126,201	1,302,521	1,485,825	183,304	14.1%
General Insurance	53400					
Shop & Field Supplies	53500		9,851	10,000	149	1.5%
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		2,000	2,000		
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		1,166,390	1,418,040	1,497,825	79,785	5.6%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,177,959	1,426,500	1,516,419	89,919	6.3%

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Jonathan P. Bower	
<b>Program Purpose:</b>	
Provide mobile, portable, and short-term air monitoring, develop and manage the Division's quality and data systems, and support the development of required analytical and operational tools.	
<b>Description of Program:</b>	
The Air Monitoring - Projects & Technology (AMPT) Section performs mobile, portable, and short-term air monitoring and sampling in support of various air monitoring projects. The section researches and develops tools, protocols, and procedures for testing and implementing air monitoring approaches to address a dynamic and growing list of uses cases, particularly at the community scale. AMPT is also responsible for oversight, maintenance, and development of regulatory and other data quality and data management systems. Major expenditures include air monitoring equipment and infrastructure, software development, hardware purchases and support, and telecommunications for remote air monitoring. This Section also supports and maintains data export facilities from the Data Management System.	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Maintain and develop regulatory and other air monitoring data management systems.	
Perform mobile, portable, and short term air monitoring in support of various projects and programs.	
Oversee and develop regulatory and other data quality systems.	
Research, develop, and evaluate emerging technologies, approaches, and procedures for air quality measurements.	
Provide technical feedback and project management of external air monitoring projects as needed.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Maintain a robust Quality Assurance program for the Division.	Ongoing
Manage Data Management System(s) for data collected by the Division.	Ongoing
Implementation of community level screening and other monitoring projects in support of District programs, including AB 617.	Ongoing
Support the Air District's real-time air quality and meteorology web page.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.84	8.00	9.35	1.35	16.9%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	146,413	974,972	1,278,107	303,135	31.1%
Overtime Salaries	51150	2,500	5,000	5,000		
Temporary Salaries	51200					
Payroll Taxes	51300	2,117	13,821	18,059	4,238	30.7%
Pension Benefits	51400	18,977	227,252	283,615	56,363	24.8%
FICA Replacement Benefits	51500	1,479	15,245	18,278	3,033	19.9%
Group Insurance Benefits	51600	18,262	135,183	165,598	30,415	22.5%
Employee Transportation Subsidy	51700	1,318	11,520	13,893	2,373	20.6%
Workers' Compensation	51800	474	4,172	4,834	662	15.9%
Other Post Employment Benefits	51850	8,303	72,562	84,070	11,508	15.9%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		199,843	1,459,727	1,871,454	411,727	28.2%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220		5,000	5,000		
Training & Education	52300		5,000	5,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500	102,124	97,891	14,950	(82,941)	(84.7)%
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200	97,473				
Professional Services & Contracts	53300	1,514,817	2,459,641	300,500	(2,159,141)	(87.8)%
General Insurance	53400					
Shop & Field Supplies	53500	13,812	117,303	92,500	(24,803)	(21.1)%
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	12,504	52,975	52,975		
Stationery & Office Supplies	53900		500	500		
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		1,740,730	2,738,310	471,425	(2,266,885)	(82.8)%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125		57,000	280,000	223,000	391.2%
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>			57,000	280,000	223,000	391.2%
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		1,940,573	4,255,037	2,622,879	(1,632,158)	(38.4)%

<b>Managing Division:</b>	
Meteorology & Measurement Division	
<b>Contact Person:</b>	
Katherine Hoag	
<b>Program Purpose:</b>	
Summarize, analyze, and interpret air quality measurement data, evaluate monitoring networks and approaches, and provide technical support to Air District Divisions and the public.	
<b>Description of Program:</b>	
The Air Quality Analysis Section's primary objective is to characterize regional and local air quality using observed meteorological and air quality data, including preparing air quality summaries, determining compliance with National or State standards, and analyzing long-term trends to assess progress. District air monitoring program support includes developing an annual summary of the Air District's fixed-site air monitoring network, and a long-term assessment of the network's effectiveness every five years. This section is also responsible for reviewing or designing studies to characterize local air quality and providing analyses to assist developing air quality improvement strategies. This section also provides technical support to community-led air quality measurement and data analysis efforts.	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Analyze measurement data to improve understanding of regional and local-scale air quality for routine reports or in support of Air District programs and the public.	
Evaluate regulatory ambient air monitoring network with respect to meeting Federal and State requirements or other Air District priorities, coordinate with US EPA on monitoring network modifications.	
Develop or review internal and external monitoring plans and/or air quality reports, including for NOA and DTSC mitigation projects.	
Provide technical support for community projects, including providing context to monitoring data and assisting community-based participatory research projects using air sensors.	
Air District coordinator for the Bay Air Center.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Prepare Air Quality Data reports summarizing regional compliance with standards long-term trends, and community-level air quality assessments.	Ongoing
Prepare and submit Annual Air Monitoring Network Plan to EPA, CARB and the public.	Annually
Evaluate ambient monitoring network and seek EPA approval for changes as needed.	Ongoing
Complete exceptional event notifications or justification packages as needed, in coordination with CARB and EPA.	Ongoing
Oversight of Bay Air Center's technical support for community-led monitoring projects funded by CARB Community Air Grants	Ongoing
Complete Richmond-San Pablo AB 617 Monitoring Plan implementation by analyzing data, preparing reports, and working with the Monitoring Outreach Team to communicate insights to the public.	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		3.69	4.19	5.15	0.96	22.9%
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	533,826	634,652	796,906	162,254	25.6%
Overtime Salaries	51150		10,000	1,000	(9,000)	(90.0)%
Temporary Salaries	51200					
Payroll Taxes	51300	8,036	9,061	11,310	2,249	24.8%
Pension Benefits	51400	45,444	148,586	177,407	28,821	19.4%
FICA Replacement Benefits	51500	5,779	7,993	10,059	2,066	25.8%
Group Insurance Benefits	51600	70,574	72,880	88,332	15,452	21.2%
Employee Transportation Subsidy	51700	5,211	6,040	7,646	1,606	26.6%
Workers' Compensation	51800	1,725	2,188	2,660	472	21.6%
Other Post Employment Benefits	51850	42,942	38,046	46,266	8,220	21.6%
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		713,537	929,446	1,141,586	212,140	22.8%
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300		10,000	20,000	10,000	100.0%
Repair & Maintenance (Equipment)	52400					
Communications	52500	582	500	1,500	1,000	200.0%
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300		108,000	550,000	442,000	409.3%
General Insurance	53400					
Shop & Field Supplies	53500	6,488				
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		1,500	20,000	18,500	1,233.3%
Stationery & Office Supplies	53900		2,500	2,500		
Books & Journals	54100		1,000	1,000		
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		7,070	123,500	595,000	471,500	381.8%
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>						
<b>Total Expenditures</b>		720,607	1,052,946	1,736,586	683,640	64.9%

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## Special Revenue Fund Program Narratives and Expenditure Details

## **SPECIAL REVENUE FUND**

The Air District's Special Revenue also works to support the Air District's mission of improving air quality, protecting public health, and protecting the global climate. The Special Fund revenue is principally derived from state and federal agency grants (e.g., from the California Air Resources Board and US Environmental Protection Agency), Department of Motor Vehicle Registration fees, settlement agreements, environmental mitigation fees, bond-sales, and the Bay Area Clean Air Foundation.

The Air District uses monies from these revenue sources to fund a variety of programs and projects that complement its regulatory and enforcement activities: grant and incentive programs for public agencies businesses, community groups, and residents, community outreach and engagement efforts, air quality monitoring and analysis, commuter benefits and Spare the Air programs, mobile source and anti-idling enforcement activities, and others. Air District staff administrative costs related to the implementation of Air District sponsored projects and programs are mainly provided for by the revenue source. A list of the main sources of revenue is listed below and a description of the programs funded by these sources is found in the section that follows:

- Transportation Fund for Clean Air (TFCA)
- Mobile Source Incentive Fund (MSIF)
- Carl Moyer Program (CMP)
- Community Air Protection Program (CAPP)
- Volkswagen Environmental Mitigation Trust (VW Trust)
- Funding Agricultural Replacement Measures for Emission Reductions (FARMER)
- US Environmental Protection Agency
- California Air Resources Board
- CALTRANS/ Congestion Mitigation and Air Quality Improvement (CMAQ)
- Funding Agricultural Replacement Measures for Emission Reductions (FARMER)
- California Goods Movement I-Bond (CGMB)

## Special Revenue Fund

### Communications Office

The Communications Office coordinates all agency media outreach, Air District messaging, crisis communications, media relations as well as print, digital and social media outreach for the Air District. The Office provides media and public outreach about the Air District's programs, operations and emergency response.

The Office manages advertising and outreach for Spare the Air, the Employer Program, and the Commuter Benefits Program. The Office oversees the Air District and Spare the Air social media sites, strategies and programs. The Office maintains the Spare the Air website and related sites and the Spare the Air mobile apps. The Office represents the Air District at community events for Spare the Air throughout the region.

Office functions include production of publications and digital collateral for the general public and target audiences. This includes publishing newsletters, the annual report, videos and collateral materials. The Office also provides and oversees graphic design services, social media content creation, translation services and videography. The Office also provides Air District presentations and tours for international delegations, organizations and school groups.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Communications Office	
<b>Contact Person:</b>	
Kristina Chu	
<b>Program Purpose:</b>	
<p>The Spare the Air program encourages the public to reduce their driving, a major source of Bay Area air pollution, and promotes the use of remote work, public transit, biking, walking, carpooling, trip reduction and other behavior changes that reduce pollution from automobiles. The program provides outreach to employers/employees for the Spare the Air Employer and Commuter Benefits Programs. Employers are targeted specifically due to their significant influence on the commute behaviors of their employees.</p>	
<b>Description of Program:</b>	
<p>The Spare the Air program works with the public to reduce air pollution by promoting employer commute programs and making clean air choices including remote work, taking public transportation, using electric vehicles, ridesharing and trip linking; this program complements Program 305. Funds will be used for electronic notification systems, employer outreach, partnerships and Commuter Benefits Program outreach, as well as staff time associated with the Spare the Air programs and grass roots education.</p>	
<b>Justification of Change Request:</b>	
Budget increase to cover costs of streamlining Spare the Air program, app re-design and website updates.	
<b>Activities</b>	
Prepare and issue media releases, respond to media inquiries and plan employer workshops and events.	
Promote employer transportation programs to reduce the number of single occupancy vehicles commuting to work.	
Support Resource Team activities, projects and promotions.	
Manage and update program websites as well as social media sites such as Twitter, Pinterest and Facebook.	
Provide public outreach at employer events throughout the Bay Area.	
Notify the media and employers of Spare the Air Alerts through AirAlerts, press releases, websites, apps and social media sites.	
Manage employer outreach & advertising campaign.	
Provide outreach to employers, in concert with MTC, for the Commuter Benefits Program.	
Conduct employer opinion surveys to evaluate Spare the Air program and measure behavior change.	
Inform employees about commuter incentive programs and individual choices to reduce air pollution.	
Provide overview of campaign to the Administrative Committee and Board of Directors.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Coordinate Air District presence at public events and employer events, including community events and fairs.	Ongoing
Develop video podcasts, video news releases / statements, displays and infographics for Employer Program and Commuter Benefits Program / events.	Ongoing
Add new visualization, app integration and other features to improve user experience on sparetheair.org website	Ongoing
Manage Spare the Air Employer Program.	Ongoing
Conduct employer workshops and develop employer outreach materials, webinars and website information for new employer commute incentives rule.	Ongoing
Support Air Quality Resource Teams.	Ongoing

## Intermittent Control (TFCA)

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			Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
			2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>			2.37	3.72	3.26	(0.46)	(12.37)
<b>Personnel Expenditures</b>							
Permanent Salaries	51100		256,530	436,960	418,044	(18,916)	(4.33)
Overtime Salaries	51150		10,371				
Temporary Salaries	51200						
Payroll Taxes	51300		3,940	6,191	5,901	(290)	(4.68)
Pension Benefits	51400		66,921	101,798	96,155	(5,643)	(5.54)
FICA Replacement Benefits	51500		2,839	6,984	6,368	(616)	(8.82)
Group Insurance Benefits	51600		34,631	66,144	61,344	(4,800)	(7.26)
Employee Transportation Subsidy	51700		2,564	5,277	4,840	(437)	(8.28)
Workers' Compensation	51800		830	1,911	1,684	(227)	(11.88)
Other Post Employment Benefits	51850		18,149	33,242	29,288	(3,954)	(11.89)
Board Stipends	51900						
<b>Total Personnel Expenditures</b>			396,775	658,507	623,624	(34,883)	(5.30)
<b>Services &amp; Supplies Expenditures</b>							
Travel In-State	52200						
Travel Out-of-State	52220						
Training & Education	52300						
Repair & Maintenance (Equipment)	52400						
Communications	52500						
Building Maintenance	52600						
Utilities	52700						
Postage	52800			5,000	5,000		
Printing & Reproduction	52900	165	15,000	15,000	15,000		
Equipment Rental	53100						
Rents & Leases	53200						
Professional Services & Contracts	53300	899,876	1,338,000	1,338,000	1,338,000		
General Insurance	53400						
Shop & Field Supplies	53500						
Laboratory Supplies	53600						
Gasoline & Variable Fuel	53700						
Computer Hardware & Software	53800						
Stationery & Office Supplies	53900						
Books & Journals	54100						
Minor Office Equipment	54200						
<b>Total Services &amp; Supplies Expenditures</b>			900,041	1,358,000	1,358,000		
<b>Capital Expenditures</b>							
Leasehold Improvements	60100						
Building & Grounds	60105						
Office Equipment	60110						
Computer & Network Equipment	60115						
Motorized Equipment	60120						
Lab & Monitoring Equipment	60125						
Communications Equipment	60130						
General Equipment	60135						
PM 2.5 Equipment	60140						
<b>Total Capital Expenditures</b>							
<b>Transfer In/Out</b>			205,084	296,328	278,719	(17,609)	(5.94)
<b>Total Expenditures</b>			1,501,900	2,312,835	2,260,343	(52,492)	(2.27)

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## Special Revenue Fund

### Strategic Incentive Division

The Strategic Incentives Division administers grant programs to facilitate the execution of projects and programs focused primarily on the reduction of emissions from mobile sources in the Bay Area. The primary grant programs include the Transportation Fund for Clean Air (TFCA), the Carl Moyer Program (CMP), the Mobile Source Incentive Fund (MSIF), the Lower-Emission School Bus Program (LESBP), in addition to other miscellaneous grant programs. These programs support the implementation of transportation and mobile source measures, as well as other incentive-based initiatives that improve air quality in the region.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Alona Davis	
<b>Program Purpose:</b>	
Administration of the Carl Moyer Program (CMP) and other State funds, which provide grants to businesses and public agencies for projects that reduce emissions from primarily heavy-duty engines.	
<b>Description of Program:</b>	
<p>The Air District has participated in the CMP, in cooperation with the California Air Resources Board (CARB), since the program began in 1999. The CMP provides grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible projects include trucks, buses, agricultural equipment, marine vessels, locomotives, off-road construction and industrial equipment, and infrastructure that supports clean technologies. The program prioritizes projects that benefit the most impacted communities. Air District staff conducts outreach and solicits grant applications, evaluates grant applications according to established criteria, recommends allocation of the funding, prepares contracts with grantees, monitors progress in implementing funded projects, and reports on the use of funds.</p> <p>This program is funded by State sources including the CMP, the Community Air Protection (CAP) Program, and the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program.</p>	
<b>Justification of Change Request:</b>	
Increased expenditure to address the program administrative needs for managing increased revenue.	
<b>Activities</b>	
Develop policies and procedures for the administration of the CMP.	
Conduct outreach to interested parties and provide application assistance.	
Evaluate grant applications for eligibility with CMP guidelines.	
Prepare grant award recommendations and coordinate the execution of funding agreements for the selected projects.	
Monitor, inspect, and audit current and previously funded programs and projects to assure compliance with State and District guidelines, policies, and statutory and regulatory requirements.	
Prepare and submit reports to CARB on the implementation of the CMP.	
Prepare technical, financial, and staff reports.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Finalize policies and procedures for the new CMP funding cycle, consistent with CARB guidelines.	March 2023
Open a solicitation for the new CMP/FARMER/CAP funding cycle.	April 2023
Meet funding source disbursement and liquidation deadlines.	June 2023
Submit annual reports to CARB on the District's implementation of the CMP (annually) and CAP and FARMER (semi-annually).	Annually
Meet funding source requirements to fund projects benefitting priority areas.	Ongoing



		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		14.35	18.82	16.62	(2.20)	(11.7)
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	1,266,634	2,271,087	2,172,379	(98,708)	(4.35)
Overtime Salaries	51150	665				
Temporary Salaries	51200					
Payroll Taxes	51300	18,868	32,272	30,677	(1,595)	(4.94)
Pension Benefits	51400	227,206	529,237	492,245	(36,992)	(6.99)
FICA Replacement Benefits	51500	13,495	35,867	32,486	(3,381)	(9.43)
Group Insurance Benefits	51600	165,597	353,206	290,841	(62,365)	(17.66)
Employee Transportation Subsidy	51700	12,145	27,104	24,692	(2,412)	(8.90)
Workers' Compensation	51800	4,084	9,816	8,591	(1,225)	(12.48)
Other Post Employment Benefits	51850	96,071	170,720	149,415	(21,305)	(12.48)
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,804,765	3,429,309	3,201,326	(227,983)	(6.65)
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		12,000	12,500	500	4.17
Travel Out-of-State	52220		9,000	7,500	(1,500)	(16.67)
Training & Education	52300		10,000	22,000	12,000	120.00
Repair & Maintenance (Equipment)	52400					
Communications	52500			5,000	5,000	
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		2,000	3,000	1,000	50.00
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	67,460	285,477	400,000	114,523	40.12
General Insurance	53400					
Shop & Field Supplies	53500		2,000	2,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		10,000	22,000	12,000	120.00
Stationery & Office Supplies	53900		600	1,000	400	66.67
Books & Journals	54100	36	200	500	300	150.00
Minor Office Equipment	54200			5,000	5,000	
<b>Total Services &amp; Supplies Expenditures</b>		67,496	331,277	480,500	149,223	45.04
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>	70005	51,643				
<b>Total Expenditures</b>		1,923,904	3,760,586	3,681,826	(78,760)	(2.09)

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Minda Berbeco	
<b>Program Purpose:</b>	
Administer motor vehicle registration fee surcharge revenues to reduce on-road vehicle emissions.	
<b>Description of Program:</b>	
<p>In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within its jurisdiction to fund projects that reduce on-road motor vehicle emissions. The Air District allocates these funds to eligible projects through its Transportation Fund for Clean Air (TFCA) program and a portion of the funds collected are expended for administrative purposes. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242. Sixty percent of the funds are awarded directly by the Air District for eligible Air District programs (e.g., Spare the Air) and through the TFCA Regional Fund program. The remaining 40% are forwarded to the nine designated Bay Area county transportation agencies and distributed through the County Program Manager Fund program.</p> <p>The TFCA provides grants to reduce emissions of criteria pollutants through trip reduction projects and clean-air vehicle-based projects.</p>	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Prepare recommendations for updates to program policies for consideration by the Board of Directors; update program guidance and administrative operating procedures; and develop solicitation packages and conduct outreach.	
Review and evaluate project applications to determine their eligibility, and prepare recommendations for award of eligible projects for approval by the Board of Directors.	
Prepare contracts, amendments, and correspondence; review progress reports, inspect, and audit programs and projects to assure compliance with District policies and statutory requirements; process reimbursement requests; and ensure project files are complete and up to date.	
Prepare technical, financial, and staff reports and attend meetings.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Open solicitations for FYE 2023 Regional Fund; conduct outreach, review applications, and obtain Board of Directors approval for eligible projects; and execute agreements with grantees.	Ongoing
Complete updates to the FYE 2024 County Program Manager policies for Board of Directors consideration and distribute guidance and application package to Program Managers	December 2022
Prepare FYE 2022 TFCA Report on Regional Fund Expenditures and Effectiveness.	December 2022
Conduct audit of TFCA funded projects and programs completed by 6/30/21	December 2022
Obtain Board of Director approval of proposed FYE 2024 expenditure reports and execute funding agreements with the nine County Program Managers.	June 2023

# Transportation Fund for Clean Air Administration (TFCA)

308

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		3.82	3.65	5.08	1.43	39.2
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	521,879	443,393	710,934	267,541	60.34
Overtime Salaries	51150	1,044				
Temporary Salaries	51200	231				
Payroll Taxes	51300	8,165	6,319	10,099	3,780	59.82
Pension Benefits	51400	166,278	103,340	161,951	58,611	56.72
FICA Replacement Benefits	51500	5,972	6,959	9,926	2,967	42.64
Group Insurance Benefits	51600	72,668	64,698	95,568	30,870	47.71
Employee Transportation Subsidy	51700	5,414	5,259	7,545	2,286	43.47
Workers' Compensation	51800	1,688	1,905	2,625	720	37.80
Other Post Employment Benefits	51850	45,254	33,123	45,653	12,530	37.83
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		828,593	664,996	1,044,301	379,305	57.04
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		22,000	8,000	(14,000)	(63.64)
Travel Out-of-State	52220		75,000	8,000	(67,000)	(89.33)
Training & Education	52300	5,000	16,500	11,000	(5,500)	(33.33)
Repair & Maintenance (Equipment)	52400					
Communications	52500	2,022	2,000	3,000	1,000	50.00
Building Maintenance	52600					
Utilities	52700					
Postage	52800	9				
Printing & Reproduction	52900	1,404	2,000	1,000	(1,000)	(50.00)
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	42,017	371,597	376,349	4,752	1.28
General Insurance	53400					
Shop & Field Supplies	53500		3,500	1,500	(2,000)	(57.14)
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	2,970	24,000	20,000	(4,000)	(16.67)
Stationery & Office Supplies	53900	550	3,000	1,000	(2,000)	(66.67)
Books & Journals	54100	40	440	440		
Minor Office Equipment	54200		400	5,000	4,600	1,150.00
<b>Total Services &amp; Supplies Expenditures</b>		54,012	520,437	435,289	(85,148)	(16.36)
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>	70005	392,389	504,252	170,409	(333,843)	(66.21)
<b>Total Expenditures</b>		1,274,994	1,689,685	1,649,999	(39,686)	(2.35)

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Minda Berbeco	
<b>Program Purpose:</b>	
Administer funding from motor vehicle surcharge revenues, authorized by AB 923, for emission reduction projects.	
<b>Description of Program:</b>	
<p>Assembly Bill 923 (AB 923 - Firebaugh), enacted in 2004 (codified as Health and Safety Code Section 44225), authorized local air districts to increase their motor vehicle registration surcharge for motor vehicles within the Air District's jurisdiction up to an additional \$2 per vehicle. The revenues from the additional \$2 surcharge are deposited in the Air District's Mobile Source Incentive Fund (MSIF).</p> <p>MSIF funds can be allocated to the following eligible projects and programs, according to established criteria: the Lower-Emission School Bus Program, a passenger vehicle retirement program, projects eligible for Carl Moyer Program funds, and eligible agricultural projects. Staff recommends funding allocations to eligible projects and programs for approval by the Board of Directors, monitors progress in implementing funded projects, reports on the use of the funds, and coordinates verification of requirements compliance. This program also includes assessment of mobile source and transportation technologies and programs in support of the grant-making function.</p>	
<b>Justification of Change Request:</b>	
Increased expenditure to address the program administrative needs for updating databases and systems.	
<b>Activities</b>	
Recommend funding allocations to the Board of Directors.	
Conduct outreach to interested parties and provide application assistance.	
Evaluate grant applications for eligibility with applicable guidelines.	
Conduct inspections of the baseline and funded project equipment.	
Prepare grant award recommendations and coordinate the execution of funding agreements for the selected projects.	
Administer and monitor projects that have been awarded grants.	
Prepare and submit reports to the California Air Resources Board (CARB) on the expenditure of MSIF funds.	
Monitor, inspect, and audit current and previously funded programs and projects to assure compliance with State and District guidelines, policies, and statutory and regulatory requirements.	
Prepare technical, financial, and staff reports.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Report MSIF expenditures and project data to CARB.	August 2022
Obtain Board of Directors approval of project recommendations.	Ongoing
Manage updates to the grants management system.	Ongoing

## Mobile Source Incentive Fund (MSIF)

310

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.65	1.85	3.16	1.31	70.8
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	354,603	245,063	407,980	162,917	66.48
Overtime Salaries	51150	60				
Temporary Salaries	51200	74				
Payroll Taxes	51300	5,300	3,493	5,767	2,274	65.10
Pension Benefits	51400	71,885	57,225	92,400	35,175	61.47
FICA Replacement Benefits	51500	3,817	3,525	6,173	2,648	75.12
Group Insurance Benefits	51600	46,858	33,887	55,946	22,059	65.10
Employee Transportation Subsidy	51700	3,439	2,664	4,692	2,028	76.13
Workers' Compensation	51800	1,144	965	1,632	667	69.12
Other Post Employment Benefits	51850	26,726	16,780	28,391	11,611	69.20
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		513,906	363,602	602,981	239,379	65.84
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		8,000	8,000		
Travel Out-of-State	52220			2,500	2,500	
Training & Education	52300	725	5,000	23,500	18,500	370.00
Repair & Maintenance (Equipment)	52400					
Communications	52500			2,000	2,000	
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		3,000	3,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	13,023	38,301	150,000	111,699	291.63
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		4,000	30,000	26,000	650.00
Stationery & Office Supplies	53900		500	800	300	60.00
Books & Journals	54100		200	200		
Minor Office Equipment	54200		1,000	5,000	4,000	400.00
<b>Total Services &amp; Supplies Expenditures</b>		13,748	60,001	225,000	164,999	274.99
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		244,135	163,626	271,341	107,715	65.83
<b>Total Expenditures</b>		771,789	587,229	1,099,322	512,093	87.20

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Minda Berbeco	
<b>Program Purpose:</b>	
Accelerate the removal of high-emitting vehicles from the on-road motor vehicle fleet within the District's jurisdiction.	
<b>Description of Program:</b>	
The program removes high-emitting motor vehicles from the region's roadways by purchasing and scrapping eligible vehicles from registered owners on a voluntary basis.	
<b>Justification of Change Request:</b>	
No change.	
<b>Activities</b>	
Implement procurement process for vehicle scrapping services.	
Oversee contractor's purchase and scrapping of vehicles.	
Respond to inquiries regarding Vehicle Buy-Back Program.	
Implement procurement process for direct mail campaign services.	
Oversee contractor's direct mailings.	
Acquire and update Department of Motor Vehicles (DMV) database used for direct mail annually.	
Develop and update Vehicle Buy-Back outreach materials.	
Conduct site visits of dismantling yards and dismantler offices.	
Manage suppression list and update DMV database.	
Review and approve scrapping contractor invoices.	
Review and approve direct mail contractor invoices.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Implement the Vehicle Buy-Back program, monitor contractor performance, review/ pay program invoices.	Ongoing
Report program expenditures to the California Air Resources Board (CARB)	June 2023

# Vehicle Buy Back (MSIF)

312

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.07	0.90	0.56	(0.34)	(37.8)
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	3,126	85,994	66,261	(19,733)	(22.95)
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	48	1,211	933	(278)	(22.96)
Pension Benefits	51400	717	19,918	15,266	(4,652)	(23.36)
FICA Replacement Benefits	51500	31	1,715	1,095	(620)	(36.15)
Group Insurance Benefits	51600	394	14,048	11,765	(2,283)	(16.25)
Employee Transportation Subsidy	51700	28	1,296	832	(464)	(35.80)
Workers' Compensation	51800	10	469	289	(180)	(38.38)
Other Post Employment Benefits	51850	159	8,163	5,034	(3,129)	(38.33)
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		4,513	132,814	101,475	(31,339)	(23.60)
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	3,363,092	7,200,000	7,200,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		3,363,092	7,200,000	7,200,000		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		2,144	49,125	35,024	(14,101)	(28.70)
<b>Total Expenditures</b>		3,369,749	7,381,939	7,336,499	(45,440)	(0.62)

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Chengfeng Wang	
<b>Program Purpose:</b>	
Administer one-time pass through funding to implement emissions reductions projects	
<b>Description of Program:</b>	
<p>This program is used to manage grant revenues the Air District receives from sources such as the Bay Area Clean Air Foundation, State of California, Federal government, and settlement agreements. Grant funding from these sources is used to administer "one-off" or single-cycle of funding for projects and programs that have a limited duration, e.g., 1 to 5 years.</p> <p>These funding sources may also be used to augment and complement funding from other Air District sources of funding.</p>	
<b>Justification of Change Request:</b>	
None.	
<b>Activities</b>	
Develop policies and guidelines, issue calls for projects, conduct workshops, attend meetings, and outreach to potential project sponsors.	
Review, evaluate and rank project applications to determine their eligibility and award amount, and prepare associated project documents (contracts, letters, reports, and communications).	
Prepare recommendations for award of eligible projects for approval by the Air District's Board of Directors.	
Monitor, inspect, and audit funded programs and projects to assure compliance of applicable grant agreements, guidelines, policies, and statutory and regulatory requirements.	
Review progress reports, process reimbursement requests, and ensure project files are complete and up to date.	
Prepare technical, financial, and staff reports.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Meet all funding source requirements including project obligation/encumbrance and liquidation deadlines	Ongoing
Submit required reports to funding source agencies	Ongoing



# Miscellaneous Incentive Program (Other Grant)

316

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.36	0.12		(0.12)	(100.0)
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	44,556	13,731		(13,731)	(100.00)
Overtime Salaries	51150	2,665				
Temporary Salaries	51200					
Payroll Taxes	51300	724	194		(194)	(100.00)
Pension Benefits	51400	18,488	3,194		(3,194)	(100.00)
FICA Replacement Benefits	51500	543	233		(233)	(100.00)
Group Insurance Benefits	51600	6,546	2,580		(2,580)	(100.00)
Employee Transportation Subsidy	51700	495	176		(176)	(100.00)
Workers' Compensation	51800	144	64		(64)	(100.00)
Other Post Employment Benefits	51850	4,188	1,110		(1,110)	(100.00)
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		78,349	21,282		(21,282)	(100.00)
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		6,300	6,300		
Travel Out-of-State	52220		6,300		(6,300)	(100.00)
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	43,137				
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		43,137	12,600	6,300	(6,300)	(50.00)
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(41,923)				
<b>Total Expenditures</b>		79,563	33,882	6,300	(27,582)	(81.41)

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Minda Berbeco	
<b>Program Purpose:</b>	
Administration of the Proposition 1B: Goods Movement Emission Reduction Program to reduce air pollution by replacing diesel equipment associated with goods movement activities.	
<b>Description of Program:</b>	
<p>In 2007, the California State Legislature enacted Senate Bill 88 authorizing \$1 billion in bond funding for projects to protect public health from emissions associated with goods movement activities along California trade corridors. The Proposition 1B: Goods Movement Emission Reduction Program is a partnership between the California Air Resources Board and local agencies and Air District administers this Program for the Bay Area.</p> <p>The Program funds replacement of old diesel on- and off-road vehicles, equipment, and locomotives with near- and zero-emission technologies. The Program also provides funding for shorepower electrification project for ocean-going vessel at berth.</p> <p>Air District staff conducts outreach and solicits grant applications, evaluates grant applications according to established criteria, recommends allocation of the funding, prepares contracts with grantees, monitors progress in implementing funded projects, and reports on the use of funds.</p>	
<b>Justification of Change Request:</b>	
Not applicable.	
<b>Activities</b>	
Develop/update policies and procedures for the administration of the Goods Movement Bond Program (GMP).	
Conduct outreach to interested parties and provide application assistance.	
Evaluate grant applications for eligibility with GMP guidelines.	
Conduct inspections of the baseline and funded project equipment.	
Prepare grant award recommendations and coordinate the execution of funding agreements for the selected projects.	
Administer and monitor projects that have been awarded GMP grants.	
Prepare and submit reports to the California Air Resources Board (CARB) on the implementation of the GMP.	
Monitor, inspect, and audit current and previously funded programs and projects to assure compliance with State and Air District guidelines, policies, and statutory and regulatory requirements.	
Prepare technical, financial, and staff reports.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Meet all funding source requirements including project obligation/encumbrance and liquidation deadlines	Ongoing
Submit required reports to funding source agencies	Ongoing

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.88	0.94	1.11	0.17	18.1
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	122,435	123,006	153,527	30,521	24.81
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	1,838	1,761	2,171	410	23.28
Pension Benefits	51400	14,513	28,713	34,970	6,257	21.79
FICA Replacement Benefits	51500	1,307	1,799	2,169	370	20.57
Group Insurance Benefits	51600	16,143	18,345	17,373	(972)	(5.30)
Employee Transportation Subsidy	51700	1,174	1,359	1,649	290	21.34
Workers' Compensation	51800	396	492	574	82	16.67
Other Post Employment Benefits	51850	8,693	8,562	9,978	1,416	16.54
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		166,499	184,037	222,411	38,374	20.85
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		2,000	2,000		
Travel Out-of-State	52220					
Training & Education	52300		1,500	1,500		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700	244				
Postage	52800					
Printing & Reproduction	52900	1,217	500	1,000	500	100.00
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	13,860	30,000	45,000	15,000	50.00
General Insurance	53400					
Shop & Field Supplies	53500		3,000	1,000	(2,000)	(66.67)
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		1,500		(1,500)	(100.00)
Stationery & Office Supplies	53900	21	1,000		(1,000)	(100.00)
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		15,342	39,500	50,500	11,000	27.85
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		(165,030)				
<b>Total Expenditures</b>		16,811	223,537	272,911	49,374	22.09

<b>Managing Division:</b>	
Strategic Incentives Division	
<b>Contact Person:</b>	
Chengfeng Wang	
<b>Program Purpose:</b>	
The purpose of this program is to administer the Volkswagen Environmental Mitigation Trust funds to mitigate the lifetime excess oxides of nitrogen (NOx) emissions caused by VW's use of an illegal defeat device in the State of California.	
<b>Description of Program:</b>	
<p>California Air Resources Board (CARB) is the designated Lead Agency acting on the State's behalf as beneficiary to implement California's \$423 million in VW Trust funds for eligible project categories, including. On May 25, 2018, CARB approved the Volkswagen Environmental Mitigation Trust (VW Trust) Beneficiary Mitigation Plan and approved the selection of the Bay Area Air District to administer Trust funding on a statewide-basis for two of the five project categories: 1) zero-emission freight and marine (ZEFM), and 2) light-duty zero emission vehicle infrastructure (LDI).</p> <p>The ZEFM program will award \$70 to eligible zero-emission freight and marine projects, such as forklifts and port cargo handling equipment, airport ground support equipment, oceangoing vessel shore power, zero-emission ferry, tugboat, and towboat repowers. And the LDI program will award \$10 to eligible light-duty electric vehicle charging and hydrogen fueling infrastructure projects.</p> <p>Air District staff works with CARB and other air districts to update the Implementation Manual, issue project solicitations, evaluate project applications, recommend award for funding, execute contracts with grantees, monitor project progress, and report the use of funds, conduct public outreach, maintain a Program website and a grants management system.</p>	
<b>Justification of Change Request:</b>	
<b>Activities</b>	
Develop program solicitation package and open the solicitation.	
Conduct outreach, workgroup meetings, webinars.	
Maintain grants management system.	
Maintain program website and program hotline.	
Evaluate applications and prepare recommendations for awards.	
Contract with selected grantees.	
Inspect and monitor projects.	
Review project invoices and process payments.	
Prepare and submit funding disbursement requests and reports to CARB.	
Update Program Implementation Manual.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Award the remaining of	Ongoing
Maintain grants management system, program website and hotline	Ongoing
Evaluate project applications, recommend award for funding, execute contracts with grantees, monitor project progress, review reimbursement request and process payments	Ongoing
Submit required reports and funding disbursement requests to CARB	Ongoing

# Vehicle Mitigation (VW Trust)

324

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		3.18	3.44	3.50	0.06	1.7
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	366,698	450,222	469,816	19,594	4.35
Overtime Salaries	51150	448				
Temporary Salaries	51200					
Payroll Taxes	51300	5,442	6,449	6,645	196	3.04
Pension Benefits	51400	69,681	105,070	105,969	899	0.86
FICA Replacement Benefits	51500	3,901	6,658	6,840	182	2.73
Group Insurance Benefits	51600	47,977	66,071	63,488	(2,583)	(3.91)
Employee Transportation Subsidy	51700	3,508	5,031	5,199	168	3.34
Workers' Compensation	51800	1,186	1,822	1,809	(13)	(0.71)
Other Post Employment Benefits	51850	27,397	31,692	31,461	(231)	(0.73)
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		526,238	673,015	691,227	18,212	2.71
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		27,600	13,000	(14,600)	(52.90)
Travel Out-of-State	52220					
Training & Education	52300			2,000	2,000	
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	81,973	147,400	100,000	(47,400)	(32.16)
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		81,973	175,000	115,000	(60,000)	(34.29)
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		272,001	302,857	311,052	8,195	2.71
<b>Total Expenditures</b>		880,212	1,150,872	1,117,279	(33,593)	(2.92)

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## Special Revenue Fund

### Technology Implementation Office (TIO)

The Technology Implementation Office (TIO) mission is to advance emerging, cost-effective solutions to achieve greenhouse gas emissions reductions for the transportation and industrial source sectors. TIO will connect climate technologies and customers by providing financial incentives (through grants and loans) as well as technical and matchmaking support. Climate technology areas include zero emissions vehicles and infrastructure, zero emissions energy storage and backup systems, composting, and waste-to-energy projects (co-digestion, waste treatment, anaerobic digestion, combined heat and power). By supporting the scale-up of climate technologies, TIO can help achieve state and regional greenhouse gas emissions targets, reduce emissions in impacted communities, while also making technologies cost-effective even in regions without strong climate policies.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Technology Implementation Office	
<b>Contact Person:</b>	
Anthony Fournier	
<b>Program Purpose:</b>	
Administer funding, outreach, and planning to accelerate the adoption of light-duty (passenger) electric vehicles (EVs) and EV infrastructure in the Bay Area.	
<b>Description of Program:</b>	
The Air District's 2017 Clean Air Plan established a goal of 90% of Bay Area vehicles being zero emissions by 2050. To support this goal, this program incentivizes publicly available charging infrastructure, vehicle fleets, and electric vehicles for low-income consumers. This program includes the Charge! program for EV infrastructure, Clean Fleets for light-duty vehicle fleets, and the Clean Cars For All program for income-eligible residents in impacted communities. To complement and increase utilization of the incentives programs, this program also includes outreach, regional coordination, and planning to remove potential barriers and accelerate EV deployment throughout the Bay Area.	
<b>Justification of Change Request:</b>	
Grant funding from the California Air Resources Board and Federal Highway Administration to expand incentives for income-eligible consumers (ARB) and support outreach, partnerships, and planning (FHWA).	
<b>Activities</b>	
Administer grant programs, including updating policies and guidelines, conducting outreach, preparing program documents and communications, processing reimbursement requests, tracking project status, and conducting audits, for Charge!, Clean Fleets, and Clean Cars For All.	
Organize and participate in workgroups and events to increase awareness about EVs, support deployment, sharing best practices, and regional coordination.	
Conduct analyses and planning to inform Air District strategy and programs.	
Prepare technical, financial, and staff reports.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Complete awards for the Clean Cars For All program, including outreach to eligible communities and residents.	Ongoing
Complete cycle of Charge! Program on online grant management system.	Ongoing
Develop implementation tools based on Bay Area EV Acceleration Plan	Ongoing
Organize quarterly Bay Area EV Coordinating Council meetings	Ongoing



# Light Duty Electric Vehicle Program (Other Grant)

317

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		6.73	7.56	7.85	0.29	3.8
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	701,969	895,463	1,001,684	106,221	11.86
Overtime Salaries	51150	4,728	2,000	5,000	3,000	150.00
Temporary Salaries	51200	46,814	15,000	15,000		
Payroll Taxes	51300	10,901	12,697	14,282	1,585	12.48
Pension Benefits	51400	143,469	208,582	227,454	18,872	9.05
FICA Replacement Benefits	51500	7,812	14,407	15,347	940	6.52
Group Insurance Benefits	51600	95,669	144,145	134,829	(9,316)	(6.46)
Employee Transportation Subsidy	51700	7,044	10,886	11,665	779	7.16
Workers' Compensation	51800	2,270	3,943	4,059	116	2.94
Other Post Employment Benefits	51850	54,915	68,571	70,584	2,013	2.94
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		1,075,591	1,375,694	1,499,904	124,210	9.03
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		7,500	7,500		
Travel Out-of-State	52220		4,500	4,500		
Training & Education	52300	350	8,500	6,000	(2,500)	(29.41)
Repair & Maintenance (Equipment)	52400					
Communications	52500	2,175	2,000	2,500	500	25.00
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	366,180	650,000	800,000	150,000	23.08
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	839	3,000	3,000		
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		369,544	675,500	823,500	148,000	21.91
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		289,725				
<b>Total Expenditures</b>		1,734,860	2,051,194	2,323,404	272,210	13.27

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# Special Revenue Fund

## Compliance and Enforcement

The Compliance & Enforcement Division ensures the Air District will realize the emission reductions achieved by the air quality regulations adopted by the Board of Directors, and permit conditions issued by the Executive Officer/APCO. Compliance with Air District, state, and federal regulations is achieved through a robust Compliance Assurance and Enforcement Program that includes comprehensive inspections and investigations and a complementary Compliance Assistance Program that supports compliance objectives of the Division by maintaining operations and assisting industry with air quality regulations and requirements. The Division works closely with local and state regulatory agencies, regulated industry and members of the community to provide the highest level of service to protect air quality and public health. The Division implements Air District strategies and enforces regulations that pertain to stationary sources, and has some mobile source enforcement authority in collaboration with the California Air Resources Board. Division priorities include conducting Title V and Synthetic Minor facility inspections, locating unpermitted sources of operations, resolving violations at facilities with ongoing non-compliance and responding to and investigating air quality complaints. Staff work collaboratively across Divisions to achieve the Air District's mission and apply the appropriate level of enforcement proportional to the level of non-compliance. The Division vigorously pursues violators who show a disregard for the law and well-being of the public and ensures corrective actions and measures to resolve violations are taken.

The Compliance and Enforcement Division continues to focus on activities that support the Air District's commitment to achieve clean air to protect public health and the environment as follows:

The Compliance Assurance and Enforcement Programs focus on announced and unannounced inspections of air pollution sources to ensure compliance. Targeted strategies are used to guide inspections to identify non-compliance and reduce excess emissions. Sources include: Title V and Synthetic Minors facilities, petroleum refineries, chemical plants, dry cleaners, gasoline dispensing facilities, autobody shops, asbestos renovations and demolitions, agricultural and prescribed burning, and other permitted sources. Other facets of the program requiring Division resources include investigations of Title V deviation reporting, Reportable Compliance Activities, and other inspections pertaining to the Portable Equipment Registration Program (PERP), Asbestos projects (renovations, demolitions and naturally occurring asbestos – NOA), compliance determinations for State Air Toxics Control Measures (ATCMs) and Federal Maximum Available Control Technology (MACTs) for air toxics. Air pollution complaints and incident response and investigations are a high priority in the Division that aim to address and resolve air quality concerns of local communities.

The Compliance Assistance Program develops outreach materials, advisories, policies and procedures and guidance information and implements compliance strategies that complement a wide range of enforcement efforts. The program aims to enhance industry and public understanding of compliance and enforcement programs and regulatory requirements, address compliance concerns and assist in resolving air quality violations. Key programs and projects in Compliance Assistance and Operations include the Air District's Wood Smoke Reduction Program, Air Quality Complaint Program, AB617 Community Health Protection Program in West Oakland and Richmond/San Pablo, Wildfire Air Quality Response Program, Commuter Benefits, Title V, Open Burning, Flare Monitoring, Naturally Occurring Asbestos, Inspector Training, Green Business Certifications, Variance and Hearing Board Activities, and many others involving state, federal and Air District regulations and requirements. The program also maintains online web information, the dispatch operating system and the compliance assistance and complaint phone lines which are all integral interfaces with the public.

<b>Managing Division:</b>	
Compliance & Enforcement Division	
<b>Contact Person:</b>	
Tracy Lee & Edward Giacometti	
<b>Program Purpose:</b>	
Conduct enhanced inspection patrols to report smoking vehicles and to promote repair or retirement of these vehicles for the protection of public health. Conduct enhanced inspections to enforce drayage truck and related truck/mobile source regulations at, and adjacent to, the Port of Oakland.	
<b>Description of Program:</b>	
<p>The enhanced mobile source inspection program is conducted to reduce particulate matter (PM) emissions throughout the Bay Area, and of PM and other emissions specifically at, and adjacent to, the Port of Oakland. Enhanced enforcement patrols are conducted for smoking vehicles. All Air District inspectors patrol for smoking vehicles on the road, between performing inspections and answering complaints. Smoking vehicles are reported to Air District dispatchers; owner information is extracted from Department of Motor Vehicles (DMV) records. Letters are sent to owners to request that they repair or retire the respective vehicles; compliance assistance materials are included. Enhanced enforcement of the State drayage truck regulation (DTR) and related truck/mobile source regulations is conducted at, and adjacent to, the Port of Oakland. Targeted enforcement includes ensuring compliance with required upgrades and modifications to engine model year 2010 and newer for drayage trucks. Enhanced patrols and enforcement are conducted to ensure that illegal dray-off activities and excess idling are not performed. Compliance checks of mobile source equipment and vehicles are conducted to verify adherence to State regulations. Compliance assistance materials are developed; outreach is conducted with truckers and other mobile source operators regarding regulation(s) requirements, compliance deadlines and the availability of Air District grants and incentives.</p>	
<b>Justification of Change Request:</b>	
None.	
<b>Activities</b>	
Smoking Vehicles: Conduct inspection patrols for smoking vehicles. Vehicle owners are identified using DMV records. Notification letters are sent to vehicle owners to inform them of the vehicle's excess emissions and to request that they repair the vehicle or contact assistance programs to retire the vehicle.	
Port Trucks Compliance Assurance: Conduct enhanced mobile source inspections at and adjacent to the Port of Oakland for compliance with the State DTR and related truck/mobile source regulations. Additional inspections are conducted and targeted at ensuring upgrades and modifications to engine model year 2010 and newer trucks in compliance with the requirements of Phase 1 and Phase 2 of the California Air Resources Board's DTR. Additional focused inspections are conducted for compliance with dray-off provisions of the regulation and to ensure that non-compliant trucks do not enter the Port. Air District staff also verify compliance with State mobile source regulations pursuant to the Air District's Mobile Source Compliance Plan.	
Port Trucks Enforcement: Conduct investigations and inspections, issue and process Notice of Violations for trucks and other mobile sources found in non-compliance.	
Port Trucks Compliance Assistance: Develop fact sheets, posters and other outreach materials to provide to Port operators and truckers on regulatory requirements, upcoming compliance dates and the availability of Air District grants. Develop compliance assistance materials for related mobile source regulatory requirements. Provide compliance assistance during inspections and following enforcement actions; provide bilingual assistance where needed. Identify and translate compliance assistance materials. Participate in Trucker Workgroup meetings at the Port, as needed.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Not applicable.	Ongoing

## Enhanced Mobile Source Inspections (TFCA)

318

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>						
<b>Personnel Expenditures</b>						
Permanent Salaries	51100					
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300					
Pension Benefits	51400					
FICA Replacement Benefits	51500					
Group Insurance Benefits	51600					
Employee Transportation Subsidy	51700					
Workers' Compensation	51800					
Other Post Employment Benefits	51850					
Board Stipends	51900					
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500	2,514	3,000	3,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800		4,000	4,000		
Printing & Reproduction	52900	7,645	8,000	8,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300					
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		10,159	15,000	15,000		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		335				
<b>Total Expenditures</b>		10,494	15,000	15,000		

<b>Managing Division:</b>	
Compliance & Enforcement Division	
<b>Contact Person:</b>	
Tracy Lee & Edward Giacometti	
<b>Program Purpose:</b>	
Implementation of the Commuter Benefits Program, per the requirements of Air District Regulation 14-1.	
<b>Description of Program:</b>	
As part of the implementation of the Commuter Benefits Program, staff plans to continue performing education, outreach, monitoring and tracking of approximately 10,000 Bay Area employers subject to the Program. Enforcement actions will be taken as appropriate.	
<b>Justification of Change Request:</b>	
None.	
<b>Activities</b>	
Perform outreach to affected employers.	
Continue education campaign for affected employers.	
Perform tracking and monitoring of program.	
Facilitate data reporting and storage for affected employers.	
Coordinate activities with Metropolitan Transportation Commission's 511.org.	
Prepare and implement a compliance and enforcement system.	
<b>Major Objectives</b>	<b>Delivery Date</b>
Conduct outreach and education.	Ongoing
Prepare and implement a compliance and enforcement system.	Ongoing

# Commuter Benefits Program (TFCA)

319

		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.37				
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	41,885				
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	654				
Pension Benefits	51400	10,066				
FICA Replacement Benefits	51500	486				
Group Insurance Benefits	51600	5,878				
Employee Transportation Subsidy	51700	442				
Workers' Compensation	51800	135				
Other Post Employment Benefits	51850	4,686				
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		64,232				
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200		6,000	6,000		
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800		5,000	5,000		
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300					
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>			11,000	11,000		
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		32,866				
<b>Total Expenditures</b>		97,098	11,000	11,000		

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## Special Revenue Fund

### Community Engagement

The Community Engagement Office is the Air District's main point of contact with the public and engages the public in Air District programs and policies. Community Engagement staff collaborate with diverse communities and other partners to advance public health, equity, and environmental justice in the Bay Area. To that end, staff work with community members and other partners to increase community awareness and transparency of air quality issues, build capacity, implement community-identified solutions, and increase opportunities for the public to participate in Air District decision-making. Community Engagement staff particularly seek opportunities for communities that have been historically excluded, discriminated against, under-represented, or under-resourced to participate and shape Air District decisions.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

<b>Managing Division:</b>	
Community Engagement Division	
<b>Contact Person:</b>	
Kristen Law	
<b>Program Purpose:</b>	
This program will implement a Supplemental Environmental Project (SEP) funded by the California Air Resources Board (CARB). The goal of the program is to provide high efficiency indoor air filtration systems in some of the most impacted communities in the Bay Area.	
<b>Description of Program:</b>	
In 2018 the Air District applied for a Supplemental Environmental Project grant from CARB and received \$2,000,000 to provide air filtration systems at sensitive receptor facilities in disproportionately impacted and disadvantaged communities in the Bay Area. The program will focus on providing filtration to public elementary schools in priority communities identified through AB 617. The Air District will manage a contract to support installation and maintenance of air filtration systems.	
<b>Justification of Change Request:</b>	
N/A	
<b>Activities</b>	
<b>Major Objectives</b>	<b>Delivery Date</b>

## Community Engagement - Special Project (Other Grant)

325

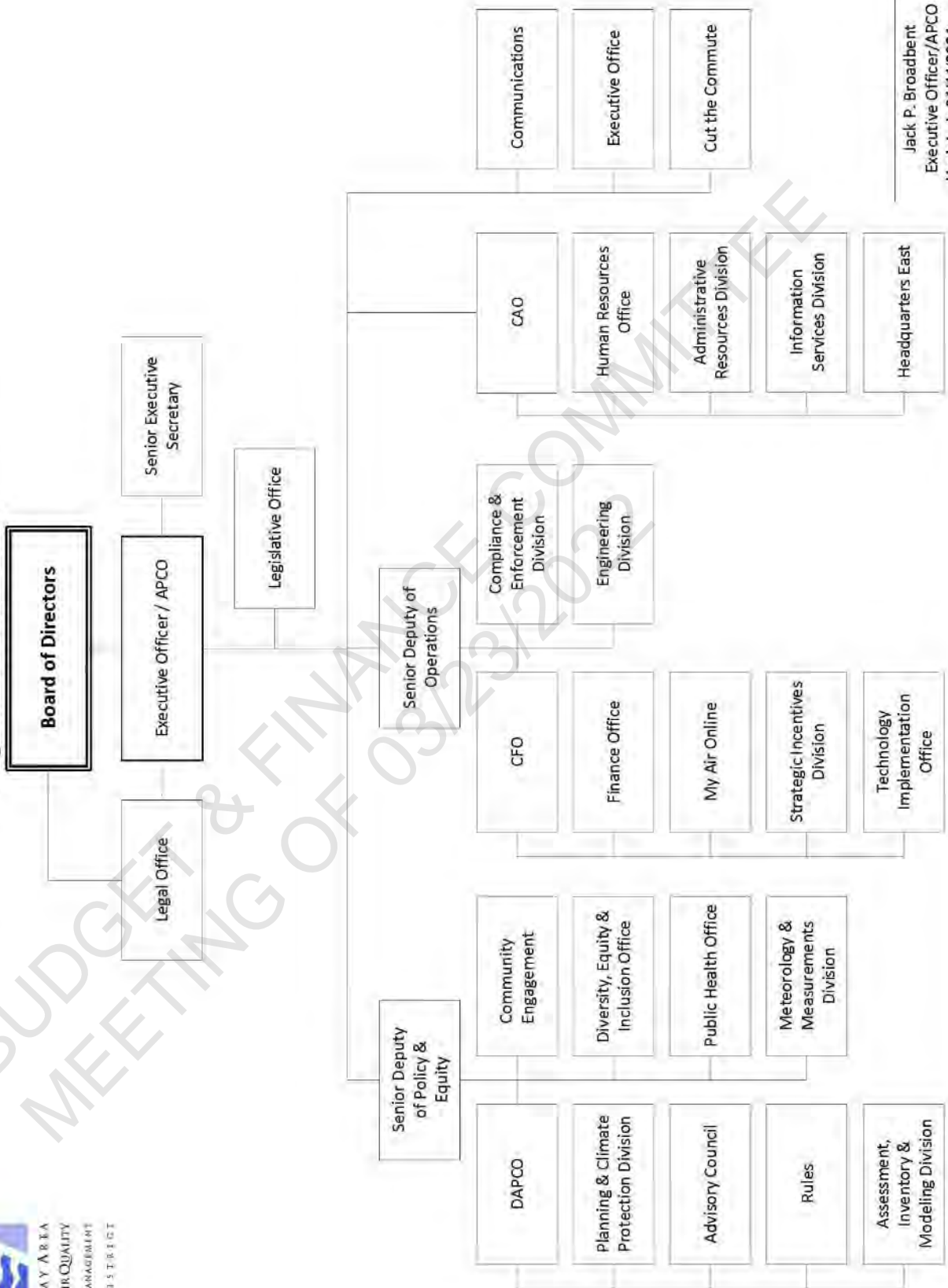
		Audited Program Actuals	Approved Program Budget	Proposed Program Budget	FTE/Dollar Change	Percent Change
		2021	2022	2023	\$	%
<b>Number of Positions (FTE)</b>		0.61				
<b>Personnel Expenditures</b>						
Permanent Salaries	51100	73,469				
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	1,115				
Pension Benefits	51400	14,485				
FICA Replacement Benefits	51500	808				
Group Insurance Benefits	51600	9,908				
Employee Transportation Subsidy	51700	728				
Workers' Compensation	51800	238				
Other Post Employment Benefits	51850	5,921				
Board Stipends	51900					
<b>Total Personnel Expenditures</b>		106,672				
<b>Services &amp; Supplies Expenditures</b>						
Travel In-State	52200					
Travel Out-of-State	52220					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	(16,297)				
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
<b>Total Services &amp; Supplies Expenditures</b>		(16,297)				
<b>Capital Expenditures</b>						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biotech Equipment	60145					
<b>Total Capital Expenditures</b>						
<b>Transfer In/Out</b>		13,329				
<b>Total Expenditures</b>		103,704				

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BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

## Appendices

# Bay Area Air Quality Management District Organizational Chart



Jack P. Broadbent  
Executive Officer/APCO  
Updated: 01/11/2021

## APPENDIX B

### SELECTED LEGAL REQUIREMENTS

The following highlights selected major legal requirements regarding the use and collection of funds that are considered when developing and reviewing the Air District's budget:

1. Federal law requires that the Air District collect fees from affected facilities to fund the implementation of Title V of the Federal Clean Air Act (42 U.S.C. Section 7401, et seq. and implementing regulations in 40 CFR Parts 60 and 70). Implementation of Title V includes all activities involved in the review, issuance, and enforcement of Title V Permits. "Affected facilities" include all major stationary sources as defined in the Federal Clean Air Act.
2. Revenue received by the Air District pursuant to *California Health and Safety Code* Section 44220, et seq. (Transportation Fund for Clean Air (TFCA)) may only be used to fund approved projects, and certain expenditures incurred for administration of the TFCA program, including audits. The expenditures for the administration of TFCA grants are contained in the Transportation Fund for Clean Air Administration.
3. Permit fee revenue may only be used to fund activities associated with the permitting, monitoring, and enforcement of regulations affecting permitted stationary sources. Past audits of District activities have shown that the Air District's programs meet this test.
4. Funding from several sources, including grants, is restricted, and thus may only be used to fund certain activities. Air District accounts are periodically audited to ensure that such funds are used appropriately.
5. *California Health and Safety Code* Section 40131(a)(3) requires that two public hearings be held regarding the adoption of the District budget. The first hearing is for the exclusive purpose of reviewing the budget and providing the public with the opportunity to comment upon the proposed budget. This hearing must be separate from the hearing at which the District adopts its budget. The adoption hearing may not be held any sooner than two weeks after the first hearing. Thirty (30) days public notice must be given before the first public hearing.
6. The Maintenance of Effort (MOE) level refers to a Federal EPA Section 105 grant condition. This condition states that, "No agency shall receive any grant under this section during any fiscal year when its expenditures of non-Federal funds for recurrent expenditures for air pollution control programs will be less than its expenditures were for such programs during the preceding fiscal year unless the Administrator, after notice and opportunity for public hearing, determines that a reduction in expenditures is attributable to a non-selective reduction in the expenditures in the programs of all Executive branch agencies of the applicable unit of Government." Depending on the expenditures reported on the Federal Status Report (FSR) at the conclusion of the federal FYE 2022, receipt of the Federal grant funds for FYE 2023 could be delayed or jeopardized because of this MOE requirement.



## APPENDIX C

### GENERAL FUND RESERVES AND LIABILITIES

FUND BALANCE	6/30/2021 Audited	6/30/2022 Projected	6/30/2023 Projected
DESIGNATED: *			
AB617 Staffing Contingency		6,000,000	7,679,746
Community Benefits		3,000,000	3,000,000
Economic Contingency	21,294,922	23,303,025	25,500,741
Litigation Contingency			3,000,000
Pandemic Contingency		7,000,000	4,000,000
Pension Liability	4,000,000	4,000,000	4,000,000
Richmond Improvements (HQE)			5,000,000
Technology Implementation Office	3,350,000	3,350,000	3,350,000
Wildfire Mitigation	1,000,000	2,000,000	2,000,000
	<b>\$29,644,922</b>	<b>\$48,653,025</b>	<b>\$57,530,487</b>
UNDESIGNATED	34,385,565	14,877,462	5,000,000
<b>TOTAL DESIGNATED &amp; UNDESIGNATED</b>	<b>\$64,030,487</b>	<b>\$63,530,487</b>	<b>\$62,530,487</b>
<b>TOTAL FUND BALANCE</b>	<b>\$64,030,487</b>	<b>\$63,530,487</b>	<b>\$62,530,487</b>
* Designated Fund Balances are subject to change at Board's discretion.			
<b>ESTIMATED OUTSTANDING LIABILITIES</b>			
CalPERS Pension Retirement			101,305,734
Other Post-Employment Benefits			18,368,386
Certificate of Participation Notes			21,173,770
<b>TOTAL ESTIMATED OUTSTANDING LIABILITIES</b>			<b>\$140,847,890</b>



## APPENDIX C

### GENERAL FUND RESERVES AND LIABILITIES

APPENDIX C depicts the actual unrestricted funds at the end of FY 2021, as well as the projected amount for FY 2022 and FY 2023. For FY 2022, a recommendation of \$0.5 million is to continue building improvements for the Air District's Richmond Office. For FY 2023, a recommendation of \$1.0 million for information technology improvements and buildout of space for Meteorology and Measurement staff at the Air District's Richmond Office. To remain fiscally prudent, the Air District established an economic contingency reserve policy (greater than 20% of General Fund operating expense) to ensure the stability of services for a period of time and the ability to set aside fund for anticipated projects and future obligations. Over the years, staff recommends reserve designations to be set aside for a specific purpose. The following is a brief description summarizing designated categories as shown in the table on the previous page. Any designated and undesignated funds is subject to change at Board's discretion.

- AB617 Staffing Contingency established in FY 2022 to allow staffing continuity for the AB617 program.
- Community Benefits established in FY 2022 to provide community benefits.
- Economic Contingency established in FY 2008 at the request of the Board for unplanned expenditures and/or unanticipated loss in revenues. In FY 2016, the Board approved a 20% reserve policy as a funding target.
- Litigation Contingency established in FY 2023 to address potential litigations.
- Pandemic Contingency established in FY 2022 to address potential operating revenue shortfall due to the COVID-19 pandemic.
- Pension Liability established in FY 2018 to reduce future rate increases to pension benefits over time.
- Richmond Improvements (HDE) established in FY 2023 to continue office space improvements.
- Technology Implementation Office established in FY 2019 to fund projects using a revolving loan arrangement to leverage funding.
- Wildfire Mitigation established in FY 2022 to fund the wildfire air quality response program.
- Undesignated is any remaining reserves not designated. These funds can be designated at any time.

Appendix C also includes a list of the Air District's Outstanding Liabilities:

- **Pension Retirement** – The Air District provides a retirement pension benefit plan through California Public Employee Retirement System (CalPERS). As of most recent valuation of the plan, that Air District's unfunded liability for the plan was \$101.3 million.
- **Other Post-Employment Benefits** – The Air District provides continuation of medical, dental, vision and life insurance coverage to its retired employees through California Employers Retirement Benefit Trust (CERBT). As of most recent valuation of the plan, that Air District's unfunded liability for the plan was \$18.4 million.
- **Certificate of Participation Notes (COP)** – The Air District issued COPs to finance its headquarters at 375 Beale. As of June 2021, the estimated principal and interest outstanding were \$21.2 million.

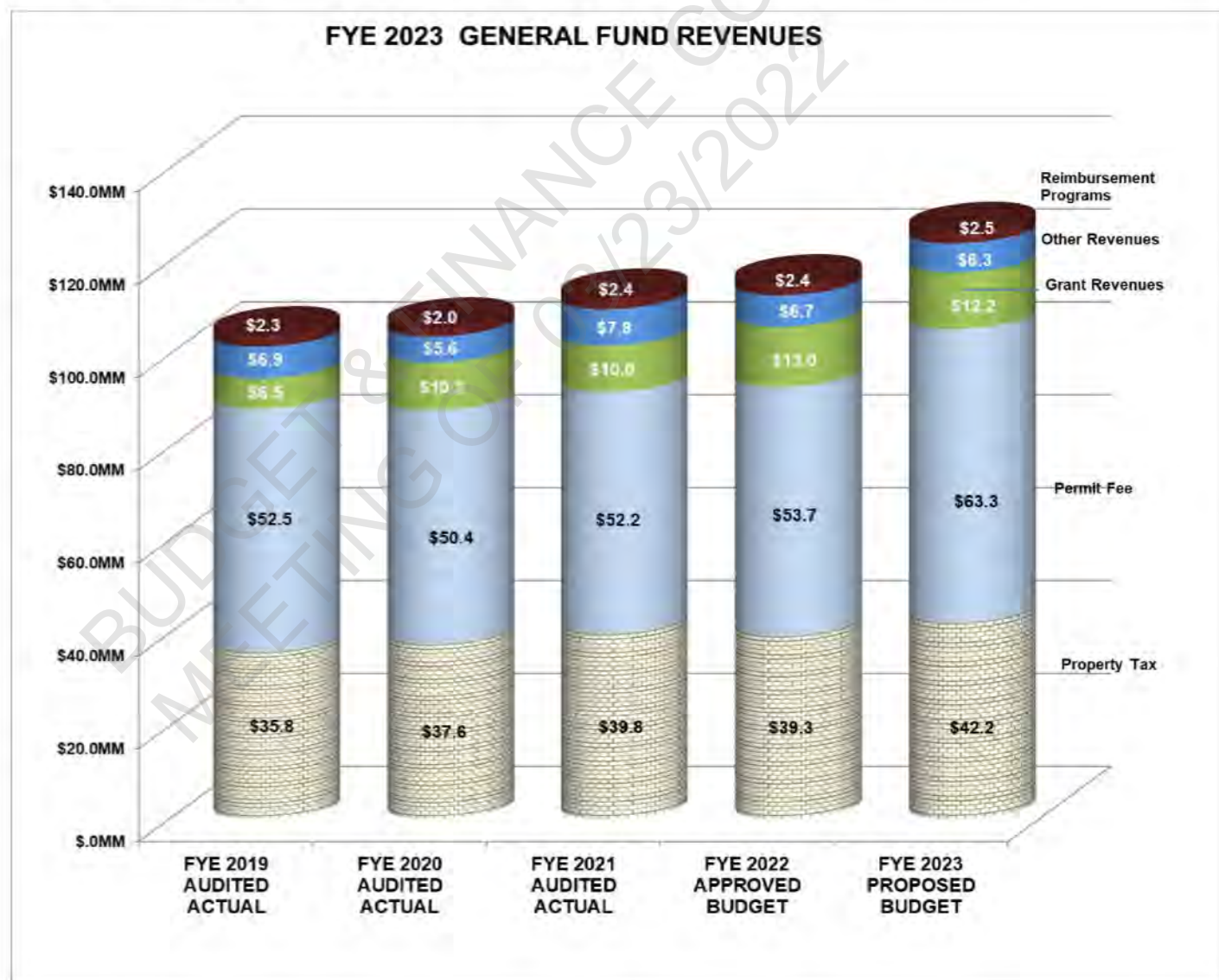
## APPENDIX D

Figure 1

### General Fund Revenue Trends

Figure 1 below graphically displays the trends in the sources of actual revenues used to fund actual expenditures each year from FYE 2019 through FYE 2021 along with the approved and proposed budget for FYE 2022 and FYE 2023, respectively.

As seen from Figure 1, permit fees are the Air District's largest source of revenue. Actual permit revenues fluctuate from FYE 2019 through FYE 2021 because of certain fees being billed based on economic activities and the proposed fee increases to each individual fee schedule. In FYE 2023 projected permit revenues are expected to increase due to the proposed recommendation to increase the Air District's existing fee schedules, as well as a new fee for overburdened communities. Actual county revenues maintained an increasing trend over the past three years because of increased property valuation due to higher real estate prices in the Bay Area. This revenue source is expected to continue to increase in FYE 2023. Other General Fund sources of revenue have experienced small fluctuations over the years, with a small decrease in FYE 2023 in grant funding.

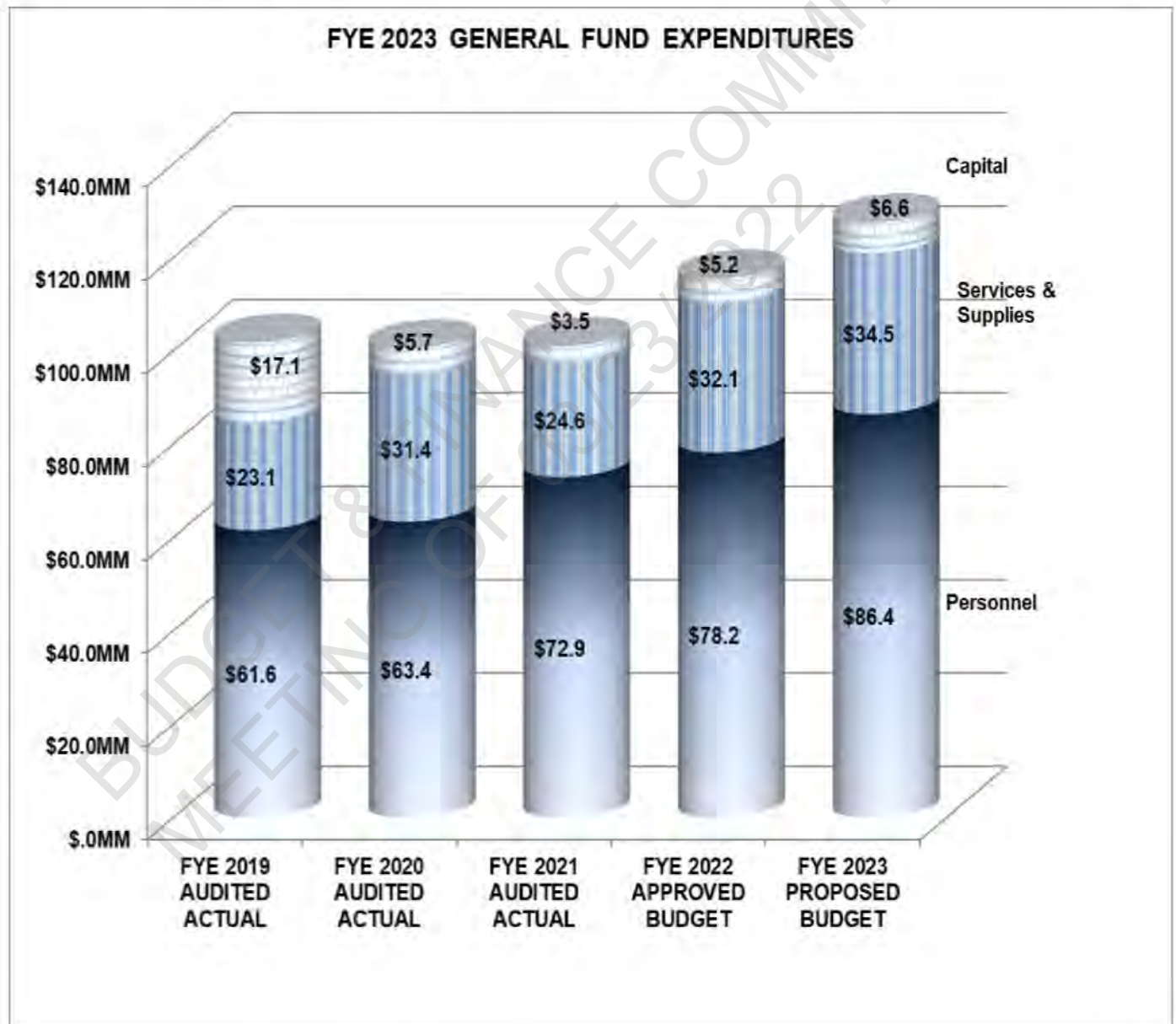


## APPENDIX E

Figure 2

### General Fund Expenditure Trends

Below Figure 2 shows the trends in actual expenditures from FYE 2019 through FYE 2021 along with the approved and proposed expenditure budgets for FYE 2022 and FYE 2023, respectively. From FYE 2019 through FYE 2023, the total General Fund has risen at an average rate of 5.8% per year from \$101.8 million to \$128.5 million due to increased Personnel Costs, Services, and Capital Programs expenditures. The FYE 2023 General Fund Proposed Budget shows a projected \$11.5 million increase in expenditures over FYE 2022. This increase is mainly due to additional positions, capital expenditures, and services and supplies increased in FYE 2023.





## APPENDIX F

### General Fund 5 Year Projection

	FY 2021 Actuals	FY 2022 Budget	FY 2023 Projected	FY 2024 Projected	FY 2025 Projected	FY 2026 Projected
<b>REVENUES</b>						
Property Tax	\$39,778,793	\$39,335,284	\$42,197,160	\$43,781,609	\$45,426,332	\$47,133,648
Permits/Fees	\$52,164,262	\$53,678,690	\$63,259,929	\$66,323,263	\$69,536,108	\$72,905,805
Grant Revenues	\$4,789,235	\$6,394,112	\$5,706,173	\$5,753,236	\$5,800,769	\$5,848,777
AB 617 Funding	\$7,536,969	\$9,000,000	\$9,000,000	\$8,000,000	\$8,000,000	\$8,000,000
Other Revenues	\$7,825,991	\$6,745,848	\$6,273,876	\$6,361,378	\$6,450,600	\$6,541,574
	\$112,095,249	\$115,153,934	\$126,437,138	\$130,219,485	\$135,213,809	\$140,429,804
Transfer from Special Funds	\$1,296,699	\$1,361,189	\$1,066,545	\$1,087,876	\$1,109,633	\$1,131,826
Use of / (Transfer to) Fund Balance	\$(11,729,493)	\$500,000	\$ 1,000,000	\$ 2,192,817	\$ 1,163,066	\$ (1,546,393)
<b>TOTAL REVENUES</b>	<b>\$101,662,456</b>	<b>\$117,015,123</b>	<b>\$128,503,683</b>	<b>\$133,500,178</b>	<b>\$137,486,508</b>	<b>\$140,015,237</b>
<b>EXPENDITURES</b>						
Personnel & Benefits (net Pension/OPEB)	\$56,496,107	\$59,173,076	\$66,327,235	\$68,901,500	\$71,495,457	\$74,190,571
Retirement Pension (Pension)	\$9,891,480	\$12,296,429	\$13,121,880	\$17,755,000	\$17,650,000	\$15,970,000
Other Post Employment Benefits (OPEB)	\$6,554,447	\$6,724,299	\$6,970,619	\$3,700,000	\$3,860,000	\$3,990,000
Services and Supplies	\$25,218,516	\$33,633,861	\$35,521,792	\$36,778,392	\$37,988,460	\$39,242,223
Capital Expenditures	\$3,501,905	\$5,187,458	\$6,562,177	\$6,365,286	\$6,492,592	\$6,622,443
	\$101,662,455	\$117,015,123	\$128,503,703	\$133,500,178	\$137,486,508	\$140,015,237
<b>TOTAL EXPENDITURES</b>	<b>\$101,662,455</b>	<b>\$117,015,123</b>	<b>\$128,503,703</b>	<b>\$133,500,178</b>	<b>\$137,486,508</b>	<b>\$140,015,237</b>
<b>GENERAL FUND RESERVES</b>						
Beginning	\$53,834,547	\$64,030,487	\$63,530,487	\$62,530,487	\$60,337,669	\$59,174,604
(Use of) / Transfer to Fund Balance	\$ 10,195,940	(\$500,000)	(\$1,000,000)	(\$2,192,817)	(\$1,163,066)	\$1,546,393
<b>Ending General Fund Reserves</b>	<b>\$64,030,487</b>	<b>\$63,530,487</b>	<b>\$62,530,487</b>	<b>\$60,337,669</b>	<b>\$59,174,604</b>	<b>\$60,720,997</b>
20% Minimum Reserve Policy	\$21,294,922	\$23,303,025	\$25,500,741	\$26,700,036	\$27,497,302	\$28,003,047

## APPENDIX F

### Figure 3 and Budget Assumptions

#### Revenue Assumptions

- a. **Property Tax** shows increases across the Bay Area much higher than the 2% average increase given the rising real estate prices in the housing markets. The five-year forecast assumes revenues will increase for year 2023; thereafter, only a 3-4% inflationary growth in years 2024 through 2026.
- b. **Permit Fee** revenues are expected to increase by approximately 17% in year 2023 as the Air District increase fees to recover more of its permit related costs and implement a new fee for overburdened communities. In year 2024 through 2026, the annual forecasted average increase is approximately 4-5%. The Air District's Cost Recovery policy, which allows the Air District to increase its fee schedule to recover costs for permit related activities. The current cost recovery level of 84% remains stable in year 2023 as the proposed budget includes higher fee increases to all its eligible regulation fee schedule, as well as a new fee for overburdened communities. These increases are expected to cover proposed staffing increases as the Air District continues to address staffing needs for core programs associated with permit related activities. Projections suggest cost recovery attainment of 85% level during the five-year forecast, however, these projections could change based on the results of the management audit and cost recovery study recommendations.
- c. **Grant Revenues** are expected to drop slightly in 2023 to reflect adjustment of one-time grant funding and remains stable through 2026.
- d. **Assembly Bill 617** funding of \$9.0 million from the State continues for year 2023 and drops to \$8.0 million through year 2026 as future funding is expected to decrease.
- e. **Other Revenues** mainly account for penalties, State subvention, and interest income. These revenues are expected to remain stable through year 2026.

#### Expenditure Assumptions

- a. **Personnel** costs are projected to increase for the five-year period with projected annual cost of living adjustment, a slight increase in health premiums, and the funding and filling of 403 of the 445 authorized positions being funded by the General Fund, remaining 42 positions are funded from Special Revenue Funds. An additional 20 positions are projected in year 2023 to address growing demands on core programs; taking staffing levels of 445 to 465 positions is anticipated for the next 5 years. The projection assumes a 6% vacancy rate in 2023, declining by 3% in year 2024 remains stable at 3% through year 2026.
- b. **Retirement Pension** costs are rising due to recent discount rate reduction by CalPERS and escalating unfunded liability payments. The forecast assumes implementation of the Air District's approved policy to make discretionary payments to CalPERS to reduce the unfunded actuarial liability (UAL).
- c. **Other Post-Employment Benefits (OPEB)** for retiree medical benefits are projected to reach 90% funding level by year 2024. After that, the \$4.0 million in discretionary funding will shift towards the CalPERS Pension Plan to reduce the UAL.
- d. **Services and Supplies** overall costs are projected to increase in year 2023, assuming only an inflationary increase of approximately 2-4% for the five-year forecast.
- e. **Capital Expenditures** assumes ongoing capital equipment and one-time funding in FYE 2023 to pay for continued office improvement to Headquarters East in Richmond, equipment purchases and information technology improvements, etc. FYE 2024-2026 assumes normal capital equipment replacement only with an inflationary increase.

**General Fund Reserves** are used to fund one-time costs, and to cover temporary revenue shortfalls. The Air District plan to use approximately \$1.0 million in reserves for FYE 2023 for continue capital improvements to the Richmond Office building and information technology improvements. The forecast projects use of reserves in year 2024 and 2025 to cover the temporary revenue shortfall. Based on current assumptions, reserves are expected to stay above the minimum policy level through year 2026 due to a healthy reserve balance. Approximately \$57 million in reserves have been designated. Please see Appendix C for a detail list of proposed designations.

BUDGET & FINANCE COMMITTEE  
MEETING OF 03/23/2022

## APPENDIX G

### Definitions

**AB 434 (Assembly Bill 434)** – This enacted bill resulted in *California Health and Safety Code* Section 44241 which authorizes the District to levy a fee on motor vehicles registered in the District. The revenue must be used to fund specified programs aimed at the reduction of air pollution from motor vehicles. The bill allows the District to allocate not more than five percent (5%) of the fees distributed for administrative costs. See TFCA (Transportation Fund for Clean Air).

**AB 617 (Assembly Bill 617)** This enacted bill requires the state board to develop a uniform statewide system of annually reporting of emissions of criteria air pollutants and toxic air contaminants for use by certain categories of stationary sources.

**AB 923 (Assembly Bill 923)** – This enacted bill allows an additional \$2 surcharge on Motor Vehicle Registration fees for MSIF (Mobile Source Incentive Fund).

**AHM (Acutely Hazardous Material)** – Those materials that have been defined as such by either State or Federal regulations as being hazardous to human health.

**AIRS (Aerometric Information Retrieval System)** – Computerized information system as delineated by the EPA (Environmental Protection Agency).

**APCO – Air Pollution Control Officer** – Appointed by the Board of Directors.

**Appropriation** – A legal authorization to incur obligations and to make expenditures for specific purposes.

**Association of Bay Area Governments (ABAG)** – Regional agency covering the nine counties of the Bay Area, responsible for population projections, various services for local agencies, and co-lead agency for federal air quality planning.

**A&WMA (Air & Waste Management Association)** – The international nonprofit organization of regulatory, business, academic and research communities for air and waste management professionals.

**BACT (Best Available Control Technology)** – The lowest achievable emission rate to be applied to new and modified stationary sources pursuant to the District's New Source Review permitting program.

**Board** – Board of Directors and also Hearing Board. The Board of Directors is the governing body of the District. The Hearing Board is appointed by the Board of Directors. (See Programs 121 and 122).

**California Clean Air Act 1988** – Statutory scheme to reduce air pollution from stationary and mobile sources as set forth in *California Health and Safety Code* Section 39600 et seq.

**Capital Expenditures** – An amount spent to acquire land, building, equipment, vehicles etc. in order to increase capacity or efficiency by the District for more than 1 year. Such purchases are capitalized or depreciated over the useful life, except for land.

**Carl Moyer Program** – Provides grants to public and private entities to reduce emissions of oxides of nitrogen, reactive organic gases and particulate matter from existing heavy-duty engines by either replacing or retrofitting them.

**CAPCOA (California Air Pollution Control Officers Association)** – Organization comprised of local air pollution control officials; human resource and fiscal staff are also members.

**CARB or ARB (California Air Resources Board)** – The State agency responsible for setting California Ambient Air Quality Standards (CAAQS) and motor vehicle emission standards, and for overseeing implementation of the California Clean Air Act.

**CEC (California Energy Commission)** – The state agency responsible for energy policy and planning.

**CEMS – (Continuous Emissions Monitoring Systems)** – Technology that allows the District to measure certain emissions on a continuous basis.

**CEQA (California Environmental Quality Act)** – State law that requires public agencies to analyze environmental impacts of proposed projects and plans. (*California Public Resources Code* Section 21000 et seq.)

**CFC (Chlorofluorocarbon)** – Any of a group of compounds that contain carbon, chlorine, fluorine and sometimes hydrogen and are used as refrigerants, cleaning solvents, and aerosol propellants and in the manufacture of plastic foams.



**Clean Air Act Amendments of 1990** – Revisions to the Federal legislation governing air quality planning and control programs to meet National ambient air quality standards.

**CMA (Congestion Management Agency)** – Countywide agency responsible for preparing and implementing congestion management programs.

**CMAQ – (Congestion Mitigation and Air Quality)** - The District receives funding under this grant to fund the Spare the Air campaign.

**Contractual Services** – Services rendered to a government by private firms, individuals, or other governmental agencies.

**COLA (Cost of Living Adjustment)** – An adjustment to salaries based on the increased cost of living as defined by the percent change in the U.S. Department of Labor's Consumer Price Index.

**DAPCO (Deputy Air Pollution Control Officer)** – Deputy Officer to the APCO.

**Environmental Justice** – The fair treatment of people of all races and incomes with respect to development, implementation, and enforcement of environmental laws, regulations, and policies. Fair treatment implies that no person or group of people should shoulder a disproportionate share of negative environmental and economic impacts resulting from the execution of environmental programs.

**EPA (Environmental Protection Agency)** – Federal agency that oversees air, water and waste management. An assistance grant is provided to various agencies in their efforts to reduce air pollution.

**EPA 103 Grant** – Provides funding for all aspects of operating the PM<sub>2.5</sub> fine particulate monitoring program as well as BioWatch, the National Air Toxic Trends Study (NATTS) Program and other supplemental study programs awarded by the EPA.

**EPA 105 Grant** – Grant pursuant to federal Clean Air Act Section 105.

**Fiscal Year** – A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization; July 1 through June 30 is the fiscal year for the District.

**FICA (Federal Insurance Corporation Act) Replacement Benefits** – In 1981, District employees elected to terminate participation in Social Security. FICA costs listed in the budget reflect the replacement benefit premiums paid in lieu of Social Security.

**Fixed Assets** – Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

**FTE (Full-time Equivalent Position)** – A position converted to the decimal equivalent of a full-time position based on 2,080 hours of work per year.

**Fund** – A fiscal entity with revenues and expenditures that are segregated for the purpose of carrying out a specific purpose or activity.

**Fund Reserves – Designated** – That portion of the fund reserve designated by the governing body to indicate tentative plans for financial resource utilization in a future period.

**Fund Reserves – Reserved** – That portion of the fund reserve obligated by the issuance of purchase orders or contracts (encumbrances), or otherwise obligated and unavailable to meet the District's operating expenditures.

**Fund Reserves – Undesignated** – That portion of the unreserved fund reserve that represents the accumulated surplus which, as specified in the *California Government Code*, is restricted to the following uses: to meet cash requirements before the proceeds from revenues are available, to meet emergency expenditures, and at the end of each fiscal year to meet current year operating or subsequent year budget deficits.

**Fund Reserves** – The equity accounts for the governmental fund types.

**Group Insurance Benefits** – benefits provided to BAAQMD employees, including medical, dental, vision, and life insurance as well as State Disability Insurance, Section 125 cafeteria plan, Long Term Care and Long Term Disability, Section 457 deferred compensation plan, and COBRA program.

**IRIS (Integrated Reporting Information System)** – The name of the District's database conversion project.

**MACT (Maximum Achievable Control Technology)** – EPA standards mandated by the 1990 amendments to the Federal Clean Air Act for control of toxic air contaminants.

**Metropolitan Transportation Commission (MTC)** – Bay Area regional agency responsible for transportation planning, financing and coordination; co-lead agency for Federal air quality planning.



**MSIF (Mobile Source Incentive Fund)** – The Air District's grant program for allocating revenues from an additional motor vehicle registration fee surcharge for implementation of eligible projects.

**NOV (Notice of Violation)** – A written citation informing a facility, or individual, that it has violated a specific air quality regulation or rule.

**OVA (Organic Vapor Analyzer)** – Hand-held analyzer used to detect organic vapor leaks from valves and other chemical and refinery equipment.

**PERP (Portable Equipment Registration Program)** – a program established by CARB allowing the operation of portable equipment in any air district throughout the state without individual local district permits.

**PERS (Public Employees Retirement System)** – The retirement system contracted by the District to provide retirement benefits to employees

**Program Budget** – A budget that allocates financial resources to functions or activities of government, rather than to specific types of expenditure, or to specific departments.

**PSM (Process Safety Management)** – Federal OSHA regulation that requires industrial safety audits.

**Request for Proposals (RFP)** – A document requesting bids to provide specified services or supplies.

**RMPP (Risk Management and Prevention Plan)** – State Program that the District monitors to prevent accidental releases of hazardous materials.

**SIP (State Implementation Plan)** – Bay Area portion of California plan to attain and maintain national ambient air quality standards.

**State Subvention Revenue** – Pursuant to Part 2, Chapter 5 of the *California Health and Safety Code*, the California Air Resources Board must subvene and distribute funds to Districts engaged in the reduction of air contaminants. The distribution is based on a per-capita basis of population contained in the District.

**T-BACT (Toxic Best Available Control Technology)** – The lowest achievable emission rate for toxic air contaminants at new or modified stationary sources.

**TCM (Transportation Control Measure)** – A strategy to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for the purpose of reducing motor vehicle emissions.

**TFCA (Transportation Fund for Clean Air)** – The District's grant program for allocating revenues from a motor vehicle registration fee surcharge to public agencies for implementation of eligible projects that reduce motor vehicle emissions.

**UNIX** – A computer operating system.

**UTM** – A coordinate system for geographical locations.

**Vehicle Buy Back** – The District's sponsored incentive program for the scrapping of 1985 and older models funded under TFCA. The program will pay eligible owners \$650 to contract with a specific auto dismantler to have their vehicle dismantled.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Report of the Mobile Source & Climate Impacts Committee Meeting of  
March 24, 2022

**RECOMMENDED ACTION**

Recommend the Board of Directors Approve:

A) Projects and Contracts with Proposed Awards Over \$100,000:

1. Awarding State and Local grant funding projects with proposed awards in excess of \$100,000 in the attachment; and
2. Authorizing the Executive Officer/Air Pollution Control Officer execute grant agreements for the recommended projects.

B) Transportation Fund for Clean Air Allocation Fiscal Year Ending 2023:

1. Approving the allocation of funds and cost effectiveness thresholds for Air District-sponsored project categories that are proposed for the award of funding from the Transportation Fund for Clean Air in Fiscal Year Ending 2023.

C) 2021 Report of the Air District's Voluntary Emissions Reduction Grant Programs, including:

1. Authorizing an increase in the Executive Officer/Air Pollution Control Officer's signature authority up to \$500,000 for the execution of individual grant agreements and amendments for voluntary emissions reduction projects that are funded by state revenues and local vehicle registration fees.

## BACKGROUND

None.

## DISCUSSION

The Mobile Source & Climate Impacts Committee met on Monday, March 24, 2022, and approved the minutes of December 6, 2021. This meeting was conducted under procedures authorized by Assembly Bill 361. Members of the Committee participated by teleconference.

The Committee then reviewed and discussed the staff presentation Projects and Contracts with Proposed Awards Over \$100,000. The Committee recommends the Board:

Approve the award of State and Local grant funding projects with proposed awards in excess of \$100,000; and

Authorize the Executive Officer/Air Pollution Control Officer execute grant agreements for the recommended projects. The Committee then reviewed and discussed the staff presentation Transportation Fund for Clean Air Allocation Fiscal Year Ending 2023.

The Committee recommends the Board:

Approve the allocation of funds and cost effectiveness thresholds for Air District-sponsored project categories that are proposed for the award of funding from the Transportation Fund for Clean Air in Fiscal Year Ending 2023. The Committee then reviewed and discussed the staff presentation 2021 Report of the Air District's Voluntary Emissions Reduction Grant Programs. The Committee recommends the Board:

Authorize an increase in the Executive Officer/Air Pollution Control Officer's signature authority up to \$500,000 for the execution of individual grant agreements and amendments for voluntary emissions reduction projects that are funded by state revenues and local vehicle registration fees.

The Committee then reviewed and discussed the staff presentation Proposed California Environmental Quality Act Thresholds for Evaluating the Significance of Climate Impacts from Land Use Projects and Plans. Staff will present the Committee's recommendation on this item at the April 20, 2022 Board of Directors Meeting.

Finally, the Committee then reviewed and discussed the staff presentation Introduction to the Mobile Source and Climate Impacts Committee and 2022 Work Plan.

The next meeting of the Mobile Source & Climate Impacts Committee will be on Thursday, April 28, 2022, at 9:30 a.m., via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021.) This concludes the Chair Report of the Mobile Source & Climate Impacts Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Mobile Source and Climate Impacts Committee March 24, 2022 Meeting Memorandums

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Teresa Barrett and Members  
of the Mobile Source and Climate Impacts Committee

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 24, 2022

Re: Projects and Contracts with Proposed Grant Awards Over \$100,000

RECOMMENDED ACTION

Recommend Board of Directors:

1. Approve recommended projects with proposed grant awards over \$100,000 as shown in Attachment 1; and
2. Authorize the Executive Officer/APCO to enter into all necessary agreements with applicants for the recommended projects.

BACKGROUND

The Bay Area Air Quality Management District (Air District) has participated in the Carl Moyer Program (CMP), in cooperation with the California Air Resources Board (CARB), since the program began in fiscal year 1998-1999. The CMP provides grants to public and private entities to reduce emissions of nitrogen oxides (NOx), reactive organic gases (ROG), and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include on-road trucks and buses, off-road industrial, construction, and agricultural equipment, marine vessels, locomotives, and stationary agricultural pump engines. Since 2018, this funding may also be awarded to offset a portion of the cost of installing new refueling or recharging infrastructure that supports the deployment of new zero-emissions vehicles and equipment.

Assembly Bill (AB) 923 (Firebaugh), enacted in 2004 (codified as Health and Safety Code (HSC) Section 44225), authorized local air districts to increase motor vehicle registration surcharges by up to \$2 additional per vehicle and use the revenue to fund projects eligible under the CMP guidelines. AB 923 revenue is deposited in the Air District's Mobile Source Incentive Fund (MSIF).

On January 20, 2021, the Board of Directors (Board) authorized the Air District's participation in Year 23 of the CMP, including an allocation of MSIF revenue as match funds. Per AB 1390, at least 50% of CMP funds must be allocated to projects that benefit communities with the most significant exposure to air contaminants or localized air contaminants.

In 2017, AB 617 directed the CARB, in conjunction with local air districts to establish a new community-focused action framework to improve air quality and reduce exposure to criteria air pollutants and toxic air contaminants in communities most impacted by air pollution. The AB 617 initiative calls for strategies to address air quality issues in impacted communities, including community-level monitoring, uniform emission reporting across the State, stronger regulation of pollution sources, and incentives for reducing air pollution and public health impacts from mobile and stationary sources.

Beginning in fiscal year ending (FYE) 2018, the California Legislature approved funding from the State's Greenhouse Gas Reduction Fund (GGRF), which is used to reduce criteria pollutants, toxic air contaminants, and greenhouse gases, for the Community Air Protection Program (CAPP). CAPP funds may be used to fund projects eligible under the CMP and on-road truck replacements under the Proposition 1B Goods Movement Emission Reduction Program. Following additional approvals from CARB, CAPP funds may also potentially be used to fund stationary source and mobile source projects that have been identified and prioritized by communities with a Community Emissions Reduction Program, pursuant to HSC Section 44391.2. In May 2020, the Governor's revised budget authorized up to \$200 million for a third cycle of CAPP incentive funding. On June 17, 2020, the Board authorized the Air District to accept, obligate, and expend up to \$40 million in CAPP funds. At least 80% of CAPP funds must be allocated to projects that benefit disadvantaged communities (Senate Bill (SB)535), and low-income communities (AB 1550).

In February 2018, CARB developed the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program Guidelines that outline requirements for eligible equipment, i.e., agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations. On October 21, 2019, CARB's Executive Officer approved an update to the FARMER Program Guidelines to include eligibility criteria for demonstration projects. The 2020 California State Budget appropriated \$65 million in Fiscal Year 2019-20 GGRF funds to the CARB for the continued reduction of criteria, toxic, and greenhouse gas emissions from the agricultural sector through the FARMER Program. On November 20, 2019, the Board authorized the Air District's participation in the current cycle of the FARMER program.

In 1991 the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority and requirements for the Transportation Fund for Clean Air (TFCA) are set forth in the HSC Sections 44241 and 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 program) and to a program referred to as the Regional Fund. Each year, the Board allocates funding and adopts

policies and evaluation criteria that govern the expenditure of TFCA monies. The remaining forty percent of the funds are passed through to the designated Bay Area County Program Manager who in turn award TFCA funds to eligible projects within their county.

On April 7, 2021, the Board authorized funding allocations for use of the sixty percent of the TFCA revenue in FYE 2022 and cost-effectiveness limits for Air District-sponsored FYE 2022 programs. On June 16, 2021, the Board adopted policies and evaluation criteria for the FYE 2022 Regional Fund program.

Applications for grant funding received by the Air District are reviewed and evaluated for eligibility under the respective governing policies and guidelines established by CARB, the Board, and other funding sources. At least quarterly, staff provides updates to the Mobile Source and Climate Impacts Committee on the status of incentive funding for the current fiscal year, including total funding awarded, incentive fund balance available for award, funds allocated by county and by equipment category type, and percentage of funding benefitting impacted communities and low-income residents. The reported award allocations and emissions reduction benefits to counties and impacted communities, which are based on information provided by each applicant, may not include “regional” projects, where all communities receive benefits, or projects where the location of the benefit has not yet been determined.

## DISCUSSION

### **Carl Moyer Program and Community Air Protection Program:**

For the FYE 2022, the Air District had approximately \$46.3 million available in CMP, MSIF, CAPP, and FARMER funds for eligible projects, including prior year funds. This total may change as additional revenues are awarded to the Air District. The Air District accepts project applications on a rolling basis and evaluates them on a first-come, first-served basis.

As of February 22, 2022, the Air District has awarded or evaluated 69 project applications. Of the new applications that were evaluated between February 2, 2022, and February 22, 2022, three eligible projects have proposed grant awards over \$100,000. Three off-road projects will replace twelve pieces of Tier 0, 1, or 2 diesel agricultural equipment with Tier 4 equipment. These projects will reduce over 1.4 tons of NOx, ROG, and PM per year. Staff recommends the allocation of \$591,700 for these projects from a combination of CMP, FARMER, CAPP, and MSIF revenues. Attachment 1, Table 1, provides additional information on these projects.

Attachment 2 lists all of the eligible projects that have been awarded by the Air District since July 1, 2021, including information about project equipment, award amounts, estimated emissions reductions, community benefits, and project locations. To date, approximately 81% of the funds have been awarded or allocated to low-income residents or to projects that reduce emissions in CARE, disadvantaged SB 535 communities, and/or low-income AB 1550 communities. The percentage of projects in these communities will change over time as the remaining funds are awarded later in the fiscal year and as more complete information about the location of projects and program participants becomes available.

## **Transportation Fund for Clean Air Program:**

For the FYE 2022, the Air District had approximately \$29.4 million in TFCA monies available for eligible projects and programs consisting of new and prior-year revenues. The Air District accepts project applications for certain project categories on a rolling basis and evaluates them on a first-come, first-served basis. There were no projects evaluated between February 2, 2022, and February 22, 2022, with a proposed grant award of over \$100,000 in TFCA funds.

Attachment 3, Table 1, lists all eligible TFCA projects that have been evaluated and awarded as of July 1, 2021, including information about project equipment, award amount, estimated emissions reduction, community benefits, and project locations. To date, approximately 87% of the funds have been awarded or allocated to low-income residents or to projects that reduce emissions in CARE, disadvantaged SB 535 communities, and/or low-income AB 1550 communities. The percentage of projects in these communities will change over time as the remaining funds are awarded later in the fiscal year and as more complete information about the location of projects and program participants becomes available.

## **BUDGET CONSIDERATION/FINANCIAL IMPACT**

None. The Air District distributes the CMP, MSIF, CAPP Program, FARMER, and TFCA funding to project sponsors on a reimbursement basis. Funding for administrative costs is provided by each funding source.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Alona Davis, Jessica DePrimo, Linda Hui, Chad White  
Reviewed by: Karen Schkolnick, Chengfeng Wang

## **ATTACHMENTS:**

1. Proposed Projects Over 100k
2. CMP Projects - FYE 2022
3. TFCA Projects - FYE 2022
4. Status of Funding and Awards by County and Category



## ATTACHMENT 1

Table 1 - Carl Moyer Program, Mobile Source Incentive Fund, FARMER, Community Air Protection Program, and Transportation Fund for Clean Air projects with grant awards greater than \$100k (Evaluated between 2/2/22 and 2/22/22)

Project #	Applicant Name	Project Category	Project Description	Proposed Contract Award	Total Project Cost	Emission Reductions (tons per year)			County
						NO <sub>x</sub>	ROG	PM	
22MOY226	Sonoma-Cutrer Vineyards, Inc.	Off-Road/Ag	Replace two Tier-2 diesel ag tractors with two Tier-4 diesel ag tractors	\$ 108,400	\$ 135,564	0.295	0.017	0.017	Sonoma
22MOY251	New Pina Vineyard Management, LLC.	Off-Road/Ag	Replace three Tier-0 and one Tier-2 diesel ag tractor with four Tier-4 diesel ag tractors; replace one tier-1 diesel ag tractor with one Tier-4 diesel ag tractor/crawler, and replace one Tier-1 diesel ag wheeled carrier with one Tier-4 diesel ag tracked carrier	\$ 290,900	\$ 381,175	0.463	0.102	0.056	Napa
22MOY277	Colinas Farming Company	Off-Road/Ag	Replace two Tier-0, one Tier-1, and one Tier-2 diesel ag tractors with four Tier-4 diesel ag tractors	\$ 192,400	\$ 240,892	0.374	0.061	0.046	Napa
<b>3 Projects</b>				<b>\$ 591,700</b>	<b>\$ 757,631</b>	<b>1.132</b>	<b>0.181</b>	<b>0.119</b>	

## ATTACHMENT 2

*CMP/MSIF, FARMER and Community Air Protection Program projects  
(awarded and allocated between 7/1/21 and 2/22/22)*

Project #	Project Category	Project Type	Number of Engines	Proposed Contract Award	Applicant Name	Emission Reductions (tons per year)			Board Approval Date	CARE Area	AB1550/ SB535 Area	County
						NOx	ROG	PM				
22SBP71***	School Bus	Equipment replacement + Infrastructure	12	\$ 3,775,188	Petaluma City Schools	0.932	0.071	0.005	7/7/2021	No	Yes	Sonoma
22MOY138	Ag/ off-road	Equipment replacement	3	\$ 525,300	Dave Soliland	2.035	0.165	0.097	7/7/2021	No	No	Sonoma
22SBP84***	School Bus	Equipment replacement + Infrastructure	4	\$ 803,786	Rincon Valley Union School District	0.228	0.015	0.003	7/7/2021	No	Yes	Sonoma
22MOY149	Ag/ off-road	Equipment replacement	1	\$ 170,500	Renati Dairy	0.522	0.068	0.048	7/7/2021	No	No	Sonoma
22MOY127	Ag/ off-road	Equipment replacement	2	\$ 107,100	Napa Select Vineyard Services, Inc.	0.187	0.012	0.011	7/7/2021	No	No	Napa
22MOY142	Ag/ off-road	Equipment replacement	2	\$ 51,750	Cobb Creek Holdings, LLC DBA CCH Ag Services	0.205	0.034	0.021	7/7/2021	No	No	Napa
22MOY135	Marine	Engine replacement	1	\$ 154,000	William E. Smith	1.831	0.018	0.069	7/7/2021	No	No	San Mateo
22SBP105	School Bus	Equipment replacement + Infrastructure	4	\$ 1,731,989	Fremont Unified School District	0.414	0.036	0.018	7/7/2021	No	Yes	Alameda
22MOY169	Ag/ off-road	Equipment replacement	2	\$ 132,280	Kenzo Estate, Inc.	0.223	0.020	0.015	7/7/2021	No	No	Napa
22SBP40***	School Bus	Equipment replacement + Infrastructure	5	\$ 889,832	Franklin-McKinley School District	0.250	0.015	0.003	7/7/2021	Yes	Yes	Santa Clara
22MOY158	Marine	Engine replacement	1	\$ 174,000	Laurence J Collins	0.790	0.018	0.028	7/7/2021	No	No	San Francisco
2102-18395	LD Infrastructure	Charge!	--	\$ 21,000	The Millennium Tower Association	0.007	0.004	0.000	7/7/2021	Yes	No	San Francisco
2103-17230	LD Infrastructure	Charge!	--	\$ 64,000	REEF Energy CA Operations LLC	0.098	0.058	0.002	7/7/2021	Yes	Yes	San Francisco
2103-17359	LD Infrastructure	Charge!	--	\$ 48,000	The Shores at Marina Bay Community Association	0.005	0.003	0.000	7/7/2021	Yes	Yes	Contra Costa
2103-17527	LD Infrastructure	Charge!	--	\$ 24,000	EVmatch, Inc.	0.003	0.002	0.000	7/7/2021	Yes	Yes	Alameda
2103-17603	LD Infrastructure	Charge!	--	\$ 32,000	Bollinger Crest Apartment Investors, LP	0.011	0.006	0.000	7/7/2021	No	No	Alameda
2103-17638	LD Infrastructure	Charge!	--	\$ 48,000	Intertie, Incorporated	0.017	0.010	0.000	7/7/2021	Yes	Yes	San Francisco
22MOY130	On-road	Equipment replacement	1	\$ 25,000	Min Jian Huang (jianhuang)	0.841	0.070	0.000	APCO	Yes	Yes	Alameda
22MOY151	Ag/ off-road	Equipment replacement	2	\$ 86,000	Hardin Vineyard Management LLC	0.257	0.055	0.023	APCO	No	No	Napa
22MOY124	On-road	Equipment replacement	1	\$ 25,000	Kulwant Khara (kskhara)	0.773	0.065	0.000	APCO	Yes	Yes	Alameda
22MOY78	Ag/ off-road	Equipment replacement	1	\$ 31,642	Cortina Vineyard Management	0.047	0.011	0.008	APCO	Yes	Yes	Napa
22MOY131	On-road	Equipment replacement	1	\$ 25,000	Karanbir Singh (karanbirsg)	0.820	0.690	0.000	APCO	No	No	Contra Costa
22MOY166	Ag/ off-road	Equipment replacement	2	\$ 96,400	Stone Bridge Cellars Inc.	0.166	0.009	0.009	APCO	No	No	Napa
22MOY174	On-road	Equipment replacement	1	\$ 25,000	Can Yuan Chen (canchen)	1.008	0.085	0.000	APCO	Yes	Yes	Alameda

## ATTACHMENT 2

*CMP/MSIF, FARMER and Community Air Protection Program projects  
(awarded and allocated between 7/1/21 and 2/22/22)*

Project #	Project Category	Project Type	Number of Engines	Proposed Contract Award	Applicant Name	Emission Reductions (tons per year)			Board Approval Date	CARE Area	AB1550/ SB535 Area	County
						NOx	ROG	PM				
22MOY92	Ag/ off-road	Equipment replacement	1	\$ 29,550	Paul P. Bianchi, Inc	0.025	0.023	0.007	APCO	No	No	Sonoma
22SBP52	School Bus	Equipment replacement	3	\$ 435,306	Pittsburg Unified School District	0.290	0.022	0.000	10/6/2021	Yes	Yes	Contra Costa
22MOY185	Ag/ off-road	Equipment replacement	1	\$ 67,100	Domenico J. Carinalli, Jr.	0.156	0.010	0.009	APCO	No	No	Sonoma
22MOY99	Ag/ off-road	Equipment replacement	1	\$ 41,100	Daylight Vineyard Management, Inc.	0.062	0.005	0.007	APCO	No	No	Sonoma
22MOY179	Marine	Engine replacement	1	\$ 72,000	Kyle Dryer dba Diamond Sportfishing	0.705	0.009	0.028	APCO	Yes	No	Alameda/Contra Costa/San Francisco
22MOY22	Ag/ off-road	Equipment replacement	2	\$ 57,100	Joseph Pinheiro	0.047	0.018	0.010	APCO	No	No	Sonoma
22MOY160	Marine	Engine replacement	4	\$ 3,529,000	Baydelta Navigation LTD	30.665	2.726	1.021	10/6/2021	Yes	Yes	San Francisco, Alameda, Contra Costa, Marin, Solano
21SBP98*	School Bus	Equipment replacement + Infrastructure	--	\$ 242,828	Palo Alto Unified School District	--	--	--	10/6/2021	Yes	Yes	Santa Clara
22SBP14**	School Bus	Equipment replacement + Infrastructure	--	\$ 95,327	Milpitas Unified School District	--	--	--	10/6/2021	Yes	Yes	Santa Clara
22MOY128	On-road	Equipment replacement	1	\$ 15,000	Aman Khan	0.420	0.035	0.000	APCO	Yes	Yes	Alameda
22MOY187	Ag/ off-road	Equipment replacement	1	\$ 30,100	Dierke's Enterprises	0.017	0.015	0.004	APCO	No	No	Sonoma
22MOY190	Ag/ off-road	Equipment replacement	2	\$ 91,170	Anderson's Conn Valley Winery, Inc.	0.108	0.034	0.015	APCO	No	No	Napa
22MOY170	Off-road	Equipment replacement	1	\$ 106,000	Argent Materials INC	0.814	0.041	0.021	11/17/2021	Yes	Yes	Alameda
22MOY209	Ag/ off-road	Equipment replacement	1	\$ 192,600	Global Mushrooms LLC.	0.362	0.049	0.030	11/17/2021	No	Yes	Santa Clara
22MOY167	Ag/ off-road	Equipment replacement	2	\$ 285,700	Ielmorini Moody Dairy	0.871	0.107	0.052	11/17/2021	No	Yes	Sonoma
22MOY196	Marine	Engine replacement	2	\$ 256,000	A.C. Fishing Charters Inc., dba Tigerfish Sportfishing	0.576	0.000	0.031	11/17/2021	Yes	No	Alameda/Contra Costa/Marin/San Francisco
TBD	LD Infrastructure	Charge <sup>1</sup> s	--	\$ 2,000,000	BAAQMD	TBD*	TBD*	TBD*	11/17/2021	TBD*	TBD*	Regional
22MOY211	Ag/ off-road	Equipment Replacement	1	\$ 88,900	Pomponio Farms LLC	0.412	0.054	0.031	APCO	No	Yes	San Mateo
22SBP216***	School Bus	Equipment replacement + Infrastructure	3	\$ 887,025	Campbell Union High School District	0.192	0.011	0.001	12/15/2021	Yes	Yes	Santa Clara County
22MOY217	Marine	Engine replacement	2	\$ 380,000	Happy Hooker Sportfishing, LLC	1.340	-0.036	0.056	12/15/2021	Yes	Yes	Alameda, San Francisco, Contra Costa
22MOY206	Ag/ off-road	Equipment Replacement	1	\$ 64,000	Wente Bros. dba. Wente Vineyards	0.214	0.035	0.026	APCO	Yes	No	Alameda
22MOY157	Ag/ off-road	Equipment replacement	3	\$ 133,400	Walsh Vineyards Management Inc.	0.657	0.105	0.067	1/19/2022	No	No	Napa
22MOY220	Ag/ off-road	Equipment replacement	3	\$ 160,300	Atlas Vineyard Management, Inc.	0.301	0.046	0.036	1/19/2022	No	No	Napa/Sonoma
22MOY208	Ag/ off-road	Equipment replacement	1	\$ 117,100	Jack Neal and Son Inc	0.210	0.028	0.019	1/19/2022	No	No	Napa

## ATTACHMENT 2

*CMP/MSIF, FARMER and Community Air Protection Program projects  
(awarded and allocated between 7/1/21 and 2/22/22)*

Project #	Project Category	Project Type	Number of Engines	Proposed Contract Award	Applicant Name	Emission Reductions (tons per year)			Board Approval Date	CARE Area	AB1550/ SB535 Area	County
						NOx	ROG	PM				
22MOY215	Marine	Engine Replacement	2	\$ 187,000	Reel Screamer Charters LLC	0.371	0.003	0.019	1/19/2022	No	No	San Mateo, San Francisco, Marin
22MOY241	Marine	Engine replacement	2	\$ 258,000	C-Gull II Sportfishing Inc.	0.934	0.000	0.050	1/19/2022	Yes	No	Alameda, San Francisco, Contra Costa, Marin
22MOY245	Marine	Engine replacement	2	\$ 301,400	C-Gull II Sportfishing Inc.	0.550	0.002	0.029	1/19/2022	Yes	No	Alameda, San Francisco, Contra Costa, Marin
22MOY224	Marine	Engine Replacement	2	\$ 133,000	Duane Winter	0.349	0.002	0.018	1/19/2022	No	No	San Mateo, San Francisco
22MOY195	Ag/ off-road	Equipment replacement	1	\$ 59,500	Ilisley Brothers Farming, LLC	0.099	0.006	0.006	APCO	No	No	Napa
22MOY180	Ag/ off-road	Equipment replacement	1	\$ 32,400	Frog's Leap Winery	0.041	0.003	0.004	APCO	No	No	Napa
22MOY235	Ag/ off-road	Equipment replacement	1	\$ 50,300	Cornerstone Certified Vineyard	0.074	0.007	0.008	APCO	No	No	Sonoma
22MOY228	Marine	Engine replacement	1	\$ 85,300	Wooden Boats for Veterans Foundation	0.216	0.009	0.009	APCO	Yes	No	Solano/Contra Costa/San Francisco/Marin
22MOY223	Ag/ off-road	Equipment replacement	1	\$ 24,700	Ingenious Solutions Incorporated	0.013	0.011	0.003	APCO	No	No	Napa
22MOY195	Ag/ off-road	Equipment replacement	1	\$ 54,000	Ilisley Brothers Farming, LLC	0.090	0.005	0.005	APCO	No	No	Napa
22MOY227	Ag/ off-road	Equipment replacement	2	\$ 104,400	M. German & Son Partnership	0.379	0.060	0.041	3/2/2022	No	No	Solano
22MOY258	Ag/ off-road	Equipment replacement	2	\$ 119,400	Foley Family Farms, LLC	0.376	0.049	0.033	3/2/2022	No	No	Sonoma
22MOY250	Ag/ off-road	Equipment replacement	3	\$ 447,500	George Bianchi Inc	1.361	0.139	0.080	3/2/2022	No	No	Sonoma
22MOY253	Ag/ off-road	Equipment replacement	1	\$ 60,800	Alan Willey	0.099	0.015	0.009	APCO	No	No	Solano
22MOY259	Ag/ off-road	Equipment replacement	1	\$ 70,200	Morrison Ranch	0.150	0.023	0.017	APCO	No	No	Solano
22MOY270	Ag/ off-road	Equipment replacement	2	\$ 90,400	Dirt Farmer & Company, A California Corporation	0.188	0.012	0.011	APCO	No	No	Sonoma
22SBP203***	School Bus	Equipment replacement	12	\$ 3,164,239	Oak Grove School District	1.000	0.120	0.010	3/2/2022	Yes	Yes	Santa Clara
22MOY261	Marine	Engine replacement	2	\$ 140,000	Bay Marine Services, LLC	0.594	0.003	0.022	3/2/2022	Yes	Yes	Solano, Contra Costa
22MOY277	Ag/ off-road	Engine replacement	4	\$ 192,400	Colinas Farming Company	0.374	0.061	0.046	TBD	No	No	Napa
22MOY226	Ag/ off-road	Engine replacement	2	\$ 108,400	Sonoma-Cutrer Vineyards, Inc.	0.291	0.017	0.017	TBD	No	No	Sonoma
22MOY251	Ag/ off-road	Engine replacement	6	\$ 290,900	New Pina Vineyard Management, LLC.	0.483	0.102	0.056	TBD	No	No	Napa

69 Projects 134 \$ 24,417,570

58.1 5.5 2.3

\*This project award reflects an approved increase of \$242,828 in CMP/MSIF/CAPP funds to allow for DC fast-charging infrastructure to be included as part of this project. This project was previously awarded \$513,500.00 of TFCA funds and \$323,778.00 of CMP/MSIF/CAPP funds on 3/4/20.

\*\*The project award reflects an approved increase of \$95,327 in CMP/MSIF/CAPP funds to allow for DC fast-charging infrastructure to be included as part of this project. This project was previously awarded \$204,598.00 of TFCA funds and \$622,556.00 of CMP/MSIF/CAPP funds on 4/7/21.

\*\*\* This project is co-funded with TFCA funds as shown on Attachment 3.

§ Award Amount may come from either the Mobile Source Incentive Fund (MSIF) or the Transportation Fund for Clean Air (TFCA).

¶ Funds have been allocated to these programs and project results will be determined at the end of project period.

# ATTACHMENT 3

Table 1 - TFCAs projects awarded and allocated (between 7/1/21 and 2/22/22)

Project #	Project Category	Project Description	Award Amount	Applicant Name	Emission Reductions (tons per year)			Board/ APCO Approval Date	CARE Area	AB1550/ SB535 Area	County
					NO <sub>x</sub>	ROG	PM				
2101-15735	LD Infrastructure	Install and operate 38 DC Fast chargers at 6 transportation corridor facilities in San Francisco, South San Francisco, Millbrae, Menlo Park, and San Jose.	\$ 950,000	EVgo Services LLC	0.350	0.207	0.008	7/7/21	Yes	No	Multi-County
2103-17065	LD Infrastructure	Install and operate 5 Level 2 (high) dual port chargers at 1 transit parking facility in Napa.	\$ 20,000	Napa Valley Transportation Authority	0.014	0.008	0.000	7/7/21	No	No	Napa
2103-17315	LD Infrastructure	Install and operate 135 Level 2 (high) single port chargers and 123 DC fast chargers at 40 destination, transportation corridor, and transit parking facilities in Vallejo, San Jose, Kenwood, Fairfield, Vacaville, Mountain View, and Santa Clara.	\$ 2,999,000	EV Charging Solutions, Inc.	1.446	0.853	0.035	7/7/21	Yes	Yes	Multi-County
2103-17345	LD Infrastructure	Install and operate 2 DC Fast and 2 dual port Level 2 (high) chargers at 2 destination facilities in San Ramon.	\$ 44,000	City of San Ramon	0.024	0.014	0.001	7/7/21	Yes	No	Alameda
2103-17497	LD Infrastructure	Install and operate 17 DC Fast chargers at 1 transportation corridor facility in Oakland.	\$ 425,000	East Bay Community Energy Authority	0.157	0.093	0.004	7/7/21	Yes	Yes	Alameda
2103-17499	LD Infrastructure	Install and operate 8 Level 2 (high) dual port chargers at 1 multi-unit dwelling facility in Alameda.	\$ 64,000	Alameda Multifamily Owner LLC	0.023	0.013	0.001	7/7/21	Yes	No	Alameda
2103-17520	LD Infrastructure	Install and operate 5 Level 2 (high) dual port and 2 Level 2 (high) single port chargers at 2 destination facilities in Dublin.	\$ 26,000	City of Dublin	0.019	0.011	0.000	7/7/21	No	No	Alameda
2103-17524	LD Infrastructure	Install and operate 110 Level 2 (high) single port chargers with solar and 24 Level 2 (high) single port chargers at 3 workplace and 1 destination facilities in Solano.	\$ 406,000	County of Solano	0.309	0.182	0.007	7/7/21	Yes	Yes	Solano
2103-17554	LD Infrastructure	Install and operate 2 Level 2 (high) dual port chargers with solar at 1 workplace facility in Richmond.	\$ 12,000	West County Wastewater District	0.006	0.003	0.000	7/7/21	Yes	Yes	Contra Costa
2103-17625	LD Infrastructure	Install and operate 11 Level 2 (high) dual port chargers at 1 multi-unit dwelling facility in Brentwood.	\$ 44,000	Silvergate Brentwood, LLC	0.037	0.022	0.001	7/7/21	No	No	Contra Costa
21R05	LD Infrastructure	FYE 21 Charge! Program	\$ 10,000	BAAQMD	TBD*	TBD*	TBD*	7/7/21	TBD*	TBD*	Regional
22R02	LD Vehicles	Vehicle Buy Back Program	\$ 200,000	BAAQMD	N/A**	N/A**	N/A**	6/16/21	N/A	N/A	Regional
21RSB03	School Bus	Match funding for Project #22SBP71 for the replacement of 12 diesel school buses with 12 electric school buses	\$ 1,153,346	BAAQMD	N/A**	N/A**	N/A**	7/7/21	No	Yes	Sonoma
21RSB04	School Bus	Match funding for Project #22SBP84 for the replacement of 3 diesel school buses & 1 CNG school bus with 4 electric school buses	\$ 892,045	BAAQMD	N/A**	N/A**	N/A**	7/7/21	No	Yes	Sonoma
21RSB05	School Bus	Match funding for Project #22SBP40 for the replacement of 5 diesel special needs school buses with 5 electric special needs school buses	\$ 1,232,175	BAAQMD	N/A**	N/A**	N/A**	7/7/21	Yes	Yes	Santa Clara
22SBP203	School Bus	Match funding for the replacement of 8 diesel school buses with 8 electric school buses	\$ 1,428,844	Oak Grove School District	N/A**	N/A**	N/A**	3/2/22	Yes	Yes	Sonoma
22SBP216	School Bus	Match funding for the replacement of 3 diesel school buses with 3 electric school buses	\$ 623,591	Campbell Union High School District	N/A**	N/A**	N/A**	12/15/21	Yes	Yes	Santa Clara
21R12	Trip Reduction	Pleasanton Connector Shuttles	\$ 80,000	San Joaquin Regional Rail Commission	N/A#	N/A#	N/A#	6/22/21	No	No	Alameda
22R01	Trip Reduction	Enhanced Mobile Source & Commuter Benefits Enforcement	\$ 150,000	BAAQMD	TBD*	TBD*	TBD*	6/16/21	N/A	N/A	Regional
22R03	Trip Reduction	Spare The Air/Intermittent Control/Flex Your Commute Programs	\$ 2,290,000	BAAQMD	TBD*	TBD*	TBD*	6/16/21	N/A	N/A	Regional
<b>Total</b>	<b>20 Projects</b>		<b>\$13,050,001</b>		<b>2.384</b>	<b>1.408</b>	<b>0.057</b>				

\* Funds have been allocated to these programs and projects and results will be determined at the end of project period.

\*\* Emission reductions are fully reported under the Cal Mover Program to prevent double counting.

# Emission reductions will be reported as part of the Spare the Air program (Project #21R03).

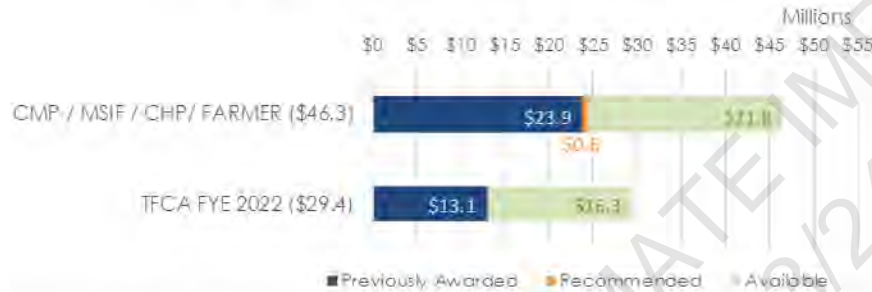
## ATTACHMENT 4

### Summary of funding awarded and allocated from the following revenue sources between 7/1/21 and 2/22/22

- Carl Moyer Program (CMP)
- Community Air Protection Program (CAPP)
- Mobile Source Incentive Fund (MSIF)
- Transportation Fund for Clean Air (TFCA)
- Funding Agricultural Replacement Measures for Emission Reductions (FARMER)

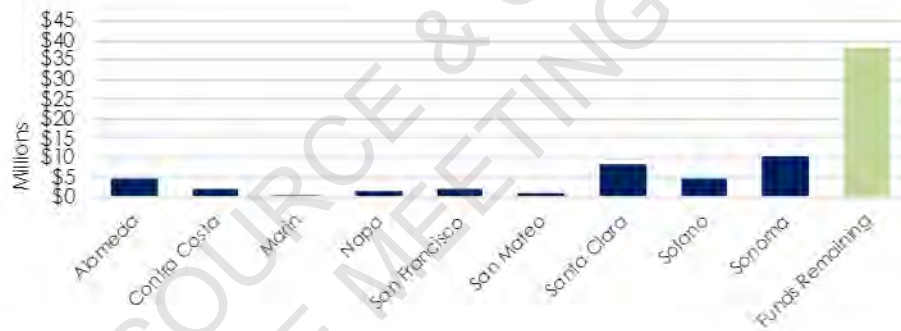
**Figure 1. Status of FYE 2022 funding by source**

includes funds awarded, recommended for award, and available



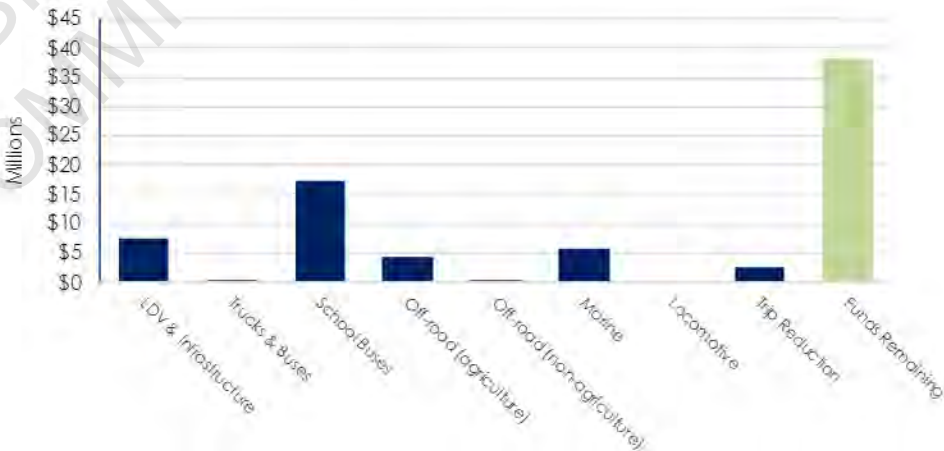
**Figure 2. Funding awarded and allocated in FYE 2022 by county**

includes funds awarded & recommended for award



**Figure 3. Funding awarded and allocated in FYE 2022 by project category**

includes funds awarded & recommended for award



# **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## **Memorandum**

To: Chairperson Teresa Barrett and Members  
of the Mobile Source and Climate Impacts Committee

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 24, 2022

Re: Transportation Fund for Clean Air Funding Allocation Fiscal Year Ending 2023

### RECOMMENDED ACTION

Recommend Board of Directors:

1. Approve the proposed allocation of the estimated new Transportation Fund for Clean Air, or TFCA, monies to the programs and projects listed in Table 1; and
2. Authorize the proposed cost-effectiveness limits for Air District-sponsored programs and projects listed in Table 2.

### BACKGROUND

The approximately six million on-road motor vehicles, including cars, trucks, and buses, in the Bay Area account for more than 40% of the criteria air pollutants and about 36% of greenhouse gases (GHG) emissions in the region<sup>1, 2</sup>. These on-road motor vehicles constitute the most significant sources of air pollution in the Bay Area, including unhealthy levels of ozone (summertime "smog") and particulate matter. For this reason, emissions reductions from the on-road transportation sector are essential to attaining state and federal ambient air quality standards and meeting the region's GHG reduction commitments.

In 1991, the California State Legislature authorized the Bay Area Air Quality Management District (Air District) to impose a \$4 surcharge on motor vehicles registered in the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions within the Air District's jurisdiction. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code sections 44241 and 44242. Each year, the Air District's Board of Directors (Board) allocates funding and adopts cost-effectiveness criteria that govern expenditure of the TFCA and maximize emissions reductions and public health benefits.

The authorizing legislation allows public agencies to apply for funding to undertake all of the eligible project categories authorized by statute, while non-public entities, including private

businesses, non-profits, and residents, may only be awarded funds for vehicle-based projects. Up to sixty percent of TFCA funds may be awarded by the Air District to eligible projects and programs that are implemented directly by the Air District (e.g., Spare the Air) and for distribution to other awardees through the TFCA Regional Fund. The remaining forty percent of TFCA funds are passed through to the County Program Managers based on each county's proportionate share of vehicle registration fees paid and awarded by the nine designated agencies within the Air District's jurisdiction.

This report discusses the proposed allocation of the sixty percent portion of the TFCA monies that will be available in FYE 2023 for distribution by the Air District and the proposed updates to the cost-effectiveness limits for Air District-sponsored TFCA-funded programs and projects.

<sup>1</sup> BAAQMD, *Bay Area Emissions Inventory Summary Report: Criteria Air Pollutants Base Year 2011, May 2014.*

<sup>2</sup> BAAQMD, *Bay Area Emissions Inventory Summary Report: Greenhouse Gases Base Year 2011, January 2015.*

## DISCUSSION

In developing this recommendation, staff considered input from stakeholders along with factors such as demand for funding for certain project categories, regulatory requirements scheduled to be phased-in in the near-term for truck and bus fleets, cost-effectiveness, and the impacts from the global pandemic and supply-side shortages affecting projects that were previously awarded funds in recent cycles. Staff assessed eligible incentive program options to identify the most effective strategies at reducing emissions from the on-road sector to help achieve the air quality and climate protection goals outlined in both the Air District's 2017 Clean Air Plan and Diesel Free by '33 initiative.

For FYE 2023, approximately \$12.92 million in new TFCA monies will be available for distribution for programs and projects; approximately \$1.68 million will be available to cover Air District administrative and audit expenses. Staff is recommending that the \$12.92 million in new TFCA monies be allocated to the program categories listed below in Table 1.



**Table 1 - Proposed Programs and TFCA Funding Allocation for FYE 2023 (in Millions)**

Program Categories	(A)	(B)	(C)
	Estimated New TFCA Monies	Estimated Carryover	Estimated Total Funds Available in FYE 2023**
Clean Air Vehicles	\$6.00	\$14.00	\$20.00
Trip Reduction	\$4.28	\$2.00	\$6.28
Other Air District Sponsored Programs	\$2.64	\$0.00	\$2.64
<b>Total Funding Available for Projects and Programs:</b>	<b>\$12.92</b>	<b>\$16.00</b>	<b>\$28.92</b>
Admin & Audit*	\$1.68	\$0.00	\$1.68
<b>Total Funding</b>	<b>\$14.60</b>	<b>\$16.00</b>	<b>\$30.60</b>
* HSC Section 44233 authorized up to 6.25% of projected revenues can be used for administrative costs.			
**In the event a program category is undersubscribed, the Executive Officer/APCO may reallocate up to 20% of each program category's allocation to other categories based on demand, cost-effectiveness, and technology availability.			

The estimate for new revenue shown in column A is based on the amount of DMV revenue received in 2021. Column B shows approximately \$16 million in carryover funds available to augment the new monies. Carryover funds include unobligated TFCA funds from prior years as well as projects recently completed under budget or canceled.

The following narrative provides additional information on the proposed programs and projects listed in Table 1.

### ***Clean Air Vehicles***

Accelerating the adoption of zero-emission vehicles is a key strategy in reducing on-road motor vehicle emissions, improving air quality, protecting the climate, and reducing reliance on fossil fuels. Electrification of all sectors of transportation, including light-duty passenger cars and heavy-duty trucks and buses, is essential in helping the region achieve local, state, and federal criteria pollutants and GHG emissions reduction targets. Air District staff identified a key pathway to achieve the goals of Diesel Free by '33 by encouraging a phased-in replacement of diesel-fueled vehicles and equipment, including on-road vehicles with zero-emission technologies, which is advancing rapidly. Air District staff will continue to update the assessments of zero-emission options that become commercially available and ensure the availability of funding to help incentivize adoption of newly commercialized vehicles as they come on-line.

The TFCA-funded incentive programs are augmented by other Air District efforts and funds from other sources to accelerate the adoption of zero-emission vehicles and equipment. These efforts include outreach activities and forums that promote new technologies, share best practices, and encouraging local agencies to adopt supporting policies and local ordinances. The Air District's efforts, in combination with other initiatives, have contributed to the Bay Area's high adoption rate of light-duty electric vehicles (EV)s and deployment of zero-emission medium- and heavy-duty trucks and buses in the region.

TFCA funds for clean air vehicle projects may be awarded to both public agencies and non-

public entities. For FYE 2023, staff is recommending TFCA funds be allocated to support the following project categories to accelerate the region's transition to zero-emission vehicles.

- ***EV Charging Stations:*** To support adoption of passenger EVs by helping to expand access to EV chargers. In FYE 2023, the District's programs will continue to prioritize installation of EV charging stations in multi-family dwellings and impacted communities.
- ***Zero-emissions Light-Duty Fleets:*** To accelerate the adoption of light-duty zero-emission vehicles, and the installation of supporting refueling infrastructure. In FYE 2023, the District's programs will continue to prioritize high mileage public and private fleets and the installation of stations that provide publicly available charging.
- ***Zero-emission Medium- and Heavy- Duty Vehicles and Infrastructure:*** To accelerate the adoption of zero-emission trucks and buses for private and public fleets, including school districts, and the installation of supporting refueling infrastructure.
- ***Clean Cars for All:*** To augment funding from other sources to provide incentives to qualifying low-income residents to purchase new and used light-duty EVs or to transition to clean mobility options. CCFA is currently funded through the state's California Climate Investments (CCI) initiative, Volkswagen Mitigation settlement fund, and TFCA.

### ***Trip Reduction***

Reducing single-occupancy motor vehicle trips is another strategy in reducing mobile source emissions. For nearly 30 years, TFCA revenues have been used to fund services, such as last-mile connection services, to help residents and commuters mode-shift to mass transit, as well as construction of new facilities and infrastructure, to support active transportation, e.g., biking and walking as alternatives to driving for short first -and last- mile trips. The authorizing legislation requires that sponsors of trip reduction projects be public agencies.

Trip reduction projects have many co-benefits such as supporting health, safety, equity, and climate protection, however the air quality benefits of these types of projects have been steadily decreasing over time as state and federal regulations have effectively reduced the criteria pollutants emitted from light-duty passenger cars. This erosion of air quality benefits is even more pronounced in projects that replace single-passenger car trips with larger vehicles, such as last-mile commuter-connection feeder buses and shuttles, as the region's fleet of passenger vehicles has become significantly cleaner at a faster rate than the medium -and heavy- duty vehicles typically used to provide transit-connection services. Meanwhile Covid-19 has resulted in fewer people taking transit, further decreasing the effectiveness of services that work in conjunction with trips taken on mass transit.

Air District staff has been working to address these challenges, including examining the methodology used for evaluating a project's cost effectiveness and meeting with transit providers and project sponsors to understand the steps they are taking and timeline for encouraging commuters to return to transit. During this next year, staff will evaluate these projects collectively rather than individually and capture this information as part of the

evaluation of the Spare the Air program.

For FYE 2023, staff is recommending TFCA funds be allocated to support the following trip reduction project categories:

- ***Bicycle Facilities:*** To support the installation of new bikeways and secure bicycle parking to encourage and enable increased use of active modes of transportation such as walking, biking, and mode shift away from the use of motor vehicles for short first- and last-mile connections to mass transit.
- ***Infrastructure Improvements:*** To expand access and use of alternative transportation modes via design and construction of physical improvements of infrastructure such as ferry or bus terminals.
- ***Last-Mile Commuter Connections:*** To support the return of passengers to last-mile commute-connections, carpooling and rideshare services. The emission reduction benefits of these services will be evaluated as part of the Spare the Air program.

#### ***Other Air District-Sponsored Programs:***

For FYE 2023, staff is recommending that TFCA funds also be used to reduce motor vehicle trips and increase the adoption of clean air vehicles via Air District-sponsored programs.

- ***Spare the Air:*** To provide funding to support this public outreach program for the summer ozone season to conduct advertising, media, and educational activities aimed at reducing vehicle miles traveled and emissions by behavior modification.
- ***Commuter Benefits Program:*** To support the Air District's conducting compliance assistance and outreach to companies and government agencies, including education, outreach, monitoring, and tracking of Bay Area employers subject to the legislative requirements.
- ***Enhanced Mobile Source Inspections:*** To support the enhanced inspection patrols for reporting smoking vehicles and enforcement of the state's drayage truck regulation and related truck/mobile source regulations conducted at and adjacent to the Port of Oakland.
- ***Vehicle Buy Back:*** To support administrative and marketing efforts undertaken by the Air District's contractors to implement this voluntary early retirement program and to pay for incentives paid to program participants that are not covered by other state funds. This funding augments approximately \$7 million annually in funding from the Carl Moyer and Mobile Source Incentive Fund programs, which provide the majority of funding that is used for payment to program participants.

#### ***TFCA Cost-Effectiveness***

The TFCA authorizing legislation requires the Air District to adopt cost-effectiveness criteria to maximize emissions reductions and public health benefits. Cost-effectiveness (C/E) is one of the key criteria used to evaluate and select projects to be funded by TFCA<sup>3</sup>. In addition to reducing

pollutants, TFCA-funded projects provide other co-benefits such as conserving energy and reducing GHG emissions; reducing traffic congestion; improving quality of life for residents and commuters by expanding access to services that provide first- and last-mile connections to rail, ferry, and mass transit; and improving physical fitness and public safety by facilitating active modes of transportation such as walking and biking.

Due to their overlapping target audience and shared goals, staff will be evaluating the emissions reduction benefits from all Air District-sponsored outreach and education programs collectively under the Spare the Air umbrella, including the Commuter Benefits and last-mile commuter connection programs. Further, staff recommends a continued increase to the maximum C/E from \$90,000 to \$500,000 for these programs until ridership on last-mile connection shuttles, rideshare and similar projects returns to pre-pandemic levels. Staff proposes maintaining the same maximum C/E limit as the prior year for Clean Cars for All but increasing C/E for Vehicle Buy Back to \$500,000 for projects that are entirely funded by TFCA. The proposed cost-effectiveness limits and project operational period (POP) for each of the Air District-sponsored programs is shown in Table 2:

**Table 2 – Proposed Cost-Effectiveness and POP for Air District-Sponsored Programs**

Program Categories	Max. C/E	POP
	(per ton of emissions reduced)	(in Years)
<b>Spare the Air &amp; Commuter Benefits</b>	\$500,000*	1
<b>Enhanced Mobile Source Inspections</b>	\$500,000	1
<b>Clean Cars for All</b>	\$500,000	3
<b>Vehicle Buy Back**</b>	\$500,000/NA	NA
* Increase due to on-going impacts from Global Pandemic		
**Projects that are entirely funded by TFCA would not exceed the \$500,000 C/E limit. The majority of projects are funded through state funds and for those, emission reductions would be entirely credited to the Carl Moyer Program.		

For programs and projects offered under the Regional Fund, staff will return to the Mobile Source Committee with a recommendation for C/E limits later this Spring.

<sup>3</sup> C/E is calculated by dividing TFCA funds awarded by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted particulate matter (PM10) over the POP.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The Air District distributes “pass-through” funds to grantees on a reimbursement basis. Administrative costs for the TFCA Regional Fund program are provided by the funding source.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Minda Berbeco and Ken Mak  
Reviewed by: Karen Schkolnick

ATTACHMENTS:

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson Teresa Barrett and Members  
of the Mobile Source and Climate Impacts Committee

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 24, 2022

Re: 2021 Report of the Air District's Voluntary Emissions Reduction Grant Programs

RECOMMENDED ACTION

Recommend the Board of Directors to authorize an increase in the Executive Officer/APCO's signature authority up to \$500,000 for the execution of individual grant agreements and amendments for voluntary emissions reduction projects that are funded by state revenues and local vehicle registration fees.

BACKGROUND

The Bay Area Air Quality Management District (Air District) aims to create a healthy breathing environment for every Bay Area resident while protecting and improving public health, air quality, and the global climate. Since its formation in 1955, as the first regional air quality agency in the nation, the Air District has led the effort to reduce air pollution and greenhouse gases (GHG) emissions and to protect public health in the Bay Area.

Based on the Air District's Emissions Inventory for 2015, mobile sources account for more than half of reactive organic gases (ROG), nitrogen oxides (NOx), and particulate matter (PM) emissions, and over 40% of the GHG generated in the Bay Area. For this reason, reducing emissions from mobile sources is essential to helping the Bay Area attain State and Federal ambient air quality standards and meet the Air District's GHG reduction goals.

While the Air District is tasked with and has the authority to regulate stationary sources of air pollution within its jurisdiction, it lacks authority to regulate emissions from mobile sources. These sources are regulated by federal and state agencies, US Environmental Protection Agency and California Air Resources Board (CARB), respectively. Since 1992, the Air District has been achieving emissions reductions from mobile sources beyond those required by regulations primarily through its grant programs, which work to incentivize the accelerated deployment of clean air vehicles and equipment, to encourage commuters to shift modes to public transit and active transportation, and to demonstrate advanced zero- and near-zero emissions technologies. The table below shows examples of mobile source equipment by category that are potentially eligible for funding through the Air District's voluntary incentive programs.



**Table 1 - Examples of Mobile Source Equipment by Category that are Potentially Eligible for funding through the Air District's Voluntary Incentive Programs**

On-Road (heavy-duty)	On-Road (light-duty)	Off-Road (large)	Off-Road (small)
School buses	Passenger cars	Port cargo equipment	Portable engines
Transit buses	Pickup trucks	Marine vessels	Forklifts
Trucks	Mini vans	Locomotives	Ground support equipment
Waste collection vehicles	Motorcycles	Construction/Industrial equipment	Agricultural equipment

This report summarizes the results of the funding sources that were awarded in calendar year 2021 by the Air District to achieve emissions reductions from mobile sources:

- Transportation Fund for Clean Air (TFCA)
- Mobile Source Incentive Fund (MSIF)
- Carl Moyer
- Community Air Protection (CAP)
- Funding for Agricultural Replacement Measures for Emission Reductions (FARMER)
- Clean Cars for All/California Climate Investments (CCI)
- California I-Bond Goods Movement (I-Bond)
- Volkswagen NOX Mitigation (VW)

Staff is also recommending an increase to the Executive Officer/APCO's signature authority for individual grant agreements and amendments that are funded by state revenues, including Carl Moyer, CAP, FARMER, and local vehicle registration fees, including TFCA and MSIF. Background information on these revenue sources is available in a March 24<sup>th</sup> Mobile Source and Climate Impacts Committee item entitled *Projects and Contracts with Proposed Grant Awards Over \$100,000*.

## DISCUSSION

### **2021 Annual Report**

In calendar year 2021, the Air District awarded more than \$76 million to eligible projects that improve air quality and reduce greenhouse gases. These projects will achieve emission reductions estimated conservatively to be over 350 tons per year (TPY) of criteria pollutant emissions, including ROG, NOx, and PM, and over 11,800 TPY of CO<sub>2</sub>.

These projects achieve emissions reduction benefits by incentivizing the scrap and replacement of older and polluting equipment with newer and cleaner alternates, the early retirement of old

vehicles, the acceleration of the adoption of zero- and near zero-emission technologies, and the reduction of single-occupancy-vehicle trips. The emission reductions are surplus to what the air quality regulations and other obligations, e.g., settlement, require. California Air Resources Board's (CARB) methodology is used to estimate emissions reduced from scrap and replace and for vehicle retirement projects. CARB's methodology is also used as the underlying basis to estimate emissions reduced from trip reduction and fleet expansion projects. Attachment 1 lists the voluntary incentive grant programs and projects awarded by the Air District in 2021 for the reduction of emissions from mobile sources and provides additional information on the methodology used for evaluating emission reductions from the projects discussed in this report.

The Air District's grant programs support its mission by prioritizing awards to projects that promote equity and reduce diesel pollution, air toxics, and exposure to air pollutants in neighborhoods that are most impacted by air pollution. In 2021, over 86% of the funds awarded by the Air District were awarded to projects benefiting

- disadvantaged and low-income communities,
- Air District designated Community Air Risk Evaluation (CARE) areas, and
- low-income residents.

The Air District's grant programs also work to prioritize the accelerated adoption of zero-emission and cleanest available technology. In 2021, more than \$21 million of the funds awarded directly by the Air District were awarded to projects to support the adoption of nearly 300 pieces of new zero-emission vehicles, equipment, and supporting infrastructure, and the installation of over 560 publicly available charging stations.

### **Request to Increase Delegated Signing Authority**

Given the urgency required of voluntary incentive grant programs and timeliness relied upon by local businesses, residents, and other stakeholders to make clean-air investments, staff is requesting an increase to the Executive Officer/APCO's signing authority for the execution of contracts and amendments of projects requesting individual awards of up to \$500,000 in TFCA Regional Fund, MSIF, Carl Moyer, CAP, and FARMER funding. Administration of state-funded incentive programs requires strict adherence to policies, guidelines, and contractual obligations, including highly prescriptive and aggressive deadlines for contracting of funds and completion of all work associated with a revenue source. Although there is more flexibility with local funds, these are often used as a match to support state-funded projects, and are subject to the same strict requirements. Streamlining processes and minimizing delays is necessary for the Air District to meet its obligations.

In 2009, the Executive Officer/APCO was authorized to execute incentive grant contracts and amendments up to \$100,000. In 2009, the Air District also switched from awarding funds only once annually through competitive solicitations to a continuous first come, first served process, in which staff anticipated bringing funding updates to the Committee and Board on a quarterly basis. While the change to accept applications on an on-going basis has greatly improved flexibility for applicants, it has added considerable unintended work for staff who have been preparing routine recommendations as often as monthly. With increased federal, state and local funding, increases in the cost of new clean-air vehicles and technology, and recent changes to



incentive program guidelines that allow higher-dollar award amounts for zero-emission equipment, the number of grant contracts exceeding this \$100,000 cap is expected to increase.

The Air District continuously works to identify and implement strategies and tools to streamline our administrative processes. Practices such as electronic document signature options (DocuSign) and the transition toward full electronic workflow have reduced the overall administrative time to process contracts and vouchers. However, with the additional step of obtaining Board of Director approval at the current cap for standard incentive grant contracts and vouchers, it adds additional time to the contract and amendment execution process, which is already lengthy due to internal review of board memos, scheduling of items, and time between committee and board meetings. Projects requiring Board of Director approval can take up to three months to be contracted from the time the application is completed, while a project approved by the EO/APCO can be contracted within two or three weeks.

In calendar year 2022, the funding estimated to be available for award totals more than \$180 million. This includes: new revenue to be received in 2022, monies remaining from prior years/cycles, recaptured funds from projects that closed-out under-budget, were withdrawn, or terminated, and interest accrued. Staff analyzed the results of awards made since 2018 and found that 58% of projects requested up to \$100,000, 42% of projects were awarded over \$100,000 (requiring Board approval) and 12% of projects (representing 70% of total funds allocated in that time period) requested over \$500,000. By increasing the Executive Officer/APCO's signature authority up to \$500,000, there would be a significant improvement in contracting speed for the majority of applicants, savings in staff time preparing frequent Board recommendations and the Board of Directors would still maintain approval over the majority of funding allocated through this program. Attachment #2 contains the results of the analysis of awards made between 2018 and 2021 and a summary of the key tasks and processes required for the administration of voluntary incentive grant programs.

The presentation to the Committee will include a summary of the results of the Air District's grant programs in 2021, grant program revenue and priorities for calendar year 2022, and the challenges and opportunities. Staff will also discuss the justification for the recommended action.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Alona Davis and Chengfeng Wang  
Reviewed by: Karen Schkolnick

ATTACHMENTS:

1. List of Projects Awarded in 2021 and Overview of Emission Reduction Estimation Methodologies
2. Background Information for Recommendation to Increase Signing Authority

MOBILE SOURCE & CLIMATE IMPACTS  
COMMITTEE MEETING OF 3/24/2022

# List of Projects Awarded in 2021 and Overview of Emissions Reduction Estimation Methodologies

## List of Projects Awarded in 2021

Project Number	Type	Category	Description	Award	Grantee Name	County	Priority*	Zero Emission**	Count***
21MOY 134	Agricultural	Off-Road	Equipment Replacement	\$ 34,000	Dutton Ranch Corp.	Sonoma			1
21MOY 185	Agricultural	Off-Road	Equipment Replacement	\$ 57,300	Wente Bros. dba. Wente Vineyards	Solano	v		1
21MOY 222	Agricultural	Off-Road	Equipment Replacement	\$ 40,950	Jack Neal and Son Inc	Napa			1
22MOY 100	Agricultural	Off-Road	Equipment Replacement	\$ 166,700	Ponda Fertilizer, Inc.	Sonoma	v		1
22MOY 104	Agricultural	Off-Road	Equipment Replacement	\$ 113,400	Bains Farms LLC	Solano			2
22MOY 127	Agricultural	Off-Road	Equipment Replacement	\$ 214,200	Napa Select Vineyard Services, Inc.	Napa			2
22MOY 138	Agricultural	Off-Road	Equipment Replacement	\$ 525,300	Dave Soliland	Sonoma			3
22MOY 142	Agricultural	Off-Road	Equipment Replacement	\$ 51,750	Cobb Creek Holdings, LLC DBA CCH Ag Services	Napa			2
22MOY 145	Agricultural	Off-Road	Equipment Replacement	\$ 51,800	Petaluma Livestock Auction Yard INC	Sonoma			1
22MOY 149	Agricultural	Off-Road	Equipment Replacement	\$ 170,500	Renati Dairy	Sonoma			1
22MOY 151	Agricultural	Off-Road	Equipment Replacement	\$ 86,000	Hardin Vineyard Management LLC	Napa			2
22MOY 157	Agricultural	Off-Road	Equipment Replacement	\$ 133,400	Walsh Vineyards Management Inc.	Napa			3
22MOY 166	Agricultural	Off-Road	Equipment Replacement	\$ 96,400	Stone Bridge Cellars Inc.	Napa			2
22MOY 167	Agricultural	Off-Road	Equipment Replacement	\$ 285,700	Ielmorini Moody Dairy	Sonoma	v		2
22MOY 169	Agricultural	Off-Road	Equipment Replacement	\$ 264,520	Kenzo Estate, Inc.	Napa			2
22MOY 17	Agricultural	Off-Road	Equipment Replacement	\$ 103,100	Robledo Inc.	Solano			2
22MOY 18	Agricultural	Off-Road	Equipment Replacement	\$ 259,100	Willotta Ranch	Solano			2
22MOY 180	Agricultural	Off-Road	Equipment Replacement	\$ 32,400	Frog's Leap Winery	Napa			1
22MOY 185	Agricultural	Off-Road	Equipment Replacement	\$ 67,100	Domenico J. Carinalli, Jr.	Sonoma	v		1
22MOY 187	Agricultural	Off-Road	Equipment Replacement	\$ 30,100	Dierke's Enterprises	Sonoma			1
22MOY 190	Agricultural	Off-Road	Equipment Replacement	\$ 91,170	Anderson's Conn Valley Winery, Inc.	Napa			2
22MOY 195	Agricultural	Off-Road	Equipment Replacement	\$ 59,500	Ilisley Brothers Farming, LLC	Napa			1
22MOY 206	Agricultural	Off-Road	Equipment Replacement	\$ 64,000	Wente Bros. dba. Wente Vineyards	Alameda	v		1
22MOY 208	Agricultural	Off-Road	Equipment Replacement	\$ 146,475	Jack Neal and Son Inc	Napa			1
22MOY 209	Agricultural	Off-Road	Equipment Replacement	\$ 192,600	Global Mushrooms LLC.	Santa Clara	v		1

Project Number	Type	Category	Description	Award	Grantee Name	County	Priority*	Zero Emission**	Count***
22MOY211	Agricultural	Off-Road	Equipment Replacement	\$ 88,900	Pomponio Farms LLC	San Mateo	v		1
22MOY22	Agricultural	Off-Road	Equipment Replacement	\$ 57,100	Joseph Pinheiro	Sonoma			2
22MOY220	Agricultural	Off-Road	Equipment Replacement	\$ 160,300	Atlas Vineyard Management, Inc.	Multi-County			3
22MOY223	Agricultural	Off-Road	Equipment Replacement	\$ 24,700	Ingenious Solutions Incorporated	Napa			1
22MOY235	Agricultural	Off-Road	Equipment Replacement	\$ 50,300	Cornerstone Certified Vineyard	Sonoma			1
22MOY27	Agricultural	Off-Road	Equipment Replacement	\$ 223,500	Mark and Lisa Shelley	Sonoma			1
22MOY33	Agricultural	Off-Road	Equipment Replacement	\$ 153,600	Cornerstone Certified Vineyard	Sonoma			3
22MOY37	Agricultural	Off-Road	Equipment Replacement	\$ 347,400	Morrison Chopping, LLC	Sonoma			1
22MOY43	Agricultural	Off-Road	Equipment Replacement	\$ 128,300	Atlas Vineyard Management, Inc.	Napa			3
22MOY46	Agricultural	Off-Road	Equipment Replacement	\$ 93,800	Shafer Vineyards	Napa			2
22MOY51	Agricultural	Off-Road	Equipment Replacement	\$ 30,100	Robert Lauritsen	Napa			1
22MOY55	Agricultural	Off-Road	Equipment Replacement	\$ 56,200	Thomas W. Crane	Sonoma			1
22MOY58	Agricultural	Off-Road	Equipment Replacement	\$ 42,000	Sweetlane Nursery and Vineyards, Inc. dba Grossi Farms	Sonoma			1
22MOY60	Agricultural	Off-Road	Equipment Replacement	\$ 33,800	Karl Bucher	Napa	v		1
22MOY61	Agricultural	Off-Road	Equipment Replacement	\$ 141,600	Larry's Produce LLC	Solano			1
22MOY64	Agricultural	Off-Road	Equipment Replacement	\$ 166,500	Joseph Rider	Napa			2
22MOY65	Agricultural	Off-Road	Equipment Replacement	\$ 28,000	Anthony Rossi	Napa			1
22MOY67	Agricultural	Off-Road	Equipment Replacement	\$ 107,400	Morrison Dairy	Sonoma			2
22MOY68	Agricultural	Off-Road	Equipment Replacement	\$ 20,000	Roger King	Solano			1
22MOY69	Agricultural	Off-Road	Equipment Replacement	\$ 276,450	Ielmorini Custom Spreading, LLC	Multi-County	v		2
22MOY72	Agricultural	Off-Road	Equipment Replacement	\$ 318,200	West Marin Compost LLC	Marin	v		1
22MOY77	Agricultural	Off-Road	Equipment Replacement	\$ 38,750	Marc Mondavi	Napa			1
22MOY78	Agricultural	Off-Road	Equipment Replacement	\$ 31,642	Cortina Vineyard Management	Napa	v		1
22MOY79	Agricultural	Off-Road	Equipment Replacement	\$ 43,500	Loma del sol farming inc.	Sonoma			1
22MOY80	Agricultural	Off-Road	Equipment Replacement	\$ 300,900	Renteria Vineyard Management LLC	Multi-County			5
22MOY81	Agricultural	Off-Road	Equipment Replacement	\$ 101,800	Stephen Tenbrink	Solano			2
22MOY82	Agricultural	Off-Road	Equipment Replacement	\$ 34,000	Gilardi's Family Farm	Sonoma			1
22MOY85	Agricultural	Off-Road	Equipment Replacement	\$ 218,350	Bordessa Family Dairies	Sonoma			1

Project Number	Type	Category	Description	Award	Grantee Name	County	Priority*	Zero Emission**	Count***
22MOY87	Agricultural	Off-Road	Equipment Replacement	\$ 60,000	Mike K. Waller	Solano			1
22MOY88	Agricultural	Off-Road	Equipment Replacement	\$ 43,500	Anselmo Farms LLC	Solano			1
22MOY92	Agricultural	Off-Road	Equipment Replacement	\$ 29,550	Paul P. Bianchi, Inc	Sonoma			1
22MOY94	Agricultural	Off-Road	Equipment Replacement	\$ 132,500	Lunny Ranch, LLC	Marin	✓		1
22MOY98	Agricultural	Off-Road	Equipment Replacement	\$ 44,000	St. Supery Inc.	Napa			1
22MOY99	Agricultural	Off-Road	Equipment Replacement	\$ 41,100	Daylight Vineyard Management, inc.	Sonoma			1
22MOY24	Agricultural	Off-Road	Equipment Repower	\$ 139,900	Stanley J Poncia	Sonoma	✓		1
20GMCH09	Cargo Handling	Off-Road	Equipment Replacement	\$ 330,000	Bolthouse Farms	Other	✓	✓	3
22MOY101	Marine	Off-Road	Equipment Repower	\$ 2,886,000	Foss Maritime Company LLC	Multi-County	✓		2
22MOY118	Marine	Off-Road	Equipment Repower	\$ 3,700,000	Northwest Tug Leasing	Multi-County	✓		2
22MOY129	Marine	Off-Road	Equipment Repower	\$ 310,000	Mr. Morgan Fisheries Inc.	San Mateo			2
22MOY135	Marine	Off-Road	Equipment Repower	\$ 154,000	William E. Smith	San Mateo			1
22MOY136	Marine	Off-Road	Equipment Repower	\$ 105,000	Zachary Jason Medinas	Multi-County	✓		1
22MOY158	Marine	Off-Road	Equipment Repower	\$ 174,000	Laurence J Collins	San Francisco			1
22MOY160	Marine	Off-Road	Equipment Repower	\$ 3,529,000	Baydelta Navigation LTD	Multi-County	✓		4
22MOY179	Marine	Off-Road	Equipment Repower	\$ 72,000	Kyle Dryer dba Diamond Sportfishing	Multi-County	✓		1
22MOY19	Marine	Off-Road	Equipment Repower	\$ 3,715,000	San Francisco Water Emergency Transportation Authority	Multi-County	✓		6
22MOY196	Marine	Off-Road	Equipment Repower	\$ 256,000	A.C. Fishing Charters Inc.	Multi-County	✓		2
22MOY21	Marine	Off-Road	Equipment Repower	\$ 120,000	Jerry Harold Pemberton	San Mateo			1
22MOY217	Marine	Off-Road	Equipment Repower	\$ 380,000	Happy Hooker Sportfishing, LLC	Multi-County	✓		2
22MOY228	Marine	Off-Road	Equipment Repower	\$ 85,300	Wooden Boats for Veterans Foundation	Multi-County	✓		1
22MOY30	Marine	Off-Road	Equipment Repower	\$ 298,000	A.C. Fishing Charters Inc., dba Tigerfish Sportfishing	Alameda			2
22MOY5	Marine	Off-Road	Equipment Repower	\$ 293,000	Golden Eye 2000	Alameda	✓		2
22MOY170	Off-Road (other)	Off-Road	Equipment Replacement	\$ 106,000	Argent Materials INC	Alameda	✓		1
N/A	County Program Management	On-Road	TFCA Pass Through	\$ 10,210,000	Bay Area County Transportation Agencies	Regional	N/A		N/A
20GM0007	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 200,000	P & R Trucking, Inc.	Alameda			2
20GM0010	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 1,400,000	Sandman Inc. dba Star Concrete	Santa Clara	✓		14
22MOY111	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 20,000	SAHIB SAFELINE	Alameda	✓		1

Project Number	Type	Category	Description	Award	Grantee Name	County	Priority*	Zero Emission**	Count***
22MOY115	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 40,000	SHG Transportation	Alameda	✓		1
22MOY119	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 50,000	BABAL TRANS INC	Santa Clara	✓		1
22MOY123	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 50,000	LDH Transportation Inc	Alameda	✓		1
22MOY124	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 50,000	Kulwant Khera (kskhera)	Alameda	✓		1
22MOY128	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 30,000	Aman Khan	Alameda	✓		1
22MOY130	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 50,000	Min Jian Huang (jianhuang)	Alameda	✓		1
22MOY131	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 25,000	Karanbir Singh (karanbirsg)	Contra Costa			1
22MOY132	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 20,000	WeiLiang Trucking Inc	Alameda	✓		1
22MOY174	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 25,000	Can Yuan Chen (canchen)	Alameda	✓		1
22MOY75	Heavy-Duty Truck	On-Road	Equipment Replacement	\$ 25,000	Gill Brothers Express Inc	Alameda	✓		1
20GM0006	Heavy-Duty Truck	On-Road	Equipment Replacement + Infrastructure	\$ 690,000	Mutual Express Company	Alameda	✓	✓	3
20GM0008	Heavy-Duty Truck	On-Road	Equipment Replacement + Infrastructure	\$ 230,000	Habtezgi Girme	Contra Costa	✓	✓	1
20GM0012	Heavy-Duty Truck	On-Road	Equipment Replacement + Infrastructure	\$ 230,000	Esayas Gebrezgabihier	Alameda	✓	✓	1
20GM0013	Heavy-Duty Truck	On-Road	Equipment Replacement + Infrastructure	\$ 230,000	Bernnet Habteselassie	Alameda	✓	✓	1
21R071	Heavy-Duty Truck	On-Road	Fleet Expansion + Infrastructure	\$ 3,360,000	Center for Transportation and the Environment	Alameda	✓	✓	30
Clean Cars for All	Light-Duty Cars	On-Road	Equipment Replacement	\$ 6,413,262	Eligible Bay Area Residents	Multi-County	✓	N/A	738
Vehicle Buyback	Light-Duty Cars	On-Road	Equipment Replacement	\$ 2,637,197	Eligible Bay Area Residents	Multi-County	N/A	N/A	2,066
2101-15735	Light-Duty EV	On-Road	Infrastructure	\$ 950,000	EVgo Services, LLC	Regional	✓	✓	38
2102-16395	Light-Duty EV	On-Road	Infrastructure	\$ 21,000	The Millennium Tower Association	San Francisco	✓	✓	3
2103-17065	Light-Duty EV	On-Road	Infrastructure	\$ 20,000	Napa Valley Transportation Authority	Napa		✓	5
2103-17230	Light-Duty EV	On-Road	Infrastructure	\$ 64,000	REEF Energy CA Operations, LLC	San Francisco	✓	✓	8
2103-17315	Light-Duty EV	On-Road	Infrastructure	\$ 2,999,000	EV Charging Solutions, Inc.	Regional	✓	✓	264
2103-17345	Light-Duty EV	On-Road	Infrastructure	\$ 44,000	City of San Ramon	Alameda	✓	✓	4
2103-17359	Light-Duty EV	On-Road	Infrastructure	\$ 48,000	The Shores at Marina Bay Community Association	Contra Costa	✓	✓	6
2103-17497	Light-Duty EV	On-Road	Infrastructure	\$ 425,000	East Bay Community Energy Authority	Alameda	✓	✓	17
2103-17499	Light-Duty EV	On-Road	Infrastructure	\$ 64,000	Alameda Multifamily Owner, LLC	Alameda	✓	✓	8
2103-17520	Light-Duty EV	On-Road	Infrastructure	\$ 26,000	City of Dublin	Alameda		✓	7
2103-17524	Light-Duty EV	On-Road	Infrastructure	\$ 406,000	County of Solano	Solano	✓	✓	134



Project Number	Type	Category	Description	Award	Grantee Name	County	Priority*	Zero Emission**	Count***
2103-17527	Light-Duty EV	On-Road	Infrastructure	\$ 24,000	EVmatch, Inc.	Alameda	✓	✓	3
2103-17554	Light-Duty EV	On-Road	Infrastructure	\$ 12,000	West County Wastewater District	Contra Costa	✓	✓	2
2103-17603	Light-Duty EV	On-Road	Infrastructure	\$ 32,000	Bollinger Crest Apartment Investors, LP	Alameda		✓	4
2103-17625	Light-Duty EV	On-Road	Infrastructure	\$ 44,000	Silvergate Brentwood, LLC	Contra Costa		✓	11
2103-17638	Light-Duty EV	On-Road	Infrastructure	\$ 48,000	Intertie, Inc.	San Francisco	✓	✓	6
N/A	Light-Duty EV	On-Road	Infrastructure	\$ 720,264	Awards of VW funds to Bay Area projects	Multi-County	✓	✓	43
22SBP52	School Bus	On-Road	Equipment Replacement	\$ 435,306	Pittsburg Unified School District	Contra Costa	✓		3
22SBP9	School Bus	On-Road	Equipment Replacement	\$ 827,820	Napa Valley Unified School District	Napa	✓		4
21SBP211	School Bus	On-Road	Equipment Replacement + Infrastructure	\$ 1,293,126	Menlo Park City School District	San Mateo	✓		3
22SBP105	School Bus	On-Road	Equipment Replacement + Infrastructure	\$ 1,731,969	Fremont Unified School District	Alameda	✓	✓	4
22SBP14	School Bus	On-Road	Equipment Replacement + Infrastructure	\$ 827,154	Milpitas Unified School District	Santa Clara	✓		2
22SBP216	School Bus	On-Road	Equipment Replacement + Infrastructure	\$ 1,510,616	Campbell Union High School District	Santa Clara	✓	✓	3
22SBP40	School Bus	On-Road	Equipment Replacement + Infrastructure	\$ 2,122,007	Franklin-McKinley School District	Santa Clara	✓	✓	5
22SBP71	School Bus	On-Road	Equipment Replacement + Infrastructure	\$ 4,928,532	Petaluma City Schools	Sonoma	✓	✓	12
22SBP84	School Bus	On-Road	Equipment Replacement + Infrastructure	\$ 1,695,831	Rincon Valley Union School District	Sonoma	✓	✓	4
21SBP98	School Bus	On-Road	Infrastructure	\$ 242,828	Palo Alto Unified School District	Santa Clara	✓	✓	N/A
22SBP14	School Bus	On-Road	Infrastructure	\$ 95,327	Milpitas Unified School District	Santa Clara	✓	✓	N/A
22R01	Trip Reduction	Trip Reduction	Commuter Benefits & Enforcement	\$ 150,000	BAAQMD	Regional	N/A	N/A	N/A
21R08	Trip Reduction	Trip Reduction	Last Mile Commute Shuttle	\$ 160,000	Peninsula Corridor Joint Powers Board	San Mateo		N/A	N/A
21R09	Trip Reduction	Trip Reduction	Last Mile Commute Shuttle	\$ 280,000	San Jose State University	Regional	✓	N/A	N/A
21R10	Trip Reduction	Trip Reduction	Last Mile Commute Shuttle	\$ 240,000	Predio Trust	San Francisco	✓	N/A	N/A
21R11	Trip Reduction	Trip Reduction	Last Mile Commute Shuttle	\$ 1,818,660	Santa Clara Valley Transit Authority	Santa Clara	✓	N/A	N/A
21R12	Trip Reduction	Trip Reduction	Last Mile Commute Shuttle	\$ 80,000	San Joaquin Regional Rail Commission	Alameda		N/A	N/A
22R03	Trip Reduction	Trip Reduction	Spare The Air	\$ 2,290,000	BAAQMD	Regional	N/A	N/A	N/A
<b>Grand Total</b>				<b>\$ 76,320,306</b>					<b>3,594</b>

\* "Priority" indicates projects benefiting disadvantaged and low-income communities, Air District designated Community Air Risk Evaluation (CARE) areas, and low-income residents.

\*\* "Zero Emission" indicates projects that deploy vehicle/equipment with no exhaust emissions or install publicly accessible charging infrastructure.

\*\*\* "Count" represents the number of vehicles, engines, or pieces of equipment, or number of publicly accessible charging stations. Infrastructure associated with heavy-duty vehicles/equipment is not counted.

## ***Overview of Emissions Reduction Benefit Estimation Methodologies for the Air District's Voluntary Emission Reduction Grant Programs***

This document provides an overview of the methodologies used to evaluate emissions reduction benefit estimation methodology for the Bay Area Air Quality Management District's voluntary emission reduction grant programs

California Air Resources Board's (CARB) methodology is used to evaluate emissions reduction benefits for scrap and replace and for vehicle retirement projects. CARB's methodology is also used as the underlying basis to evaluate emissions reduction benefits from trip reduction and fleet expansion projects, which are not project categories authorized in Moyer guidelines.

- For **scrap and replace projects**, emissions reduction benefits are calculated by evaluating the difference in emission rates between the retired vehicle and the replacement vehicle multiplied by the average vehicle miles traveled by retired vehicles in the year of vehicle retirement.
- For **fleet expansion projects** that voluntarily choose the equipment that is cleaner than required by air quality regulations, emissions reduction benefits are calculated by evaluating the difference in emission rates between fleet average and the clean technology equipment multiplied by miles-traveled or hours of operation of the equipment.
- For **trip reduction projects**, emissions reduction benefits are calculated by evaluating the estimated number of trips reduced multiplied by average trip length and then multiplied average emission rates of light-duty passenger vehicles.
- For **light-duty infrastructure projects** that are accessible to the public, emissions reduction benefits are calculated by evaluating the difference in emission rates between fleet average and the clean technology equipment multiplied by miles-traveled based on electricity delivered or fuel dispensed.
- For **heavy-duty infrastructure projects** that are associated with heavy-duty equipment, emissions reduction benefits are entirely attributed to the equipment to avoid double counting.



## Background Information for a Recommendation to Increase Signing Authority for Voluntary Emission Reduction Grant Programs

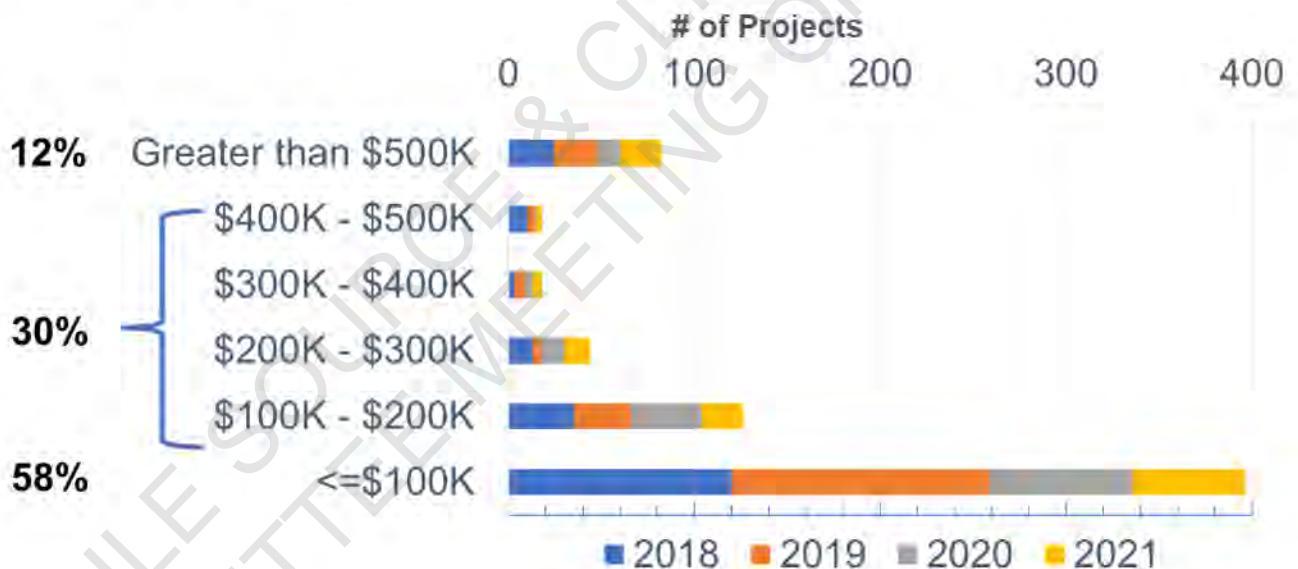
This document provides background information related to a recommendation for the Bay Area Air Quality Management District's Board of Directors to authorize an increase in the Executive Officer/APCO's signature authority up to \$500,000 for the execution of individual grant agreements and amendments for voluntary emissions reduction projects that are funded by state revenues and local vehicle registration fees.

This document summarizes the 1) results of awards made between 2018 and 2021 and 2) shows the key tasks & processes required for the administration of voluntary incentive grant programs.

### 1) Analysis of Awards Made between 2018 – 2021

#### Number of Projects Awarded Between 2018 – 2021, by Funding Level

Between 2018 – 2021, the Air District awarded approximately \$216 million to more than 680 projects and programs, through the Transportation Fund for Clean Air (TFCA) Regional Fund, Carl Moyer, Community Air Protection, Funding Agricultural Replacement Measures for Emission Reductions (FARMER), Mobile Source Incentive Fund (MSIF), and Reformulated Gasoline programs<sup>1</sup>. Of these, 288 projects (about 42%) had proposed awards above \$100,000. The chart below shows the distribution of these projects by calendar year.



<sup>1</sup> These charts do not include data for funding that was brought to the Mobile Source and Climate Impacts Committee for consideration separate from the report "Projects and Contracts Over \$100,000", such as Air District-sponsored programs (e.g., Spare the Air) that are approved through the budgeting process, funding that is awarded as a separate Air District Board action e.g., Charge! and pass-through funding for the TFCA County Program Manager programs, and projects that require approval by the California Air Resources Board (CARB) including the statewide Volkswagen Environmental Mitigation Trust Program and Goods Movement programs.

## Background Information for a Recommendation to Increase Signing Authority for Voluntary Emission Reduction Grant Programs

### Distribution of Funds Awarded Between 2018 – 2021, by Funding Level

The analysis also shows that during this same period out of the \$216 million 92% of the funds were awarded to projects requesting above \$100,000. The chart below shows the distribution of these projects by award amount by calendar year.



### 2) Summary of Key Tasks & Requirements for Administration of Incentive Funding

Although each funding source has its own specific and unique requirements, the following list describes the work that is typically required for each funding source.

- Develop program materials for solicitation (e.g., website, guidance, application materials).
- Develop and maintain data management systems that will be used throughout the life of each new revenue stream and program.
- Conduct community engagement and outreach to potential grantees to solicit projects.
- Evaluate application materials and project cost-effectiveness.
- Prepare ranking lists and/or recommendations for board/state consideration.
- Generate and route contracts, and amendment(s) as needed.
- Conduct inspections of existing, new, and in some cases destroyed old equipment.
- Review fiscal information and process reimbursement requests.
- Monitor projects and review progress and annual operational reports for the duration of each project's contracted term (Project Useful Life), typically 3-10 years.
- Create and maintain records in data management systems and hardcopy files.
- Report program fiscal and project status to revenue source (e.g., monthly, annually, etc.).
- Address all non-performing projects and conduct enforcement action, as needed.
- Reallocate (award again) remaining / recaptured funds as projects are closed-out under-budget, withdrawn, or terminated.
- Cooperate in fiscal and programmatic audits conducted by the Department of Finance, Bureau of State Audits, CARB, and Environmental Protection Agency and independent audits that are required by statute for the TFCA.
- Maintain project records for a minimum of seven years pursuant to the Air District's records retention policy (for public record requests and audit purposes). Some programs have longer retention periods, such as the I-Bond program, that requires that files be maintained for 35 years.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Teresa Barrett and Members  
of the Mobile Source and Climate Impacts Committee

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 24, 2022

Re: Proposed Update to California Environmental Quality Act (CEQA) Thresholds of  
Significance for Climate Impacts and Associated Justification Report

RECOMMENDED ACTION

Staff requests that the Committee recommend the Board of Directors adopt the proposed Thresholds of Significance for Climate Impacts and the associated Justification Report.

BACKGROUND

The California Environmental Quality Act (CEQA) was signed into law in 1970. CEQA requires that California public agencies study and disclose the environmental impacts of proposed development projects and plans, and limit those impacts to the extent feasible. These environmental impacts include climate change (through greenhouse gas emissions), and air quality, as well as impacts not directly related to the Air District's purview, such as water quality, transportation, and biological resources, among others.

Greenhouse gas emissions from land use development can occur directly, e.g., emissions from combustion devices such as boilers and generators, and indirectly, e.g., from transportation activity associated with a project. Although Air District permits protect public health by assuring that stationary sources of air pollution comply with all applicable Air District regulations, the Air District does not have authority to issue permits for GHG emissions from local land use development. City or county land use permits determine whether and where a GHG-emitting project may be located, and local land use permits sometimes do not adequately consider GHG emissions. Although Air District air quality permits may impose conditions on stationary source operations that could also result in GHG co-benefits, Air District permits do not address GHG emissions from transportation, fossil fuel combustion, or other activities. As such, the Air District's ability to influence GHG emissions from land use projects is limited. And while many land use developments result in public concern, with calls for the Air District to take action, limited authority with respect to local land use decisions limits our options.



The Air District's CEQA Thresholds of Significance for Climate Impacts and the associated Justification Report are tools the Air District employs to further its and the State's goals of meeting GHG emissions reduction targets. The Air District's CEQA Thresholds of Significance for Climate Impacts and Justification Report are intended to assist cities, counties, and other lead agencies in analyzing and reducing climate impacts of local projects and plans. The thresholds provide lead agencies with recommended benchmarks for determining whether a project's or plan's GHG emissions rise to a level of significance. The Proposed "*Justification Report: CEQA Thresholds for Evaluating the Significance of Climate Impacts from Land Use Projects and Plans*" (Justification Report) provides the rationale and substantial evidence supporting the Thresholds of Significance for Climate Impacts due to GHG emissions. Staff is also developing updated CEQA Guidelines that will provide additional support to local project developers and lead agencies in implementing the thresholds; the updated CEQA Guidelines will be released in Spring 2022.

Substantive changes have occurred with respect to the data and assumptions underlying the analytical methodologies, thresholds, and guidance since the Air District's last update of its GHG thresholds in June 2010. In addition, the State has taken strong legislative and programmatic action to achieve GHG reductions beyond 2020. Further, noteworthy court decisions related to CEQA litigation have occurred since 2010, creating new parameters that influence how climate impacts due to GHG emissions can be determined and mitigated under CEQA. Accordingly, Air District staff proposes to update the CEQA GHG thresholds to reflect current State legislation, policy guidance and GHG reduction targets, new and revised requirements in the State CEQA Guidelines, case law, improved analytical methodologies, and updated GHG reduction strategies and technologies.

## DISCUSSION

Staff has investigated proposed updates to the CEQA Thresholds of Significance for Climate Impacts due to GHG emissions. Key motivations of this effort include the need to update the recommended thresholds to align with the latest State GHG reduction targets for 2030 and 2045, and to support local planning efforts. The current thresholds are outdated, based on the State's 2008 Scoping Plan and 2020 GHG reduction target, and require updating to reflect current statewide policy, targets and time horizons. Staff proposes updated Thresholds of Significance for Climate Impacts for: 1) Land-use Projects, and 2) Land-use Development Plans.

### **1. Land-use Projects**

For a land-use project's GHG emissions to be determined to be less than significant, it is proposed that the project must: a) include certain project design elements, *or*; b) be consistent with a local GHG Reduction Strategy. Project design elements include aspects of the project that are within the control of the project developer and that have the potential to "lock in" GHG emissions for the duration of the project-life. The design elements included in the proposed thresholds address GHG emissions from building operations and transportation.

Alternatively, the evaluation of a land-use development project's GHG impacts could focus on a demonstration that the project is consistent with a local GHG Reduction Strategy, such as a climate action plan, which in turn conforms to State and Air District guidance. Criteria for a GHG Reduction Strategy that supports this type of streamlining is specified in the State of California CEQA Guidelines (section 15183.5(b)). In addition, the Air District is developing further supportive guidance for local GHG Reduction Strategies on how to reflect consistency with the State Guidelines. This supportive guidance will be included in the Air District's CEQA Guidance to be released later this Spring. The proposed thresholds for land use development projects are summarized in the following table.

<b>Thresholds for Land Use Projects (Must Include A or B)</b>	
<b>A.</b>	Projects must include, at a minimum, the following project design elements:
	<ol style="list-style-type: none"> <li>1. Buildings <ol style="list-style-type: none"> <li>a. The project will not include natural gas appliances or natural gas plumbing (in both residential and nonresidential development).</li> <li>b. The project will not result in any wasteful, inefficient, or unnecessary energy usage as determined by the analysis required under CEQA Section 21100(b)(3) and Section 15126.2(b) of the State CEQA Guidelines.</li> </ol> </li> <li>2. Transportation <ol style="list-style-type: none"> <li>a. Achieve compliance with electric vehicle requirements in the most recently adopted version of <u>CALGreen Tier 2</u>.</li> <li>b. Achieve a reduction in project-generated vehicle miles traveled (VMT) below the regional average consistent with the current version of the California Climate Change Scoping Plan (currently 15 percent) or meet a locally adopted Senate Bill 743 VMT target, reflecting the recommendations provided in the Governor's Office of Planning and Research's Technical Advisory on Evaluating Transportation Impacts in CEQA: <ol style="list-style-type: none"> <li>i. Residential projects: 15 percent below the existing VMT per capita</li> <li>ii. Office projects: 15 percent below the existing VMT per employee</li> <li>iii. Retail projects: no net increase in existing VMT</li> </ol> </li> </ol> </li> </ol>
<b>B.</b>	Projects must be consistent with a local GHG reduction strategy that meets the criteria under State CEQA Guidelines Section 15183.5(b).

## 2. Land Use Development Plans

For long-term communitywide planning documents (e.g., general plans, long-range development plans, climate action plans) to be determined to have a less-than-significant climate impact, they must demonstrate that GHG emissions from the jurisdiction will decline in accordance with California's GHG reduction targets of 40 percent below 1990 levels by 2030 and carbon neutrality by 2045. A local jurisdiction that plans to develop in a manner that will meet those targets will support the State's ability to achieve its climate goals and thus would be considered to have a less-than-significant impact on GHG emissions. If a jurisdiction has adopted a climate action plan that meets the criteria for a GHG Reduction Strategy under the State CEQA Guidelines and pursuant to Air District's guidance, it can use that climate action plan to provide the basis for demonstrating that the jurisdiction's GHG emissions will meet the 2030 and 2045 targets when it adopts a general plan update and similar long-range planning document.



The proposed threshold for plans is summarized in the table below.

Thresholds for Land-use Development Plans (Must include A or B)	
A.	Meet the State's goals to reduce emissions to 40 percent below 1990 levels by 2030 and carbon neutrality by 2045; or
B.	Be consistent with a local GHG reduction strategy that meets the criteria under State CEQA Guidelines Section 15183.5(b).

Staff prepared a report to explain and support the recommended thresholds. This report, *"Justification Report: CEQA Thresholds for Evaluating the Significance of Climate Impacts from Land Use Projects and Plans,"* is included as Attachment A. This Justification Report provides the substantial evidence to support adoption of these thresholds by the Board of Directors, as well as the substantial evidence needed by Lead Agencies that choose to use these thresholds to make significance determinations.

Staff is evaluating the recommended thresholds of significance for climate impacts for stationary sources, and will report back to the Board on those thresholds later in 2022. As part of this process, staff will bring early concepts to the Board and will conduct a robust outreach and engagement process.

Staff convened numerous focus groups with local government planning staff, builders, affordable housing developers, environmental advocates and community organizations to discuss this approach for updating the CEQA GHG thresholds and to receive feedback and suggestions. Staff also convened a public workshop on December 9, 2022, opened a 30-day public comment period starting on February 16, 2022, and convened a second public workshop on March 10, 2022.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None. Resources to update and implement the CEQA Thresholds and Guidelines are included in the FYE 2022 and proposed FYE 2023 budgets.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Abby Young  
Reviewed by: Henry Hilken

ATTACHMENTS:

1. Justification Report: CEQA Thresholds for Evaluating the Significance of Climate Impacts from Land Use Projects and Plans

MOBILE SOURCE & CLIMATE IMPACTS  
COMMITTEE MEETING OF 3/24/2022





**BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT**

Draft Justification Report:  
**CEQA Thresholds for Evaluating  
the Significance of Climate Impacts  
From Land Use Projects  
and Plans**

February 2022





## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Draft Justification Report

# CEQA Thresholds for Evaluating the Significance of Climate Impacts

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Chief Executive Officer/Air Pollution Control Officer

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February 2022

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## LIST OF ABBREVIATIONS

°C	degrees Celsius
AB	Assembly Bill
Air District	Bay Area Air Quality Management District
CALGreen	California Green Building Standards Code
CARB	California Air Resources Board
CEC	California Energy Commission
CEQA	California Environmental Quality Act
DC	direct current
EIR	environmental impact report
EV	electric vehicle
GHG	greenhouse gas
HCD	California Department of Housing and Community Development
OPR	Governor's Office of Planning and Research
RPS	Renewables Portfolio Standard
SB	Senate Bill
VAC	voltage of alternating current
VMT	vehicle miles traveled
ZEV	zero-emission vehicle





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MOBILE SOURCE & CLIMATE IMPACTS  
COMMITTEE MEETING OF 3/24/2022



# 1 INTRODUCTION AND EXECUTIVE SUMMARY

This report presents the Bay Area Air Quality Management District's (Air District's) recommended thresholds of significance for use in determining whether a proposed project will have a significant impact on climate change. The Air District recommends that these thresholds of significance be used by public agencies to comply with the California Environmental Quality Act (CEQA).

Evaluating climate impacts under CEQA can be challenging because global climate change is inherently a cumulative problem. Climate change is not caused by any individual emissions source but by a large number of sources around the world emitting greenhouse gases (GHGs) that collectively create a significant cumulative impact. CEQA requires agencies in California to analyze such impacts by evaluating whether a proposed project would make a "cumulatively considerable" contribution to the significant cumulative impact on climate change. (See CEQA Guidelines Sections 15064[h] and 15064.4[b].) But CEQA does not provide any further definition of what constitutes a cumulatively considerable contribution in this context. These thresholds of significance are intended to assist public agencies in determining whether proposed projects they are considering would make a cumulatively considerable contribution to global climate change, as required by CEQA.

The Air District's recommended thresholds of significance are summarized below, with a detailed discussion of the basis for the thresholds presented in the remainder of this report. The information provided in this report is intended to provide the substantial evidence that lead agencies will need to support their determinations about significance using these thresholds. This information also provides the substantial evidence to support adoption of these thresholds by the Air District's Board of Directors. (See CEQA Guidelines Section 15064.7 [thresholds must be adopted by the Board of Directors through a public review process and be supported by substantial evidence].)

## 1.1 THRESHOLDS FOR LAND USE PROJECTS

For land use development projects, the Air District recommends using the approach endorsed by the California Supreme Court in *Center for Biological Diversity v. Department of Fish & Wildlife* (2015) (62 Cal.4th 204), which evaluates a project based on its effect on California's efforts to meet the State's long-term climate goals. As the Supreme Court held in that case, a project that would be consistent with meeting those goals can be found to have a less-than-significant impact on climate change under CEQA. If a project would contribute its "fair share" of what will be required to achieve those long-term climate goals, then a reviewing agency can find that the impact will not be significant because the project will help to solve the problem of global climate change (62 Cal.4th 220–223).



Applying this approach, the Air District has analyzed what will be required of new land use development projects to achieve California's long-term climate goal of carbon neutrality<sup>1</sup> by 2045. The Air District has found, based on this analysis, that a new land use development project being built today needs to incorporate the following design elements to do its "fair share" of implementing the goal of carbon neutrality by 2045:

#### Thresholds for Land Use Projects (Must Include A or B)

##### A. Projects must include, at a minimum, the following project design elements:

###### 1. Buildings

- a. The project will not include natural gas appliances or natural gas plumbing (in both residential and nonresidential development).
- b. The project will not result in any wasteful, inefficient, or unnecessary electrical usage as determined by the analysis required under CEQA Section 21100(b)(3) and Section 15126.2(b) of the State CEQA Guidelines.

###### 2. Transportation

- a. Achieve compliance with electric vehicle requirements in the most recently adopted version of CALGreen Tier 2.
- b. Achieve a reduction in project-generated vehicle miles traveled (VMT) below the regional average consistent with the current version of the California Climate Change Scoping Plan (currently 15 percent) or meet a locally adopted Senate Bill 743 VMT target, reflecting the recommendations provided in the Governor's Office of Planning and Research's Technical Advisory on Evaluating Transportation Impacts in CEQA:
  - i. Residential projects: 15 percent below the existing VMT per capita
  - ii. Office projects: 15 percent below the existing VMT per employee
  - iii. Retail projects: no net increase in existing VMT

##### B. Projects must be consistent with a local GHG reduction strategy that meets the criteria under State CEQA Guidelines Section 15183.5(b).

If a project is designed and built to incorporate these design elements, then it will contribute its portion of what is necessary to achieve California's long-term climate goals—its "fair share"—and an agency reviewing the project under CEQA can conclude that the project will not make a cumulatively considerable contribution to global climate change. If the project does not incorporate these design elements, then it should be found to make a significant climate impact because it will hinder California's efforts to address climate change. These recommended thresholds for land use projects are discussed in more detail in Section 4.

<sup>1</sup> "Carbon neutrality" is defined in Executive Order B-55-18 as the point at which the removal of carbon pollution from the atmosphere meets or exceeds carbon emissions. Carbon neutrality is achieved when carbon dioxide and other GHGs generated by sources such as transportation, power plants, and industrial processes are less than or equal to the amount of carbon dioxide that is stored, both in natural sinks and mechanical sequestration.





## 1.2 THRESHOLDS FOR GENERAL PLANS AND RELATED PLANNING DOCUMENTS

The Air District recommends a similar approach for cities and counties adopting general plans and related planning documents that will guide long-range development in their jurisdictions. The Air District recommends that cities and counties evaluate such plans based on whether they will be consistent with California's long-term climate goal of achieving carbon neutrality by 2045. To be consistent with this goal, these plans should reduce GHG emissions in the relevant jurisdiction to meet an interim milestone of 40 percent below the 1990 emission levels by 2030, consistent with Senate Bill (SB) 32, and to achieve carbon neutrality by 2045. Cities and counties planning to develop in a manner that is not consistent with meeting these GHG reduction targets will have a significant climate impact because they will hinder California's efforts to address climate change.

### Thresholds for Plans (Must Include A or B)

- A. Meet the State's goals to reduce emissions to 40 percent below 1990 levels by 2030 and carbon neutrality by 2045; or
- B. Be consistent with a local GHG reduction strategy that meets the criteria under State CEQA Guidelines Section 15183.5(b).

The Air District also strongly recommends that cities and counties adopt climate action plans to document specific strategies and implementation measures to ensure that they will achieve these 2030 and 2045 goals. Robust climate action plans that meet the requirements of CEQA Guidelines Section 15183.5(b) can provide such jurisdictions with a number of benefits. If properly developed, they will provide the substantial evidence a jurisdiction needs to demonstrate that its general plan updates and related planning documents will not have a significant climate impact as outlined in the preceding paragraph. In addition, a jurisdiction can use a qualified climate action plan to evaluate individual land use projects under CEQA. This gives the local jurisdiction the flexibility to tailor requirements for land use projects in its community to the specific circumstances of that community rather than use the Air District's general thresholds for land use projects described above. In addition, a jurisdiction can adopt a climate action plan immediately, without having to wait for its next general plan update cycle.

Thresholds for general plans and related planning documents are discussed in more detail in Section 5. Guidance from the Air District on how to develop and adopt a comprehensive climate action plan that satisfies the detailed requirements of CEQA Guidelines Section 15183.5(b) is set forth in Appendix C to the Air District's Air Quality Guidelines.

## 1.3 Important Considerations for Using These Thresholds

The Air District has developed these thresholds of significance based on typical residential and commercial land use projects and typical long-term communitywide planning documents such as general plans and similar long-range development plans. As such, these thresholds may not be appropriate for other types of projects that do not fit into the mold of a typical residential or commercial project or general plan update.



Lead agencies should keep this point in mind when evaluating other types of projects. A lead agency does not necessarily need to use a threshold of significance if the analysis and justifications that were used to develop the threshold do not reflect the particular circumstances of the project under review. Accordingly, a lead agency should not use these thresholds if it is faced with a unique or unusual project for which the analyses supporting the thresholds as described in this report do not squarely apply. In such cases, the lead agency should develop an alternative approach that would be more appropriate for the particular project before it, considering all of the facts and circumstances of the project on a case-by-case basis.

In addition, lead agencies should keep in mind that the science of climate change – and California’s regulatory and policy responses to it – are constantly evolving. As the technical and policy considerations on which these thresholds of significance are based advance in the future, lead agencies may need to make adjustments to the thresholds as set forth herein to be consistent with the most current information. As the California Supreme Court has explained, lead agencies are required to “ensure that CEQA analysis stays in step with evolving scientific knowledge and state regulatory schemes” (*Cleveland National Forest Foundation v. SANDAG* (2017) 3 Cal.5th 497, 519). Making appropriate adjustments to these thresholds in light of future developments will ensure that lead agencies comply with this important CEQA mandate.

## 2 FRAMEWORK FOR ANALYZING IMPACTS UNDER CEQA

The central requirement of the CEQA environmental analysis is to determine whether implementing a project will result in any significant adverse impact on the environment, either individually or cumulatively.

This mandate requires the reviewing agency first to evaluate whether the project will have a significant impact by itself and then to consider whether the project may contribute to a significant cumulative impact in conjunction with other past, present, and reasonably foreseeable future projects that also contribute to the impact.<sup>2</sup>

In the cumulative context, the analysis has two parts. To evaluate cumulative impacts, the agency must assess (1) whether the overall cumulative impact will be significant and, (2) if the overall impact is significant, whether the incremental contribution that the individual project under review will add to the overall cumulative problem will be cumulatively considerable. As Section 15064(h)(1) of the CEQA Guidelines states:

When assessing whether a cumulative effect requires an EIR [environmental impact report], the lead agency shall consider whether the cumulative impact is significant and whether the effects of the project are cumulatively considerable. An EIR must be prepared if the cumulative impact may be significant and the project’s incremental effect, though individually limited, is cumulatively considerable.

Both parts of this test must be met for a project’s impact to be treated as significant under CEQA. If the overall cumulative impact does not rise to the level of a “significant” impact, or if the project’s incremental

<sup>2</sup> A cumulative impact is the change in the environment that results from the incremental impact of the project under review in conjunction with other past, present, and reasonably foreseeable probable future projects (CEQA Guidelines Section 15355).





contribution is not cumulatively considerable, then the project's impact is not treated as significant. (See *San Francisco Baykeeper, Inc. v. State Lands Commission* [2015] [242 Cal.App.4th 202, 222] [project not significant if "the cumulative impact is insignificant or if the project's incremental contribution to the impact is not cumulatively considerable"]; see also CEQA Guidelines Sections 15130[a][3] and 15064[h][4].)

Cumulatively considerable means that the incremental effect of the specific project under review will be significant when viewed in the context of the overall cumulative problem (CEQA Section 21083[b][2]). CEQA does not require that any incremental addition to a significant cumulative impact, no matter how small, must necessarily be treated as cumulatively considerable. The statute does not require a so-called "one additional molecule" standard, and some projects' incremental contributions would be so minor that their impact does not have to be treated as significant even though the projects would add an additional amount to the significant cumulative impact (*Communities for a Better Environment v. California Resources Agency* [2002] [103 Cal.App.4th 98, 120]; see also CEQA Guidelines Section 15064[h][4].) The level at which the incremental addition becomes cumulatively considerable will depend on the nature of the particular cumulative impact being evaluated. The ultimate test is whether any additional amount should be considered significant in the context of the existing cumulative effect. (*Ibid.*)

Applying these principles, the environmental impact analysis under CEQA is a four-step process:

- ▶ Step One: Determine the level at which an impact on the environmental resource under consideration becomes "significant." This is the touchstone for assessing whether the project may have a significant impact individually or may contribute to a cumulative impact that is significant. The level at which the impact becomes significant will depend on the nature of the environmental resource being evaluated.
- ▶ Step Two: Evaluate whether the project under review would degrade the environmental resource to such an extent that there would be an impact exceeding the "significant" level determined during Step One. If implementing the project would cause an impact to exceed that level all by itself, then the project's impact is treated as significant under CEQA and the project requires preparation of an EIR, implementation of feasible mitigation measures to reduce the impact to a less-than-significant level, and consideration of alternatives that would avoid or lessen any significant impacts. If the project under review would not degrade the environmental resource to such an extent that there would be a significant impact, the analysis proceeds to Step Three.
- ▶ Step Three: Determine whether the contribution of the project combined with the contributions of all other past, present, and reasonably foreseeable future projects would exceed the "significant" level determined during Step One. If implementing the project would not cause a significant impact by itself, it still must be evaluated to determine whether it would make a cumulatively considerable contribution to a significant cumulative impact. The first element of that analysis is to assess the overall cumulative impact caused by the project in conjunction with other past, present, and reasonably foreseeable future projects affecting the same resource. If the overall cumulative impact exceeds the "significant" level determined during Step One, then the project would contribute to a significant cumulative impact, and the analysis proceeds to Step Four to determine whether that contribution is cumulatively considerable.



- ▶ **Step Four:** Determine whether the project's incremental contribution is cumulatively considerable. The final step is to determine whether the project's incremental contribution is cumulatively considerable in light of the overall cumulative impact. If implementing the project would make a cumulatively considerable contribution to a significant cumulative impact, the impact is considered significant under CEQA and the agency must prepare an EIR, impose feasible mitigation measures to bring the incremental contribution below the cumulatively considerable level, and consider alternatives.

The CEQA analysis applies this four-step process to evaluating climate impacts just as it does for all other impacts.

### 3 ANALYZING IMPACTS ON GLOBAL CLIMATE CHANGE

CEQA requires agencies to consider a project's impacts on global climate change in the same manner that they consider impacts on other areas in the environmental review document. Climate change is unique, however, given the global nature of the problem.

Step One in the analysis requires determining the level at which climate change becomes a "significant" environmental problem. There is a general consensus that we need to limit the warming of the planet to no more than 1.5 degrees Celsius (°C) in order to maintain a sustainable global climate. Aiming to limit global warming to 1.5 °C is a goal recognized by the Paris Agreement on Climate Change and in California's Executive Order B-55-18, and the Intergovernmental Panel on Climate Change (IPCC) has documented the serious adverse consequences that are expected if the climate warms by more than that amount (IPCC 2018). A 1.5 °C rise in global temperatures is therefore an appropriate measure of the level at which climate change will become significant. A global temperature increase of more than that amount will constitute a significant climate impact.

Proceeding to Step Two in the analysis, it is clear that no individual project could have a significant climate impact all by itself, because no project by itself could cause the global temperature to rise by 1.5 °C. Indeed, it is difficult to conceive of any project whose GHG emissions would cause global temperature to change in any detectable way. The California Supreme Court acknowledged this situation in its *Center for Biological Diversity* decision, explaining that "an individual project's emissions will most likely not have any appreciable impact on the global problem by themselves, but they will contribute to the significant cumulative impact caused by greenhouse gas emissions from other sources around the globe" (*Center for Biological Diversity v. Department of Fish & Wildlife* [2015] 62 Cal.4th 204, 219 [citation omitted]).

Moving on to the cumulative analysis, Step Three asks whether the project would contribute to a significant cumulative impact in conjunction with all other past, present, and foreseeable future projects that are contributing to the same impact. With respect to climate change, clearly the answer is yes. Climate change is a cumulative problem caused by millions or billions of individually minor sources all around the globe contributing to the global impact, and it is unquestionably a significant cumulative problem.<sup>3</sup> The

<sup>3</sup> CEQA requires the cumulative analysis to consider the contributions from all projects that contribute to the impact (i.e., all projects that contribute to the degradation of the environmental resource being evaluated). (See *City of Long Beach v. Los Angeles Unified School Dist.* [2009]





global climate has already warmed by approximately 1.0 °C compared to a preindustrial baseline, and IPCC projects that continued growth in GHG emissions will cause that warming to reach 1.5 °C by 2030–2053 if nothing is done to limit it (IPCC 2018).

The analysis therefore focuses on Step Four: determining whether the project's GHG emissions would make a cumulatively considerable contribution to the significant problem of global climate change. As the Supreme Court noted in its *Center for Biological Diversity* decision, the question is “whether the project's incremental contribution of greenhouse gases is ‘cumulatively considerable’ in light of the global problem, and thus significant” (*Center for Biological Diversity v. Department of Fish & Wildlife* [2015b] 62 Cal.4th 219). This is the challenge that has faced lead agencies in undertaking the CEQA analysis: how to determine the level at which a project becomes cumulatively considerable.

## 4 THRESHOLDS FOR LAND USE DEVELOPMENT PROJECTS

### 4.1 THE SUPREME COURT'S “FAIR SHARE” ANALYSIS AND CONSISTENCY WITH CALIFORNIA'S LONG-TERM CLIMATE GOALS

The crucial question in the CEQA climate impact analysis is whether the project under review would make a cumulatively considerable contribution to the significant cumulative problem of global climate change. For land use development projects, the Air District recommends using the approach endorsed by the California Supreme Court in the *Center for Biological Diversity* decision, discussed above, which focuses on determining whether the project would be doing its “fair share” to implement California's ambitious long-term climate goals. This approach evaluates whether a project's GHG emissions are cumulatively considerable based on “their effect on the state's efforts to meet [those] goals.” (*Center for Biological Diversity v. Department of Fish & Wildlife* [2015] 62 Cal.4th 221.) If a new land use project would serve California's pressing need to provide housing, jobs, and related infrastructure in a manner that supports achieving those climate goals, then it would help to solve the climate change problem, and its GHG emissions should not be treated as cumulatively considerable. As the Supreme Court held, “consistency with meeting [those] statewide goals [is] a permissible significance criterion for project emissions” (*Center for Biological Diversity v. Department of Fish & Wildlife* [2015] 62 Cal.4th 220), and an agency's “choice to use that criterion does not violate CEQA” (*Center for Biological Diversity v. Department of Fish & Wildlife* [2015] 62 Cal.4th 223).

This approach is based on the principle inherent in CEQA that an individual project would make a less-than-cumulatively-considerable contribution if it would do its part to address the cumulative problem. As the Supreme Court explained, “if a plan is in place to address a cumulative problem, a new project's incremental addition to the problem will not be ‘cumulatively considerable’ if it is consistent with the plan

[176 Cal.App.4th 889, 907], *Bakersfield Citizens for Local Control v. City of Bakersfield* [2004] [124 Cal.App.4th 1184, 1219 fn. 10], and *Kings County Farm Bureau v. City of Hanford* [1990] [221 Cal.App.3d 692, 720]]. In the context of global climate change, this means considering all sources of GHG emissions around the globe that contribute to the global problem. Given the large number of sources involved, the analysis needs to use the “summary of projections” method to assess the magnitude of the total cumulative impact, not the “list of projects” method. (See CEQA Guidelines Section 15130[b].)





and is doing its fair share to achieve the plan's goals" (*Center for Biological Diversity v. Department of Fish & Wildlife* [2015] 62 Cal.4th 223). No individual project needs to solve the entire cumulative problem by itself. Indeed, no individual project could, given that the problem is the result of such a large number of diverse emission sources. But each individual project does need to do what is required of it to ensure that the overall solution is implemented, and if it does that, then its impact on climate change can be treated as less than cumulatively considerable. As the Supreme Court put it in the climate context, "[t]o the extent a project incorporates efficiency and conservation measures sufficient to contribute its portion of the overall greenhouse gas reductions necessary [to achieve the State's climate goals], one can reasonably argue that the project's impact is not cumulatively considerable, because it is helping to solve the cumulative problem" (*Center for Biological Diversity v. Department of Fish & Wildlife* [2015] 62 Cal.4th 220).

## 4.2 USING THE EXECUTIVE ORDER B-55-18 AND THE 2045 CARBON NEUTRALITY GOAL IN THE "FAIR SHARE" ANALYSIS

The *Center for Biological Diversity* case was decided in 2015, and it specifically addressed only the Assembly Bill (AB) 32 goal of attaining 1990 emission levels by 2020 statewide, not the longer-term goal for 2045. However, we are now past the 2020 milestone. At this point, the focus has shifted to the longer-term goals and ultimately to carbon neutrality by 2045. Moreover, the Supreme Court has recognized the necessity and appropriateness of using these longer-term goals as the touchstone for the CEQA analysis. As it held in *Cleveland National Forest Foundation v. SANDAG*, these longer-term goals express "what scientific research has determined to be the level of emissions reductions necessary to stabilize the climate by midcentury and thereby avoid catastrophic effects of climate change" (*Cleveland National Forest Foundation v. SANDAG* [2017] 3 Cal.5th 497, 513). They represent "the scientifically-supported level of emissions reduction needed to avoid significant disruption of the climate and [are] used as the long-term driver for state climate change policy development" (*Cleveland National Forest Foundation v. SANDAG* [2017] 3 Cal.5th 497, 513 (citation omitted)<sup>4</sup>).

The consistency analysis approved by the Supreme Court in *Center for Biological Diversity* can be applied to these longer-term goals in the same way it was applied to the AB 32 2020 goal. If a project would be consistent with meeting these long-term State climate goals, then its climate impact can be seen as less than cumulatively considerable "because it is helping to solve the cumulative problem of greenhouse gas emissions as envisioned by California law" (*Center for Biological Diversity v. Department of Fish & Wildlife* [2015] 62 Cal.4th 220 (citation omitted)).

Moreover, although the 2045 goal is set forth in an executive order and not in a statute, as with the 2020 AB 32 goal that the Supreme Court addressed in *Center for Biological Diversity*, the Executive Order B-55-18 goal is appropriate to use for developing a threshold of significance given the science supporting it. The Supreme Court explicitly rejected the argument that an executive order cannot be used for this purpose because it has not been adopted by statute in the *SANDAG* case. It explained that the executive order at issue there "expresses the pace and magnitude of reduction efforts that the scientific community believes

<sup>4</sup> These statements were referring to the older Executive Order S-3-05, which included an 80-percent reduction target by 2050, but they apply with equal force to the more recent Executive Order B-55-18.





is necessary to stabilize the climate. This scientific information has important value to policymakers and citizens in considering the emission impacts of a project” (*Cleveland National Forest Foundation v. SANDAG* [2017] 3 Cal.5th 515). Agencies are required to design their CEQA analyses “based to the extent possible on scientific and factual data,” and if an executive order best embodies the current state of the scientific and factual data, an agency may use it as the basis for its CEQA analysis (*Ibid.* (quoting CEQA Guidelines Section 15064[b])).

### 4.3 DETERMINING A LAND USE PROJECT’S “FAIR SHARE” FOR GETTING TO CARBON NEUTRALITY BY 2045

The “fair share” analysis looks at how a new land use development project needs to be designed and built to ensure that it will be consistent with the goal of carbon neutrality by 2045. This is California’s current articulation of what will be required to achieve long-term climate stabilization at a sustainable level, as articulated in Executive Order B-55-18. If a land use project incorporates all of the design elements necessary for it to be carbon neutral by 2045, then it will contribute its portion of what is needed to achieve the State’s climate goals and will help to solve the cumulative problem. It can therefore be found to make a less-than-cumulatively-considerable climate impact.

A land use project’s “fair share” will not necessarily include everything that will need to happen in order to achieve carbon neutrality by 2045. There will likely be certain aspects of achieving carbon neutrality that are beyond the scope of how a land use project is designed and thus cannot reasonably be allocated to its “fair share.” For example, becoming carbon neutral by 2045 will require California’s electrical power generators to shift to 100-percent carbon-free energy resources, which is not something that can be controlled through the design of new land use projects. But for those aspects that can be controlled or influenced by how such projects are designed, projects need to address those aspects in order to contribute their “fair share” of what is needed to attain carbon neutrality. If a project is not designed and built to ensure that it can be carbon neutral by 2045, then it will impede California’s ability to achieve its long-term climate goals and should be treated as making a cumulatively considerable contribution to global climate change.

To determine the “fair share,” the analysis should therefore focus on the design elements that need to be incorporated into the project in order to lay the foundation for achieving carbon neutrality by 2045. As GHG emissions from the land use sector come primarily from building energy use and from transportation, these are the areas that need to be evaluated to ensure that the project can and will be carbon neutral. With respect to building energy use, this can be achieved by replacing natural gas with electric power and by eliminating inefficient or wasteful electricity usage. This will support California’s transition away from fossil fuel-based energy sources and will bring the project’s GHG emissions associated with building energy use down to zero as our electric supply becomes 100 percent carbon free. With respect to transportation, projects need to be designed to reduce project-generated VMT and to provide sufficient electric vehicle (EV) charging infrastructure to support the shift to EVs. As explained below, the Air District recommends using a threshold of a 15-percent reduction in project-generated VMT per capita compared with existing levels (or other, more current percentage to the extent further analysis shows that a different



level of reduction is needed) and providing EV charging infrastructure as specified in the California Green Building Standards Code (CALGreen) Tier 2 standards. If a land use project being designed and built today incorporates the design elements necessary for the project to be carbon neutral by 2045, then it will contribute its “fair share” to achieving the State’s climate goals. A lead agency can therefore conclude that it will make a less-than-cumulatively-considerable climate impact.

The following sections provide a more detailed discussion of the framework for evaluating the design elements necessary for a project to be consistent with California’s long-term climate goals. The Air District recommends that lead agencies use the design elements as the threshold of significance for land use projects under the Supreme Court’s “fair share” approach discussed above.

#### Thresholds for Land Use Projects (Must Include A or B)

- A. Projects must include, at a minimum, the following project design elements:
  1. Buildings
    - a. The project will not include natural gas appliances or natural gas plumbing (in both residential and nonresidential development).
    - b. The project will not result in any wasteful, inefficient, or unnecessary electrical usage as determined by the analysis required under CEQA Section 21100(b)(3) and Section 15126.2(b) of the State CEQA Guidelines.
  2. Transportation
    - a. Achieve compliance with electric vehicle requirements in the most recently adopted version of CALGreen Tier 2.
    - b. Achieve a reduction in project-generated vehicle miles traveled (VMT) below the regional average consistent with the current version of the California Climate Change Scoping Plan (currently 15 percent) or meet a locally adopted Senate Bill 743 VMT target, reflecting the recommendations provided in the Governor’s Office of Planning and Research’s Technical Advisory on Evaluating Transportation Impacts in CEQA:
      - i. Residential projects: 15 percent below the existing VMT per capita
      - ii. Office projects: 15 percent below the existing VMT per employee
      - iii. Retail projects: no net increase in existing VMT
- B. Be consistent with a local GHG reduction strategy that meets the criteria under State CEQA Guidelines Section 15183.5(b).

### 4.3.1 Building Energy Use

Energy used in residential and nonresidential buildings in California comes primarily from natural gas and electricity, the generation and consumption of which can result in GHG emissions. Natural gas usage emits GHGs directly when it is burned for space heating, cooking, hot water heating and similar uses, whereas electricity usage emits GHGs indirectly to the extent that it is generated by burning carbon-based fuels. For the building sector to achieve carbon neutrality, natural gas usage will need to be phased out and replaced with electricity usage, and electrical generation will need to shift to 100-percent carbon-free





sources. To support these shifts, new projects need to be built without natural gas and with no inefficient or wasteful electricity usage.

## ELECTRICITY

Eliminating GHG emissions associated with building electricity usage will be achieved by decarbonizing California's electrical generation infrastructure. California has committed to achieving this goal by 2045 through SB 100, the 100 Percent Clean Energy Act of 2018. SB 100 strengthened the State's Renewables Portfolio Standard (RPS) by requiring that 60 percent of all electricity provided to retail users in California come from renewable sources by 2030 and that 100 percent come from carbon-free sources by 2045.

The land use sector will benefit from RPS because the electricity used in buildings will be increasingly carbon-free, but implementation does not depend (directly at least) on how buildings are designed and built. RPS will be implemented by the generators that produce and sell the electricity, not by the end users of that electricity. Implementing SB 100 is therefore not part of the "fair share" that falls to land use development projects to ensure that California reaches its 2045 carbon neutrality target.

Nevertheless, land use projects do have an important role to play on the demand side to ensure that SB 100 can feasibly be implemented. Inefficient electricity usage will hinder the shift to renewable power generation by requiring additional carbon-free generating resources to be developed, increasing the cost of shifting to renewables and other carbon-free energy sources, and delaying full implementation longer than necessary. Thus, to the extent that new land use projects have a role to play in ensuring that SB 100 is successfully implemented, that role is to maximize the efficiency with which they use electricity and to eliminate any wasteful or unnecessary usage. If a new land use project maximizes efficiency and eliminates wasteful and unnecessary usage, then it will implement its "fair share" in this area, consistent with achieving the State's long-term climate goals. Conversely, if a project is not designed to use electricity in an efficient manner, then it will hinder the successful implementation of SB 100 and the State's long-term climate goals.

CEQA requires lead agencies to evaluate a project's potential for wasteful, inefficient, or unnecessary electricity usage under CEQA Section 21100(b)(3) and Section 15126.2(b) of the State CEQA Guidelines, along with State CEQA Guidelines Appendix F and Appendix G, Section VI.<sup>5</sup> The Air District recommends using the results of this analysis to determine whether the project will implement its "fair share" with respect to supporting the implementation of SB 100. If the energy analysis required under CEQA Section 21100(b)(3) shows that a project will not result in any wasteful, inefficient, or unnecessary electrical usage, then it will be consistent with implementing SB 100 and will not make a cumulatively considerable climate impact with respect to building electrical usage. If the project is found to involve wasteful, inefficient, or unnecessary electrical usage, then the lead agency should conclude that it will make a cumulatively considerable impact and treat it as significant in this regard.

<sup>5</sup> The 2021 State CEQA Guidelines, including Appendices F and G, can be found at the following website: [https://www.califaep.org/docs/CEQA\\_Handbook\\_2021.pdf](https://www.califaep.org/docs/CEQA_Handbook_2021.pdf).



## NATURAL GAS

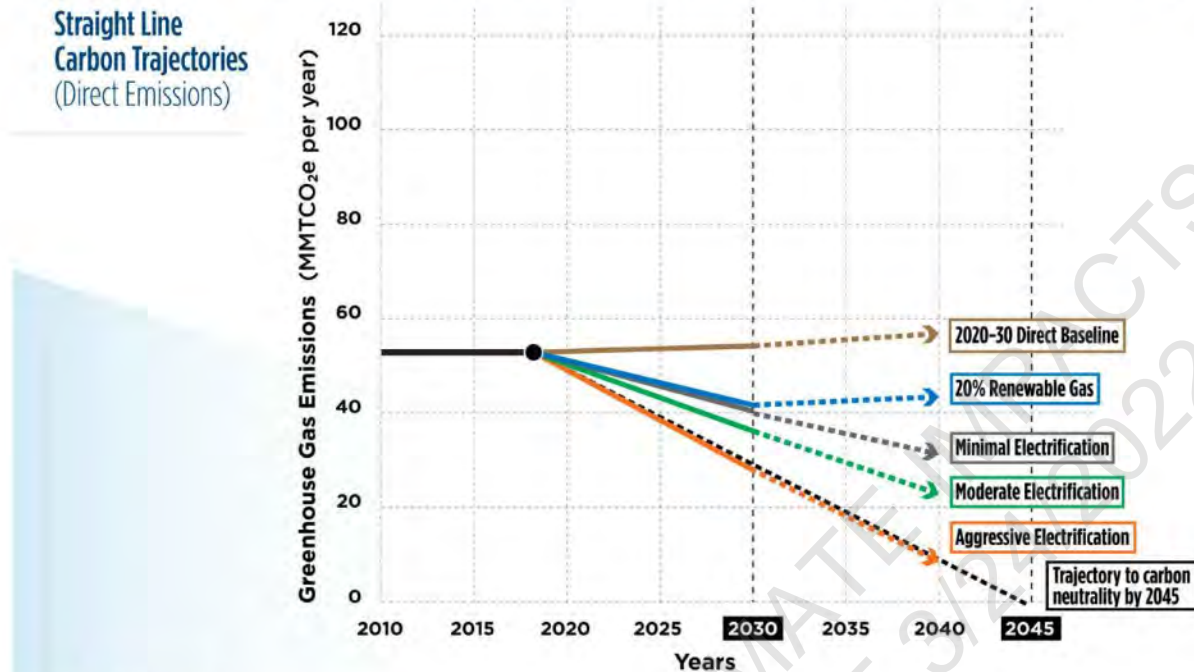
Regarding natural gas usage, new land use development projects must be built without any natural gas infrastructure in order to be consistent with achieving the 2045 carbon neutrality goal. There is no practical way to eliminate the GHG emissions that are generated by burning natural gas, so the land use sector will need to fully eliminate natural gas usage in buildings in order to achieve the goal of carbon neutrality. Given the difficulty of retrofitting existing buildings to replace the use of natural gas with the use of electricity, California needs to stop building natural gas infrastructure in new buildings if it is going to be able to achieve full electrification by the 2045 target date. Retrofitting an existing building to replace natural gas infrastructure with electrical service is far more difficult and expensive than simply building a new all-electric building (CEC 2021a; E3 2019). For California to successfully eliminate natural gas usage by 2045, it will need to focus available resources on retrofitting existing natural gas infrastructure. This task will become virtually impossible if we continue to build more natural gas infrastructure that will also need to be retrofit within the next few years.

This need to eliminate natural gas in new projects in order to achieve carbon neutrality in buildings by 2045 is demonstrated by analyses conducted by the California Energy Commission (CEC) in its California Building Decarbonization Assessment (CEC 2021a). CEC published the California Building Decarbonization Assessment primarily in response to the requirements of AB 3232, which required CEC to evaluate how the State can reduce GHG emissions from its residential and commercial building stock by at least 40 percent below 1990 levels by 2030. But CEC went beyond just analyzing that 2030 goal and evaluated what will be necessary to achieve the longer-term goal of carbon neutrality by 2045. The analysis considered a number of different scenarios and projected the total GHG emissions from residential and commercial buildings under each of them. The results of CEC's analysis are shown graphically in Figure 1.





Figure 1 Effectiveness of CEC-Modeled Electrification Scenarios at Achieving Carbon Neutrality by 2045



Source: CEC 2021a:14

The CEC's analysis shows that only the most aggressive electrification scenario will put the building sector on track to reach carbon neutrality by 2045. Anything that hinders such aggressive efforts will jeopardize California's chances of achieving full building decarbonization by 2045 and impair the state's ability to reach its long-term climate goals. Installing natural gas infrastructure in new buildings will do so because it will add even more infrastructure that will need to be retrofit with electricity between now and 2045. New projects therefore need to eliminate natural gas in order to implement their "fair share" of achieving the long-term 2045 carbon neutrality goal. If a project does not use natural gas in its buildings, then a lead agency can conclude that it is consistent with achieving the 2045 carbon neutrality goal and will not have a cumulatively considerable impact on climate change. If a project does use natural gas, then it will hinder California's ability to decarbonize its building sector. In that case, the lead agency should conclude that it will make a cumulatively considerable impact and treat it as significant.

#### 4.3.2 Transportation

The second principal source of GHG emissions associated with land use comes from transportation. Decarbonization of the transportation infrastructure serving land use development will come from shifting the motor vehicle fleet to EVs, coupled with a shift to carbon-free electricity to power those vehicles. Land use projects cannot directly control whether and how fast these shifts are implemented, but they can and do have an important indirect influence on California's transition to a zero-carbon transportation system.

New land use development can influence transportation-related emissions in two areas related to how it is designed and built. First, new land use projects need to provide sufficient EV charging infrastructure to serve the needs of project users who will be driving EVs. If project users cannot find the charging



infrastructure they need to charge their vehicles at the residential, commercial, and other buildings they frequent, they will be discouraged from switching to an EV. But if those buildings provide sufficient charging infrastructure to make driving an EV easy and efficient, then users will find it easy to choose to drive an EV, and the rate of EV penetration will be accelerated. It is therefore very important for land use projects to provide the EV charging infrastructure needed to support growing EV usage.

Second, new land use projects can influence transportation-related GHG emissions by reducing the amount of VMT associated with the project. Motor vehicle transportation does not need to be eliminated entirely in order for the land use sector to achieve carbon neutrality, as carbon-free vehicle technology can be used (e.g., EVs powered by carbon-free electricity sources). But for that goal to be realistically implemented by 2045, California will need to reduce its per-capita VMT. How land use development is designed and sited can have a significant influence on how much VMT the project will generate. New land use projects need to provide alternatives to motor vehicle-based transportation such that VMT per capita can be reduced to levels consistent with achieving carbon neutrality by 2045.

The design elements that new land use projects need to incorporate to address these two areas are outlined below.

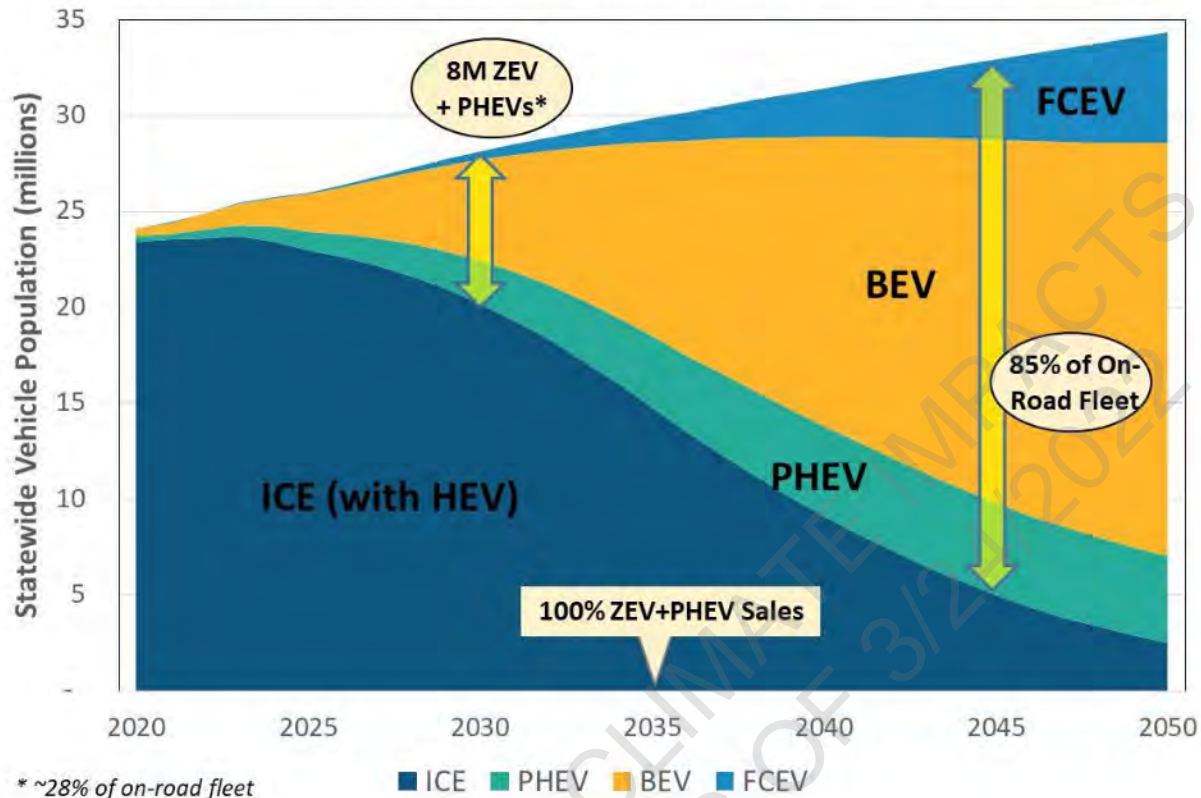
## EV CHARGING INFRASTRUCTURE

To implement the decarbonization of California's motor vehicle transportation, the California Air Resources Board (CARB) has adopted a comprehensive Mobile Source Strategy incorporating a suite of policies to promote the shift away from fossil fuel-powered vehicles (CARB 2021b). These policies include aggressive targets for EV penetration, including Executive Order B-16-12's goal of 1.5 million zero-emission vehicles (ZEVs) on the road by 2025 and Executive Order N-79-20's call for all new light-duty vehicles sold in California to be battery electric or plug-in hybrid by 2035. CARB's modeling projects that these efforts will result in as many as 8 million light-duty EVs in the statewide fleet by 2030 and that 85 percent of the on-road fleet will be EVs by 2045 (CARB 2021b:94–95). The results of CARB's modeling for its 2020 Mobile Source Strategy scenario are shown in Figure 2, below.





Figure 2 Statewide Light-Duty Vehicle Technology Penetration in the On-Road Fleet



Source: CARB 2021b

Notes: BEV = battery electric vehicle; FCEV = fuel cell electric vehicle; HEV = hybrid electric vehicle; ICE = internal combustion engine vehicle; PHEV = plug-in electric vehicle; ZEV = zero emission vehicle.

Implementing this widespread shift to EVs will require the installation of extensive EV charging infrastructure, and new development will need to provide its “fair share” of that infrastructure. Indeed, new development has an especially important role to play, as installing EV charging infrastructure in new buildings is far less expensive than retrofitting existing buildings. CARB has found that installing EV charging infrastructure in a new building can save an estimated \$7,000–\$8,000 per parking space compared with retrofitting it later (CARB 2019a:19).

The requirements for EV charging infrastructure in new land use development projects are governed by the CALGreen regulatory standards. These standards are set forth in Title 24 of the California Code of Regulations, and they are regularly updated on a 3-year cycle. The CALGreen standards consist of a set of mandatory standards that are legally required for new development, as well as two more aggressive sets of voluntary standards known as Tier 1 and Tier 2. Although the Tier 1 and Tier 2 standards are voluntary, they often form the basis of future mandatory standards adopted in subsequent updates.

The CalGreen standards have recently been updated (2022 version) and will be in effect from January 1, 2023, through December 31, 2025. The 2022 CALGreen standards seek to deploy additional EV chargers in various building types, including multifamily residential and nonresidential land uses. They include requirements for both EV capable parking spaces and the installation of Level 2 EV supply equipment for multifamily residential and nonresidential buildings. The 2022 CALGreen standards go beyond previous



iterations and include requirements for both EV readiness and the actual installation of EV chargers. As with previous iterations, the 2022 CALGreen standards include both mandatory requirements and more aggressive voluntary Tier 1 and Tier 2 provisions.

The 2022 CALGreen mandatory standards were adopted based on what will be required to serve anticipated EV charging demand through the year 2025. CARB evaluated what will be required to serve demand through 2025 as part of its role in ensuring that the CALGreen standards support California's long-range climate goals pursuant to AB 341 (Health and Safety Code Section 18930.5[b]). CARB suggested a number of necessary revisions for the 2022 iteration of the standards, including an increase in the percent of parking spaces in certain types of projects that must be EV-capable from the earlier 6 percent to the current 10 percent. These revisions were based on CARB's assessment of the level of EV infrastructure that will be required to support the Executive Order B-16-12 target of 1.5 million ZEVs on the road by 2025. CARB conducted this analysis in 2019 using the Electric Vehicle Infrastructure Projection model (EVI-Pro) developed by the National Renewable Energy Laboratory and the California Energy Commission. Using EVI-Pro, CARB projected the amount of EV charging infrastructure required by 2025 and then calculated the amount of infrastructure expected by 2025 under existing mandatory codes and standards. The results of this analysis showed a gap between what would be achieved under existing codes and standards and what will be needed as of 2025 (CARB 2019a). The revised 2022 CALGreen mandatory standards adopted for the current 2023–2025 cycle are intended to close this gap and ensure that the charging infrastructure needs of 2025 will be met.

However, providing EV charging infrastructure to meet expected demand as of 2025 will not be sufficient to support the much more extensive level of EV penetration anticipated farther into the future. As shown in Figure 2, the number of EVs on the road is projected to grow exponentially, and the demand for EV charging infrastructure will increase accordingly. If a project provides only enough infrastructure to satisfy 2025 demand, it will fall well short of what project users will need as the State progresses toward 2045. The Air District therefore recommends using the more aggressive Tier 2 CALGreen standards to evaluate whether new land use development projects will provide their "fair share" of EV charging infrastructure. This approach is also consistent with CARB's assessment that the Tier 2 standards will need to be made mandatory in CALGreen to support the exponential increase in EV adoption rates as we move past 2025 (CARB 2019a:16).

Looking toward a post-2025 horizon is also appropriate because land use development projects have a long lifetime and will be in use in future years when extensive EV penetration is projected. To be consistent with implementing California's 2045 climate goals, such projects cannot simply provide a level of infrastructure aimed at 2025 levels of EV use, as is reflected in the current CALGreen mandatory standards. A new land use development project will need to implement the more aggressive Tier 2 CALGreen standard for its impact to be less than significant in this area.

## VEHICLE MILES TRAVELED

With respect to VMT, CARB studies have shown that California will not be able to achieve its long-term climate goals if we continue our current high level of VMT per capita. The State will need to significantly reduce its VMT per capita in order to attain the goal of carbon neutrality by 2045 (CARB 2021b:105–126).





New land use projects have an important role to play in doing so, as the way a project is sited and designed can significantly affect how the people who use the project will get around. For example, project siting and design can affect whether project users will be forced into making long car trips on a regular basis or whether they will be able to take advantage of alternative transportation options for their daily travel needs. New land use projects will need to be built with reduced levels of VMT per capita in order to implement their "fair share" of what it will take to eliminate GHG emissions from the transportation sector.

CARB has developed an analytical methodology for determining the level of VMT reduction that will be necessary to achieve California's long-term GHG emissions goals. This methodology calculates the total statewide VMT that California can accommodate and still hit its emissions targets and then divides that total statewide VMT by the State's projected population as of the target year. This calculation gives the amount of VMT per capita that the State can accommodate consistent with achieving the target. CARB's methodology then compares this targeted VMT-per-capita number with current VMT per capita to establish the reduction from current baseline levels necessary in order to hit the target.

CARB developed this methodology in conjunction with the VMT-per-capita threshold that the Governor's Office of Planning and Research (OPR) adopted for evaluating transportation impacts pursuant to SB 743 (see CEQA Guidelines Section 15064.3). SB 743 required lead agencies to abandon the old "level of service" metric for evaluating a project's transportation impacts, which was based solely on the amount of delay experienced by motor vehicles. This metric was criticized for prioritizing motor vehicle transportation and disincentivizing alternative modes, such as public transit, walking, and biking. SB 743 tasked OPR with developing an alternative metric to assess transportation impacts, and it directed OPR to base its alternative metric on factors such as reducing GHG emissions and developing multimodal transportation networks (CEQA Section 21099[b][1]). OPR concluded that the VMT-per-capita metric was the most appropriate for this purpose, and it adopted new Guidelines Section 15064.3 in November 2017.

CARB applied its methodology in support of OPR's VMT-per-capita metric to determine the appropriate level of VMT reduction that would allow the State to attain its long-term emissions goals, looking initially to the 2050 long-term target of an 80-percent reduction in GHG emissions compared to 1990 levels (CARB 2019b). CARB found that total statewide VMT would need to be limited to 1,035 million miles driven per day in order to achieve that target, consisting of 908 million light-duty-vehicle miles and 127 million heavy-duty-vehicle miles. With the State's population projected to grow to 49 million people by 2050, this works out to a per-capita VMT of 18.51 miles per day for light-duty vehicles and 21.09 miles per day for all vehicle types combined.<sup>6</sup> Given current baseline per-capita VMT levels of 22.24 miles per day for light-duty vehicles and 24.61 miles per day for all vehicle types, the reductions needed to achieve the 2050 goal are 16.8 percent for light-duty vehicles and 14.3 percent for all vehicle types combined. CARB's calculations are summarized in Table 1.

<sup>6</sup> Statewide population projections are provided by the California Department of Finance, and VMT projections are provided by CARB's scenario planning tool, Vision (CARB 2019b:5).



**Table 1 Per-Capita VMT Reductions Necessary to Attain 2050 GHG Reduction Target**

	Light-Duty Vehicles	All Vehicle Types
Baseline VMT/capita	22.24 miles per day	24.61 miles per day
2050 VMT/capita	18.5 miles per day	21.09 miles per day
Reduction needed	16.8%	14.3%

Based on this analysis (as well as other factors), OPR recommended using a 15-percent reduction in per-capita VMT as an appropriate threshold of significance for evaluating transportation impacts, as this level of VMT addresses transportation and corresponds to what would be needed to attain the State's 2050 climate target (OPR 2018).<sup>7</sup>

CARB is currently updating this analysis for the 2045 carbon neutrality target in connection with its 2022 Scoping Plan Update. Although that work is ongoing and CARB has not finalized its revised analysis, CARB has suggested that it will use the same 15-percent-per-capita VMT reduction threshold that it derived in connection with the 2050 target. Specifically, in October 2021, CARB updated its Mobile Source Strategy, an important constituent of the Scoping Plan, using the same 15-percent reduction target as used in previous plans (CARB 2021b:105). The Air District therefore recommends that lead agencies use OPR's 15-percent per-capita VMT reduction threshold for evaluating land use projects (OPR 2018). Alternatively, to the extent CARB determines that a different threshold would be more appropriate for purposes of the 2045 carbon neutrality target in connection with its work on the 2022 Scoping Plan Update, lead agencies should use that 2045-specific threshold instead. If a land use project is designed and built so that its associated VMT per capita is reduced to the extent determined to be necessary by CARB, then it will implement its "fair share" of the VMT reductions needed to attain the State's long-term climate goals and can be found to have a less-than-significant climate impact.

Finally, it is worth noting that some local jurisdictions may have developed their own VMT-per-capita thresholds for use in CEQA transportation analyses pursuant to SB 743. If such a jurisdiction-specific VMT-per-capita threshold is available and applicable, the Air District recommends that lead agencies use it in their climate impact analyses, provided that it was established based on what it will take to achieve California's long-term climate goals in a manner akin to the analysis outlined above. If an SB 743 transportation threshold is not established at a level commensurate with achieving those climate goals, then it would not be appropriate to use it to evaluate climate impacts. But if it is based on the level of VMT necessary for the local jurisdiction to attain climate neutrality by 2045, then a lead agency can use it to evaluate whether a project is doing its "fair share" with respect to ensuring that VMT is reduced sufficient to achieve the State's climate goals.

OPR has provided guidance to local jurisdictions on choosing appropriate local VMT reduction thresholds in its Technical Advisory on Evaluating Transportation Impacts in CEQA (OPR 2018). The advisory contains technical recommendations regarding assessment of VMT, thresholds of significance, and mitigation measures. It specifies recommended thresholds of significance for residential, office, and retail projects,

<sup>7</sup> The 15-percent reduction is compared to existing VMT per capita measured as either regional VMT per capita or city VMT per capita (OPR 2018:15).





which are reflected in the “Thresholds for Land Use Projects” section on page 10 of this document. These types of projects reflect the vast majority of land use projects implemented in the Bay Area. For other types of projects, lead agencies should follow the guidance provided in the OPR advisory. OPR may update or supplement this advisory in the future in response to new information and advancements in modeling and methods, so lead agencies should continue to track the development of the advisory and always use the most recent version.

## 5 THRESHOLDS FOR GENERAL PLANS AND SIMILAR LONG-TERM COMMUNITY-WIDE PLANNING DOCUMENTS

Local governments are essential partners in achieving California’s goal to reduce GHG emissions. Local governments not only approve specific land use development projects but have primary authority to plan for and zone how and where land is developed within their jurisdiction to accommodate population growth and the changing needs of their communities. CEQA also applies to these planning decisions, and local governments are required to evaluate the climate impacts when adopting such plans.

### Thresholds for Plans (Must Include A or B)

- A. Meet the State’s goals to reduce emissions to 40 percent below 1990 levels by 2030 and carbon neutrality by 2045; or
- B. Be consistent with a local GHG reduction strategy that meets the criteria under State CEQA Guidelines Section 15183.5(b).

### 5.1 REDUCING GHG EMISSIONS TO MEET GHG REDUCTION TARGETS

For long-term communitywide planning documents (e.g., general plans, long-range development plans, climate action plans) to have a less-than-significant climate impact, they must demonstrate that GHG emissions from the jurisdiction will decline in accordance with California’s GHG reduction targets of 40 percent below 1990 levels by 2030 and carbon neutrality by 2045. A city or county that plans to develop in a manner that will cause emissions to exceed these targets will hinder the State’s ability to achieve its climate goals and thus will have a significant climate impact. Conversely, a city or county that will develop in a way that will meet those targets will support the State’s ability to achieve its climate goals and thus will have a less-than-significant impact on GHG emissions. Therefore, a communitywide long-term plan must demonstrate that the community will have GHG emissions 40 percent below its 1990 levels by 2030 and carbon neutrality by 2045 through the full implementation of the plan.

### 5.2 CLIMATE ACTION PLANS

The Air District encourages local jurisdictions to develop climate action plans as a means of demonstrating that their communities—including existing and new buildings and infrastructure—will develop in accordance with meeting the statewide GHG reduction targets. A robust climate action plan identifies a land use design, a transportation network, goals, policies, and implementation measures that will achieve



the required GHG emissions targets of 40 percent below 1990 levels by 2030 and carbon neutrality by 2045. If a jurisdiction adopts such a climate action plan, it can then use that plan when it adopts its general plan updates and similar long-range planning documents to provide the basis for demonstrating that the jurisdiction's GHG emissions will meet the 2030 and 2045 targets. This demonstration will allow the jurisdiction to make the required CEQA determination that its general plan and similar planning documents will not have a significant climate impact, as discussed in Section 5.1, above.

Furthermore, a robust climate action plan developed and adopted in accordance with the requirements for a "plan for the reduction of greenhouse gas emissions" set forth in CEQA Guidelines Section 15183.5 will provide additional benefits related to approving specific development projects. Guidelines Section 15183.5(b)(2) provides that if a jurisdiction has adopted a climate action plan that satisfies all of the Section 15183.5 requirements, the jurisdiction can find that a project that is consistent with the plan will not make a cumulatively considerable contribution to global climate change under CEQA. Adopting a climate action plan with requirements and implementation measures governing specific types of projects—and what those projects must do to ensure that the jurisdiction's GHG emissions achieve the required targets—can provide a great deal of certainty for project applicants and agency decision makers. A proposed project that complies with all the specified requirements and implementation measures will not be found to be significant under Guidelines Section 15183.5(b)(2). Local jurisdictions also will be able to tailor the applicable requirements and mitigation measures to their specific communities rather than rely on the Air District's general thresholds for evaluating land use projects, discussed in Section 4, above.

CEQA Guidelines Section 15183.5(b)(1) lays out the specific criteria to be included in local GHG reduction strategies that can enable CEQA streamlining benefits for future land use projects. Such plans must:

- ▶ quantify GHG emissions, both existing and projected over a specified period, resulting from activities in a defined geographic area;
- ▶ establish a level, based on substantial evidence, below which the contribution to GHG emissions from activities covered by the plan would not be cumulatively considerable;
- ▶ identify and analyze the GHG emissions resulting from specific actions or categories of actions anticipated in the geographic area;
- ▶ specify measures or a group of measures, including performance standards, that substantial evidence demonstrates, if implemented on a project-by-project basis, would collectively achieve the specified emissions level;
- ▶ establish a mechanism to monitor the plan's progress toward achieving the level and to require amendment if the plan is not achieving specified levels; and
- ▶ be adopted in a public process following environmental review.

These requirements are somewhat vague in some cases, and the Air District cautions jurisdictions developing climate action plans to take care that their plans are comprehensive and fully satisfy the letter and the spirit of the Section 15183.5 process. Climate action plans that do not satisfy all of these required elements will not be eligible for use in approving later projects under Guidelines Section 15183.5(b)(2), and





they will not provide the substantial evidence necessary to demonstrate that the jurisdiction's general plan updates and related long-range planning documents will have a less-than-significant impact as outlined in Section 5.1.

The Air District has published guidance on how a jurisdiction can develop a climate action plan that satisfies the requirements of Guidelines Section 15183.5(b)(1), which is included as Appendix C to the CEQA Air Quality Guidelines document. Jurisdictions developing climate action plans should refer to and follow that guidance to strengthen their plan's ability to comply with all Section 15183.5(b)(1) requirements and allow it to be used to evaluate climate impacts under Section 15183.5(b)(2).

The Air District strongly encourages jurisdictions to adopt local GHG reduction strategies—either as a stand-alone climate action or sustainability plans or as a part of the general plan—that meet the Section 15183.5(b)(1) criteria. Adopting a robust GHG reduction strategy that satisfies these requirements can bring many benefits to the community:

- ▶ It will identify measures that the city or county will need to take to ensure that its GHG emissions will be consistent with the statewide climate protection targets, that the jurisdiction can then use to make the consistency determination for its general plan updates.
- ▶ The city or county will be able to use the Section 15183.5(b)(1)–compliant GHG reduction strategy to approve specific land use development projects that are consistent with the strategy. This will provide a method for analyzing projects under CEQA that is tailored to the specific needs and policy goals of the individual jurisdiction, and it will allow the city or county to use that tailored methodology instead of the more general thresholds approach developed by the Air District for use regionwide.
- ▶ Cities and counties can develop Section 15183.5(b)(1) GHG reduction strategies immediately, without waiting for their next general plan update cycle.

This approach to local climate planning, tied to the SB 32 and carbon neutrality goals, promotes reductions on a plan level without impeding the implementation of GHG-efficient development, and recognizes the initiative of many Bay Area communities that have already developed or are developing a GHG reduction plan. A qualified climate action plan will provide the evidentiary basis for making CEQA findings that development consistent with the plan will result in feasible, measurable, and verifiable GHG reductions consistent with broad State goals such that projects approved under the plan will achieve their "fair share" of GHG emission reductions.



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**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Teresa Barrett and Members  
of the Mobile Source and Climate Impacts Committee

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 24, 2022

Re: Proposed 2022 Mobile Source and Climate Impacts Committee Meeting Work Plan

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Mobile Source and Climate Impacts Committee (Committee) considers and recommends policies and positions of the District relating to transportation planning and funding, on-road and off-road mobile sources, and mobile source fuels. The Committee keeps itself informed on actions or proposed actions by local, regional, state and federal agencies affecting air pollutant emissions from mobile sources.

The Committee also considers and recommends to the Board of Directors policies and positions of the District relating to climate protection activities and funding relative to mobile sources. The Committee will also keep itself informed on actions and proposed actions by local, regional, state, federal, and international agencies and organizations relating to climate protection relative to mobile sources.

DISCUSSION

In order to facilitate the operations of the Committee, staff will share a proposed work plan for the meetings of the Committee in 2022.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Aloha de Guzman  
Reviewed by: Damian Breen

ATTACHMENTS:

1. Mobile Source and Climate Impacts Committee 2022 Workplan



## Proposed 2022 Mobile Source and Climate Impacts Committee Meeting Workplan

Meeting Schedule	Topics
March	<ul style="list-style-type: none"> <li>Projects and Contracts with Proposed Grant Awards Over \$100,000</li> <li>FYE 2023 TFCA Funding Allocation</li> <li>Air District Grant Programs Overview</li> </ul>
April	<ul style="list-style-type: none"> <li>Projects and Contracts with Proposed Grant Awards Over \$100,000</li> <li>FYE 2022 TFCA County Program Manager Expenditure Plans</li> </ul>
May	<ul style="list-style-type: none"> <li>Projects and Contracts with Proposed Grant Awards Over \$100,000</li> <li>Updates to the TFCA Regional Fund Policies and Evaluation Criteria for FYE 2023</li> <li>TIO – Charge! recommendations</li> <li>TIO – EV Council contractor recommendation</li> </ul>
June	<ul style="list-style-type: none"> <li>Projects and Contracts with Proposed Grant Awards Over \$100,000</li> </ul>
July	<ul style="list-style-type: none"> <li>Projects and Contracts with Proposed Grant Awards Over \$100,000</li> </ul>
August	No meeting
September	<ul style="list-style-type: none"> <li>Projects and Contracts with Proposed Grant Awards Over \$100,000</li> <li>Diesel Free by '33</li> </ul>
October	<ul style="list-style-type: none"> <li>Projects and Contracts with Proposed Grant Awards Over \$100,000</li> <li>Proposed Updates to the TFCA County Program Manager Fund Policies for FYE 2024</li> </ul>
November	<ul style="list-style-type: none"> <li>No meeting</li> </ul>
December	<ul style="list-style-type: none"> <li>Projects and Contracts with Proposed Grant Awards Over \$100,000</li> <li>Report on Transportation Fund for Clean Air Projects Expenditures and Effectiveness for FYE 2021</li> <li>Transportation Fund for Clean Air Program Regional Fund Projects - Audit #22 Results</li> </ul>

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**Memorandum**

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Authorization to Amend Signature Authority for San Mateo County Treasurer

**RECOMMENDED ACTION**

Recommend the Board of Directors consider approving a resolution to grant Ms. Stephanie Osaze, Director of Finance, authorization to sign orders drawn by the Air District on Air District funds held by the Treasurer of San Mateo County including check signing authority to Ms. Osaze.

**BACKGROUND**

The Board of Directors had previously authorized Jack P. Broadbent, Executive Officer/APCO, and Jeff McKay, Chief Financial Officer, to sign orders drawn by the Air District for Air District funds held by the Treasurer of San Mateo County (County). It is best practice and recommended to have two authorized signatures on the account with the County.

**DISCUSSION**

Due to Jack P. Broadbent's retirement, the Air District will need to update the authorized signers on the Air District's account with the County by a Board Resolution. The staff recommendation is to add Stephanie Osaze, Director of Finance, as the second signer until the selection of a new Executive Officer/APCO.

**BUDGET CONSIDERATION/FINANCIAL IMPACT**

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Jeff McKay  
Reviewed by: Alexander Crockett

ATTACHMENTS:

1. Resolution to Change Authorized Signatures

# **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## **Resolution No. 2022 - 05**

### **A Resolution Notifying the County Treasurer and County Controller of San Mateo County of a Change in Authorized Signatures**

WHEREAS, the Board of Directors of the Bay Area Air Quality Management District (Air District) has previously authorized the Executive Officer/Air Pollution Control Officer (APCO) Jack P. Broadbent and Chief Financial Officer Jeff McKay to sign orders drawn by the Air District on Air District funds held by the Treasurer of San Mateo County;

WHEREAS, Jack P. Broadbent has announced his retirement and District staff recommends that signing authority be granted to Stephanie Osaze, Director of Finance, until the appointment of a new Executive Officer/APCO;

WHEREAS, the Board of Directors concurs with the staff's recommendation;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Bay Area Air Quality Management District hereby authorizes Stephanie Osaze, Director of Finance, to sign orders drawn by the Air District on Air District funds held by the Treasurer of San Mateo County, including check signing authority to Ms. Osaze.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of \_\_\_\_\_, seconded by \_\_\_\_\_, on the 6<sup>th</sup> day of APRIL 2022, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

\_\_\_\_\_  
Karen Mitchoff  
Chair of the Board of Directors

\_\_\_\_\_  
Davina Hurt  
Secretary of the Board of  
Directors

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**Memorandum**

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Reschedule a Public Hearing to Consider the Adoption of Revised Proposed New  
Rule 13-5: Industrial Hydrogen Plants and Proposed Amendments to Rule 8-2:  
Miscellaneous Operations

**RECOMMENDED ACTION**

Recommend the Board of Directors reschedule a Public Hearing from April 6, 2022, to May 4, 2022, to Consider Adoption of Proposed New Regulation 13: Climate Pollutants, Rule 5: Industrial Hydrogen Plants (Rule 13-5) and amendments to Regulation 8: Organic Compounds, Rule 2: Miscellaneous Operations (Rule 8-2), and Certification of an Environmental Impact Report for Rule 13-5 Pursuant to the California Environmental Quality Act (CEQA).

**BACKGROUND**

The Air District has a policy goal of reducing Bay Area greenhouse gas emissions to 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050. Methane is a potent and short-lived climate pollutant with a global warming potential 86 times greater than that of carbon dioxide, when compared on a 20-year time horizon. The intent of Proposed Rule 13-5 is to minimize both methane and other organic compound emissions, normally emitted from atmospheric vents at industrial hydrogen plants during normal operating conditions, startups, shutdowns, malfunctions, upsets, and emergencies. Staff is also proposing to amend Rule 8-2 to exempt those hydrogen plant sources that meet the emissions standards expressed in section 301 of Proposed Rule 13-5, and to amend section 601 to allow for approved alternate test methods for facilities that process non-petroleum feedstock consistent with recent refinery rule revisions.

The Air District held a public workshop at its headquarters in San Francisco in January 2020 to present and discuss draft regulatory language for Rule 13-5, along with a workshop report. Based on comments received and additional research, Air District staff revised draft Rule 13-5 to address concerns and comments raised by stakeholders and published a revised version of draft Rule 13-5 and the associated Preliminary Staff Report in September 2020.

The Air District received comments on the September 2020 version of the revised draft rule and subsequently updated the draft rule language to accommodate reasonable concerns related to

definitions, testing methods, monitoring, reporting, and compliance timelines. On June 30, 2021, the Air District released a request for comments along with the updated draft rule language, as well as a California Environmental Quality Act (CEQA) Notice of Preparation of a Draft Environmental Impact Report and an Initial Study (NOP/IS). Air District staff hosted a scoping meeting held in a virtual format on Tuesday, July 27, 2021, and accepted comments on the revised rule language and CEQA NOP/IS through July 30, 2021. In September 2021, Air District staff met with refinery staff to better understand potential emissions reduction measures that might be implemented to comply with draft Rule 13-5 in lieu of flaring. On October 20, 2021, the Air District met with Western State Petroleum Association and refinery staff to discuss the potential challenges and issues related to monitoring emissions from carbon dioxide scrubbing and deaerator vents. In response to feedback from the public, regulated community, and internal staff, along with that of the Board of Directors, Air District staff prepared the Proposed New Rule 13-5, Staff Report, and Draft Environmental Impact Report.

On Monday, January 24, 2022, Air District staff released a Notice of Public Hearing, Notice of Completion and Availability of a CEQA Draft Environmental Impact Report, Proposed New Rule 13-5, Proposed Amendments to Rule 8-2, Staff Report, Socioeconomic Impact Analysis, and other supporting documents. Written comments on the Draft Environmental Impact Report (Draft EIR) were accepted until March 10, 2022, the deadline for the 45-day written comment period required by CEQA. Staff is proposing revisions to the proposed rule. These revisions would allow additional time to install required monitoring equipment and include clarifications to other sections of the proposed rule. Staff is not proposing any changes to the Proposed Amendments to Rule 8-2 or the Draft EIR prepared for Proposed New Rule 13-5.

## DISCUSSION

### *Proposed New Rule 13-5: Industrial Hydrogen Plants*

Rule 13-5 is designed to reduce methane and other organic compounds—referred to as “total organic compounds”—from industrial hydrogen plant operations. The Proposal will require that, within about six years from adoption, each atmospheric vent at an industrial hydrogen plant meet a combined emission standard for total organic compounds of 15 pounds per day and 300 parts per million by volume (ppmv), except for deaerator and carbon dioxide vents.

Proposed Rule 13-5 also provides an alternative compliance option whereby an affected facility could opt to reduce the overall emissions of methane and other greenhouse gases by 90 percent via an approach approved by the Air District. An Alternative Compliance Plan prepared by the owner or operator of an industrial hydrogen plant would detail the measures undertaken to achieve these emissions reductions. It should be noted that only the hydrogen plants at PBF Energy and Valero refineries are anticipated to require modifications to comply with the emission standards of the proposal and that the three other Bay Area refineries would not be impacted by the emission standards of the rule but may be impacted by other requirements of Proposed Rule 13-5. Proposed Rule 13-5 includes reporting requirements for owners or operators to notify the Air District of hydrogen plant atmospheric venting occurrences when total organic compound emissions exceed 15 pounds per day and the concentrations exceed 300 ppmv measured as methane on a dry basis.

The operator of an industrial hydrogen plant subject to the Proposed Rule 13-5 would have to monitor and record all parameters necessary to demonstrate compliance with the provisions contained in the standards section of the rule. Hydrogen plant atmospheric vents would be required to have flowrate meters installed. Operators of hydrogen plant deaerator vents and carbon dioxide scrubbing vents would have to install flowrate meters, recorders, and sampling ports, and must monitor total organic compound emissions. Because atmospheric venting from a pressure swing absorption unit that is properly maintained and operated should never exceed the total organic compound atmospheric vent emission standards of Proposed Rule 13-5, the owner or operator of a hydrogen plant with a pressure swing absorption vent would not be required to maintain emission records from the pressure swing absorption vent unless the unit malfunctions, which would likely lead to an exceedance of the vent emissions standards.

Staff received several comments from interested stakeholders. Staff reviewed these public comments and determined that some changes to proposed Rule 13-5 are needed to allow additional time to install required monitoring equipment and to clarify other sections of the proposed rule.

#### *Proposed amendments to Rule 8-2: Miscellaneous Operations*

Staff is proposing to exempt sources that are subject to the atmospheric vent emission standard of Rule 13-5 from the requirements of Rule 8-2. This is because the vent emissions standard contained in Proposed Rule 13-5 is more stringent than the general emission standard contained in Rule 8-2, which only addresses organic compounds excluding methane. Facilities complying with Rule 13-5 through the alternative compliance option would remain subject to Rule 8-2 because this option applies to only methane.

Staff is also proposing amendments to Rule 8-2 to allow for alternative test methods to ensure that facilities that process non-petroleum products utilize the appropriate test methods for the materials that are being processed. This additional amendment to Rule 8-2 is being made at this time to be consistent with other recently amended rules and is unrelated to Proposed Rule 13-5.

Air District staff released Proposed New Rule 13-5, Proposed Amendments to Rule 8-2, Staff Report, Socioeconomic Impact Analysis, Notice of Public Hearing, Notice of Completion and Availability of a CEQA Draft Environmental Impact Report, and other supporting documents for public review and comment. The materials are available on the Air District's website at <https://www.baaqmd.gov/rules-and-compliance/rules/reg-13-rule-5-petroleum-refinery-hydrogen-plants..>



## BUDGET CONSIDERATION/FINANCIAL IMPACT

Staff anticipates implementation of Proposed New Rule 13-5 and Proposed Amendments to Rule 8-2 will require additional staff time and resources in a number of areas. The Engineering Division would need two additional full-time equivalents (FTEs); the Compliance and Enforcement Division would need one additional FTE; and the Meteorology and Measurements Division would need one FTE for a total of four FTEs. The Air District will evaluate whether Regulation 3: Fees will need to be updated to ensure consistency and cost recovery when incorporating the increased administrative time that will be necessary to process applications to comply with the provisions of the Proposed Rule 13-5.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Victor Douglas  
Reviewed by: Elizabeth Yura

## ATTACHMENTS:

None

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Management Audit Update and Fiscal Year Ending (FYE) 2022 Staffing  
Authorization Review

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On June 16, 2021, the Board of Directors (Board) approved a workplan to initiate a management audit and the scope of work to procure services for a management audit, acknowledging the following priorities: evaluating the Air District's current hiring process, analyzing Air District divisions that are asking for the greatest numbers of new staffing positions, include a performance audit and risk evaluation. The vendor selection team for the auditor would include Board Members Carole Groom and Margaret Abe-Koga, as well as one community member appointed by the Community Equity, Health, and Justice Committee, another appointed by the Stationary Source and Impacts Committee, and a subject matter expert in management audits.

On June 30, 2021, the Air District issued a Request for Qualifications for Management Audit Services which closed on July 21, 2021. During the open period, the Air District received six proposals from various vendors.

On December 15, 2021, the Air District Board reviewed the scores attributed to each vendor by the selection panel and authorized the execution of a contract with the highest scoring vendor, Sjoberg Evashenk, for management audit services in an amount not to exceed \$250,000.

DISCUSSION

The initial task order under the contract calls for a first deliverable in March 2022 to inform new FYE 2022 staffing authorization, and a second deliverable in May 2022 which will provide information regarding Air District-wide risk and rank the Air District's divisions for further audit priority.

Sjoberg Evashenk began work on the FYE 2022 staffing authorization review and risk assessment deliverables in January 2022, and the Management Auditor will present the FYE 2022 staffing authorization review to the Board during today's meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: John Chialdakis  
Reviewed by: George Skiles

ATTACHMENTS:

1. Management Audit PowerPoint Presentation

**AGENDA: 18**

**BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT**

**DISTRICT-WIDE RISK ASSESSMENT  
PHASE I REPORT OF  
MARCH 16, 2022**

**PRESENTED TO THE BOARD OF DIRECTORS  
ON APRIL 6, 2022**

Prepared by:  
Sjoberg  
Evashenk  
Consulting

# PROJECT OBJECTIVES

- The Bay Area Air Quality Management District (District) hired Sjoberg Evashenk Consulting, Inc., to perform independent management audit services.
- Task Order No. 1 required an independent District-wide Risk Assessment that considers:
  - Internal controls established to ensure compliance with applicable standards;
  - The accuracy of the District's cost recovery process and fee setting; and
  - Potential improvements to the effectiveness and efficiency of District operations, including staffing levels to address workload demands.
- Key Deliverables:
  - Phase 1 Report (March 14): A progress update, preliminary observations, and results of our analysis of the District's proposed staffing increases reflected in the Fiscal Year 2022 budget.
  - Phase 2 Report (May 30): A final Risk Assessment report that will rank District departments or programs for audit priority.

# PROJECT APPROACH

To meet the project objective for this Phase I Report, we performed the following procedures:

- Conducted more than 25 interviews of District management personnel.
- Reviewed documents relating to the organizational structure, budget, and operations of the District, including workload and performance metrics.
- Identified systems of internal control, including manual and automated business processes.
- Obtained information regarding workload trends, the allocation of staffing resources to manage existing or anticipated workloads, and impacts of perceived staffing shortages on operational outcomes.
- Identified requests for additional staffing resources, as well as the potential for enhancing operational efficiencies where the need for additional staffing resources has been identified.
- Identified potential backlogs, tasks that are not performed, and internal control weaknesses, as well as potential risks associated with each.

# PHASE I OBSERVATIONS

While the Risk Assessment remains ongoing, our focus on this Phase I Report revealed the following:

- The District's allocation of 26 positions in the Fiscal Year 2022 Budget is generally reasonable and consistent with our assessment of the District's workload demands and priorities.
- Despite commitments to hold off hiring for the 26 positions until after this Phase I Report, 10 of the 26 positions are now filled, revealing internal control failures in the hiring process. Our Risk Assessment will recommend an audit of Human Resources.
- The total number of vacancies at the District is currently 43.



# RESULTS: FYE 2022 STAFFING ALLOCATIONS

The Board approved 26 new positions for Fiscal Year End (FYE) 2022. According to discussions with management in the Human Resources Office and review of position control tracking documentation, the positions were allocated to the following divisions/offices.

Count	Division/Office	Positions	Count	Division/Office	Positions
3	Community Engagement (CE)	<ul style="list-style-type: none"> <li>1 Senior Staff Specialist</li> <li>2 Not Specified</li> </ul>	4	Meteorology & Measurements (MM)	<ul style="list-style-type: none"> <li>1 Senior Air Quality Specialist</li> <li>1 Air Quality Laboratory Technician</li> <li>1 Principal Air Quality instrument Specialist</li> <li>1 Air Quality Instrument Specialist</li> </ul>
4	Compliance & Enforcement (ENF)	<ul style="list-style-type: none"> <li>2 Air Quality Inspectors</li> <li>2 Senior Air Quality Engineers</li> </ul>	1	Rules and Strategic Policy (Rules)	<ul style="list-style-type: none"> <li>1 Senior Air Quality Engineer</li> </ul>
4	Engineering (ENG)	<ul style="list-style-type: none"> <li>1 Manager</li> <li>3 Air Quality Engineers</li> </ul>	5	Strategic Incentives (SID)	<ul style="list-style-type: none"> <li>1 Manager</li> <li>1 Supervising Staff Specialist</li> <li>1 Senior Staff Specialist</li> <li>1 Staff Specialist</li> <li>1 Assistant Staff Specialist</li> </ul>
4	Finance (FIN)	<ul style="list-style-type: none"> <li>1 Director/Officer</li> <li>3 Staff Specialists</li> </ul>	1	Technology Implementation (TIO)	<ul style="list-style-type: none"> <li>1 Staff Specialist</li> </ul>

# RESULTS: FYE 2022 STAFFING ALLOCATIONS

To analyze the rational for the allocation of the FYE 2022 positions, we independently identified divisions/offices demonstrating the greatest need for resources by:

- Interviewing management of each division/office and reviewing information relating to backlogs and/or necessary work that was not being performed, and identified those that posed the greatest risk to the District.
- Analyzing payroll data to understand trends related to hours worked, including which divisions/offices consumed most of the District's overtime.

We compared the divisions/offices identified through our analysis as demonstrating the greatest need for resources to the divisions/offices where the FY 2022 positions were allocated.

# RESULTS: FYE 2022 STAFFING ALLOCATIONS

We identified 8 divisions/offices where key backlogs or work and activities that were not fully covered posed the greatest potential risk to the District:

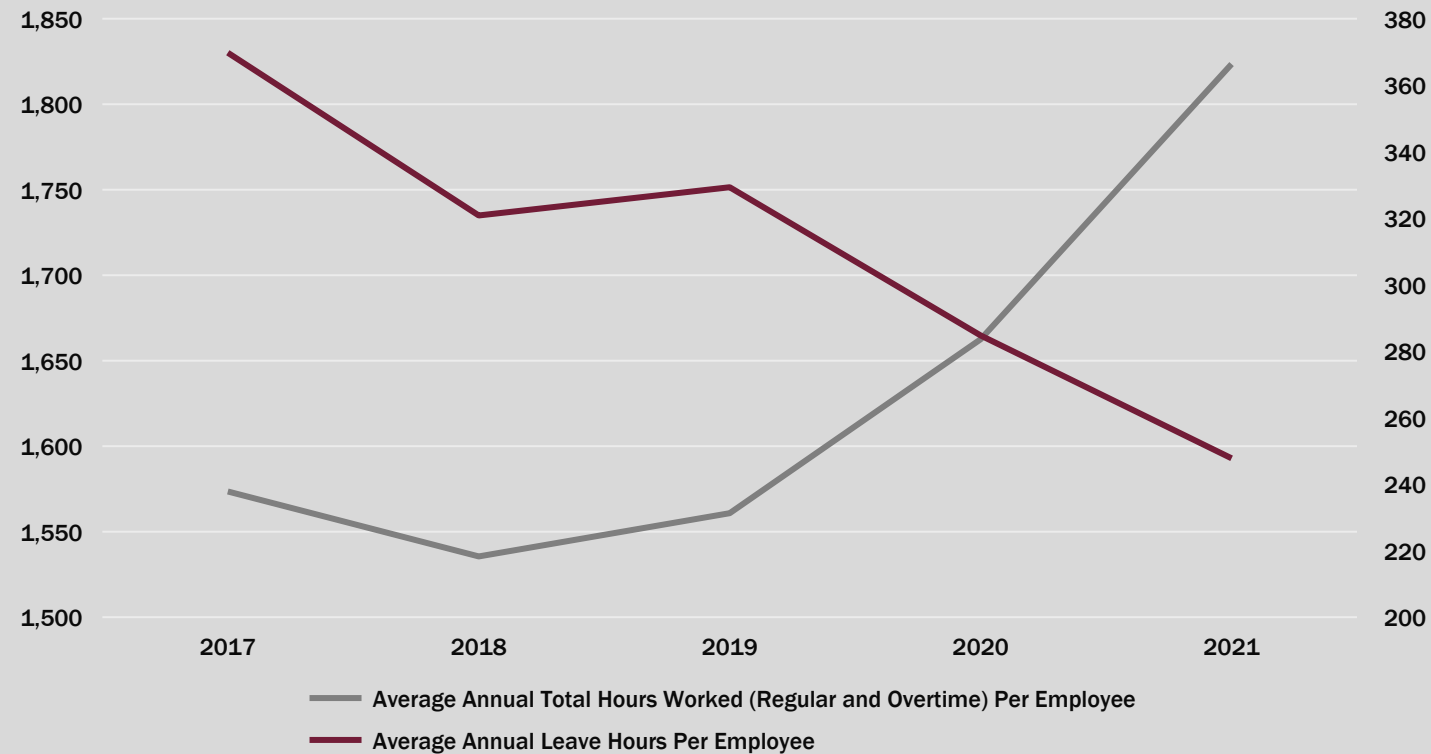
• Enforcement	• My Air Online
• Engineering	• Finance
• Meteorology & Measurements	• Legal
• Strategic Incentives	• Administrative Resources

Examples of key activities that are backlogged or not fully covered, include:

• Inspections	• New Production System
• Permitting	• Refunds and Invoicing
• Source Testing	• Enforcement Actions
• Compliance Reviews	• Asset Tracking and Monitoring

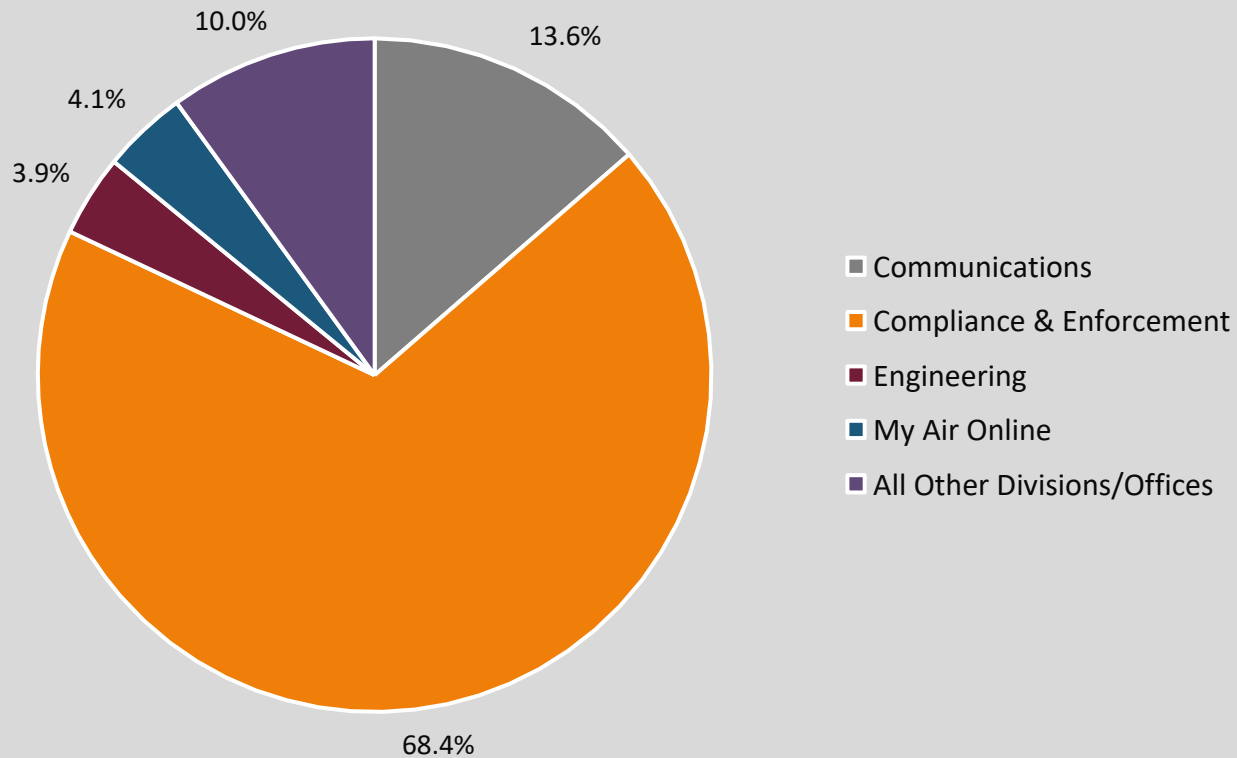
# RESULTS: FYE 2022 STAFFING ALLOCATIONS

During FYEs 2017 and 2021, Hours Worked by District Employees Have Increased While Leave Hours Have Decreased



# RESULTS: FYE 2022 STAFFING ALLOCATIONS

## District Employee Overtime Hours Consumed Are Concentrated in Certain Divisions



# RESULTS: FYE 2022 STAFFING ALLOCATIONS

- Comparison of the divisions/offices identified through SEC's analysis as demonstrating the greatest need for resources to divisions/offices where FYE 2022 positions were allocated.

Divisions/Offices	SEC's Analysis of Divisions with Greatest Resource Needs	District's Allocation of FYE 2022 Positions
ENF	✓	✓
ENG	✓	✓
MM	✓	✓
SID	✓	✓
FIN	✓	✓
Rules		✓
CE		✓
TIO		✓
Legal	✓	✓
My Air Online	✓	
Communications	✓	
Administrative Resources	✓	

# RESULTS: INTERNAL CONTROLS IN HIRING PROCESSES

10 of the 26 FYE 2022 positions were filled as of March 2022 and only 16 positions remain vacant and on hold pending the results of this Phase I Report

Positions On Hold			Positions Filled		
Count	Division	Position Title	Count	Division	Position Title
1	CE	Senior Staff Specialist	1	ENG	Air Quality Engineer
2	CE	Senior Staff Specialist	2	ENG	Air Quality Engineer
3	CE	Assistant Manager	3	ENG	Air Quality Engineer
4	ENG	Air Quality Engineer (transferred from ENF)	4	ENG	Manager
5	ENG	Air Quality Engineer (transferred from ENF)	5	FIN	Director/Officer
6	ENG	Air Quality Engineer (transferred from ENF)	6	MM	Senior Air Quality Specialist
7	ENG	Air Quality Engineer (transferred from ENF)	7	MM	Air Quality Laboratory Technician
8	FIN	Staff Specialist	8	MM	Air Quality Instrument Specialist
9	FIN	Accountant (converted from Staff Specialist)	9	SID	Senior Staff Specialist
10	FIN	Accountant (converted from Staff Specialist)	10	TIO	Staff Specialist
11	MM	Principal Air Quality instrument Specialist			
12	Rules	Senior Air Quality Engineer			
13	SID	Manager			
14	SID	Supervising Staff Specialist			
15	SID	Staff Specialist			
16	SID	Assistant Staff Specialist			



# RESULTS: INTERNAL CONTROLS IN HIRING PROCESSES

- Requests to recruit all 10 positions were submitted to the CEO between August 18 and August 25, 2021
- Hiring recommendations were submitted between August and December 2021, after the recruitment process was complete and candidates were selected for the positions. In one case, the request to begin recruitment and the recommendation to hire were submitted at approximately the same time.

Division	Position	Request for New Employee	Hiring & Salary Recommendation	Position Filled
SID	Senior Staff Specialist	8/19/21	08/17/21	09/27/21
ENG	Air Quality Engineer I	8/23/21	09/09/21	10/12/21
ENG	Air Quality Engineer I	8/23/21	09/23/21	10/25/21
MM	Air Quality Instrument Specialist I	8/18/21	08/23/21	10/25/21
TIO	Staff Specialist I	8/19/21	09/16/21	10/25/21
FIN	Director	8/18/21	10/08/21	11/08/21
ENG	Manager	8/25/21	11/12/21	11/22/21
MM	Senior Air Quality Specialist	8/18/21	11/18/21	12/20/21
MM	Air Quality Laboratory Technician I	8/23/21	11/23/21	01/03/22
ENG	Air Quality Engineer I	8/23/21	12/10/21	02/14/22

# RESULTS: INTERNAL CONTROLS IN HIRING PROCESSES

Our review of the District's hiring of 10 positions recognized to be on hold revealed several problems:

- While, by the time of this study, management across the District acknowledged that the 26 positions allocated through the FY 2022 were on hold, none were able to identify a specific date the positions were actually placed on hold. Given the commencement of hiring activities in August 2021 for all 10 positions, it appears that there was confusion regarding the “hold” status of the positions.
- It is evident that the Board communicated to the CEO, and the CEO communicated to District management, that the 26 positions were to remain on hold until after this Phase I report. By October 2021, management across the District recognized that the positions were on hold, and executive leadership committed to the Board that the positions would remain on hold until after this study. Yet, for at least four positions, recruitment remained underway and recommendations to hire were submitted to the CEO after this commitment.
- Failures associated with at least four control points that should be present in the recruitment process resulted in the hiring of on-hold positions.

# RESULTS: INTERNAL CONTROLS IN HIRING PROCESSES

## Internal Control Weaknesses:

- Direction to place positions on hold was never formalized in writing, allowing for the potential that individuals could intentionally or unintentionally obfuscate the mandate to hold off hiring.
- The District's method of Position Control, which should clearly designate positions as "frozen" or "on hold". The District's Position Control document did not; rather, it identified the positions as FY 2022 positions, but designated most as "approved for recruiting." This contradicted management's commitment to the Board.
- Human Resources Management, as a function, is widely recognized as being responsible for ensuring an organization complies with all relevant personnel rules, policies, mandates, and other guidance—including mandates originating from the Board of Directors. The Human Resources Division went beyond recruiting efforts for on-hold positions, but continued to process the hiring of personnel into on-hold positions.
- The CEO centralized the approval of all personnel actions under his direct authority, signing off on each request to recruit and hire candidates. However, the approval process was not properly established and the CEO was not supplied with the complete set of information required to evaluate the request.
  - For all 10 positions that have been filled, the hiring memo to approve specific candidates included no reference to the fact that the position was a FYE 2022 authorized position or that the position was considered "on hold." Relevant information was not submitted to the CEO at the time of approval.

# PHASE I CONCLUSIONS & NEXT STEPS

## Overall Conclusion

- It is clear the District requires additional resources to meet existing workload demands and to support Board priorities.
- The internal control weaknesses observed in this Risk Assessment, as well as potential process improvement within high-priority departments, will be addressed in the Final Report and will be recommended for future audit.

## Next Steps

- We will complete our Risk Assessment and provide a draft report to the District in April 2022 and a final report in May 2022.
- As part of this Risk Assessment, we will recommend a performance audit of the Human Resources Division with the objective to evaluate more comprehensively the operational efficiency and effectiveness of the Human Resources function within the District.

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Lynda McCallum, Partner

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**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Consideration of New Bills

**RECOMMENDED ACTION**

Recommend the Board of Directors (Board) support the following bills:

- Assembly Bill (AB) 2141 (E. Garcia) - Greenhouse Gas Reduction Fund: community projects: funding.
- AB 2836 (E. Garcia) - Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.

**BACKGROUND**

*AB 2141 (E. Garcia) - Greenhouse Gas Reduction Fund: community projects: funding.*

CapitolTrack Summary: Current law requires that all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism be deposited in the Greenhouse Gas Reduction Fund and be available, upon appropriation by the Legislature, for purposes relating to the reduction of greenhouse gas emissions. Current law continuously appropriates 35% of the annual proceeds of the fund for transit, affordable housing, and sustainable communities programs and 25% of the annual proceeds of the fund for certain components of a specified high-speed rail project. Current law requires the state board to select locations around the state for the preparation of community emissions reduction programs, and to select locations based on findings and recommendations in a specified monitoring plan to deploy community air monitoring systems, as defined. Current law requires the state board to provide grants to community-based organizations for technical assistance and to support community participation in the implementation of these requirements.

This bill would continuously appropriate to the state board, beginning in the 2023–24 fiscal year, 10% of the annual proceeds of the Greenhouse Gas Reduction Fund, up to \$300,000,000, for allocation to air pollution control districts and air quality management districts for the purpose of supporting community emissions reduction strategies in, and reimbursement for participation by, communities selected by the state board, as specified.

*AB 2836 (E. Garcia) - Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.*

CapitolTrack Summary: Current law establishes the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program), which is administered by the State Air Resources Board, to provide grants to offset the incremental cost of eligible projects that reduce emissions of air pollutants from sources in the state and for funding a fueling infrastructure demonstration program and technology development efforts. Current law, beginning January 1, 2024, limits the Carl Moyer Program to funding projects that reduce emissions of oxides of nitrogen (NOx) from covered sources. Existing law, until January 1, 2024, defines covered source for purposes of the Carl Moyer Program to include any marine vessel and any other category necessary for the state and air districts to meet air quality goals.

This bill would extend the current authorization for the Carl Moyer Program to fund a broader range of projects that reduce emissions from covered sources until January 1, 2038.

## DISCUSSION

Staff will provide the Board with a summary and status of the following two bills:

*AB 2141 (E. Garcia) - Greenhouse Gas Reduction Fund: community projects: funding.*

If passed, AB 2141 would continuously allocate 10% of each year's Greenhouse Gas Reduction Funds (to a max of \$300 million) to Community Emission Reduction Plans (CERPs), incentives, and community participation in AB 617.

The bill requires a 2/3 vote in both the Assembly and Senate, which will make passage difficult. While the bill may not pass out of both houses, its presence, and any support it has, may influence future budget discussions and ultimately be beneficial to AB 617 programs.

Should the Board take a support position on the bill, staff will also work with the author's staff and other air districts on any language amendments to ensure funding is available for all AB 617 activities and incentives.

*AB 2836 (E. Garcia) - Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.*

If passed, AB 2836 would extend the existing Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) and AB 923 Mobile Source Incentive Fund (MSIF Program) and their associated fee authorities from the current sunset date of January 1, 2024, to January 1, 2038. The fees proposed for extension include a \$.75 per tire fee that partially funds the Carl Moyer Program, and a local \$2 motor vehicle registration fee that funds the Air District's MSIF Program. AB 2836 also extends a separate motor vehicle fee for the San Joaquin Valley Air Pollution Control District.

The bill requires a 2/3 vote in both the Assembly and Senate.



Staff recommends the Board take a support position on the bill, and also recommends the Air District become a co-sponsor of the bill, if requested by Assemblymember Eduardo Garcia.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Alan Abbs  
Reviewed by: Alexander Crockett

ATTACHMENTS:

1. Assembly Bill 2141 (E. Garcia) - Bill Text - As Amended on 3/21/2022
2. Assembly Bill 2836 (E. Garcia) - Bill Text - As Amended on 3/24/2022
3. Consideration of New Bills PowerPoint Presentation

AMENDED IN ASSEMBLY MARCH 21, 2022

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

## ASSEMBLY BILL

**No. 2141**

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**Introduced by Assembly Member Eduardo Garcia**

February 15, 2022

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An act to amend Section ~~40920.8~~ 39719 of the Health and Safety Code, relating to air ~~pollution~~, *pollution, and making an appropriation therefor.*

### LEGISLATIVE COUNSEL'S DIGEST

AB 2141, as amended, Eduardo Garcia. ~~Air pollution: best available retrofit control technology. Greenhouse Gas Reduction Fund: community projects: funding.~~

*The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act requires the state board to adopt a statewide greenhouse gas emissions limit and to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emissions reductions, and authorizes the state board to implement a system of market-based compliance mechanisms to reduce greenhouse gas emissions in the state. Existing law requires that all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism be deposited in the Greenhouse Gas Reduction Fund and be available, upon appropriation by the Legislature, for purposes relating to the reduction of greenhouse gas emissions. Existing law continuously appropriates 35% of the annual proceeds of the fund for transit, affordable housing, and sustainable communities programs and 25%*

*of the annual proceeds of the fund for certain components of a specified high-speed rail project.*

*Existing law requires the state board to select locations around the state for the preparation of community emissions reduction programs, and to select locations based on findings and recommendations in a specified monitoring plan to deploy community air monitoring systems, as defined. Existing law requires the state board to provide grants to community-based organizations for technical assistance and to support community participation in the implementation of these requirements.*

*Existing law provides for the establishment of air pollution control districts and air quality management districts and vests in the districts the primary responsibility for the control of air pollution from all sources, other than emissions from motor vehicles. Existing law declares a district a public agency of the state.*

*This bill would continuously appropriate to the state board, beginning in the 2023–24 fiscal year, 10% of the annual proceeds of the Greenhouse Gas Reduction Fund, up to \$300,000,000, for allocation to air pollution control districts and air quality management districts for the purpose of supporting community emissions reduction strategies in, and reimbursement for participation by, communities selected by the state board, as specified.*

~~Existing law requires the State Air Resources Board to establish and maintain a statewide clearinghouse that identifies the best available control technology and best available retrofit control technology for criteria air pollutants, and related technologies for the control of toxic air contaminants. Existing law requires air quality management districts and air pollution control districts, when updating their best available technology determinations, to use the information in the statewide clearinghouse.~~

~~This bill would make a nonsubstantive change to the latter provision.~~

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 39719 of the Health and Safety Code is
- 2     amended to read:
- 3     39719. (a) The Legislature shall appropriate the annual
- 4     proceeds of the fund for the purpose of reducing greenhouse gas

emissions in this state in accordance with the requirements of Section 39712.

(b) To carry out a portion of the requirements of subdivision (a), the annual proceeds of the fund are continuously appropriated for the following:

(1) Beginning in the 2015–16 fiscal year, and notwithstanding Section 13340 of the Government Code, 35 percent of the annual proceeds of the fund are continuously appropriated, without regard to fiscal years, for transit, affordable housing, and sustainable communities programs as follows:

(A) Ten percent of the annual proceeds of the fund is hereby continuously appropriated to the Transportation Agency for the Transit and Intercity Rail Capital Program created by Part 2 (commencing with Section 75220) of Division 44 of the Public Resources Code.

(B) Five percent of the annual proceeds of the fund is hereby continuously appropriated to the Low Carbon Transit Operations Program created by Part 3 (commencing with Section 75230) of Division 44 of the Public Resources Code. Moneys shall be allocated by the Controller, according to requirements of the program, and pursuant to the distribution formula in subdivision (b) or (c) of Section 99312 of, and Sections 99313 and 99314 of, the Public Utilities Code.

(C) Twenty percent of the annual proceeds of the fund is hereby continuously appropriated to the Strategic Growth Council for the Affordable Housing and Sustainable Communities Program created by Part 1 (commencing with Section 75200) of Division 44 of the Public Resources Code. Of the amount appropriated in this subparagraph, no less than 10 percent of the annual proceeds of the fund shall be expended for affordable housing, consistent with the provisions of that program.

(2) Beginning in the 2015–16 fiscal year, notwithstanding Section 13340 of the Government Code, 25 percent of the annual proceeds of the fund is hereby continuously appropriated to the High-Speed Rail Authority for the following components of the initial operating segment and Phase I Blended System as described in the 2012 business plan adopted pursuant to Section 185033 of the Public Utilities Code:

(A) Acquisition and construction costs of the project.

(B) Environmental review and design costs of the project.

1 (C) Other capital costs of the project.

2 (D) Repayment of any loans made to the authority to fund the  
3 project.

4 (3) (A) Beginning in the 2020–21 fiscal year, and until June  
5 30, 2030, 5 percent of the annual proceeds of the fund, up to the  
6 sum of one hundred thirty million dollars (\$130,000,000), is hereby  
7 annually transferred to the Safe and Affordable Drinking Water  
8 Fund established pursuant to Section 116766 for the purposes of  
9 Chapter 4.6 (commencing with Section 116765) of Part 12 of  
10 Division 104.

11 (B) Moneys transferred under this paragraph shall be used for  
12 the purpose of facilitating the achievement of reductions of  
13 greenhouse gas emissions in this state in accordance with the  
14 requirements of Section 39712 or to improve climate change  
15 adaptation and resiliency of disadvantaged communities or  
16 low-income households or communities, consistent with Division  
17 25.5 (commencing with Section 38500). For purposes of the  
18 moneys transferred under this paragraph, a state agency may also  
19 comply with the requirements of paragraphs (2) and (3) of  
20 subdivision (a) of Section 16428.9 of the Government Code by  
21 describing how each proposed expenditure will improve climate  
22 change adaptation and resiliency of disadvantaged communities  
23 or low-income households or communities.

24 (4) Notwithstanding Section 13340 of the Government Code,  
25 for each fiscal year, beginning in the 2022–23 fiscal year through  
26 the ~~2028–29~~ 2028–29 fiscal year, the sum of two hundred million  
27 dollars (\$200,000,000) is hereby continuously appropriated, to the  
28 Department of Forestry and Fire Protection and allocated as  
29 follows:

30 (A) One hundred sixty-five million dollars (\$165,000,000) for  
31 healthy forest and fire prevention programs and projects that  
32 improve forest health and reduce emissions of greenhouse gases  
33 caused by uncontrolled wildfires.

34 (B) Thirty-five million dollars (\$35,000,000) for the completion  
35 of prescribed fire and other fuel reduction projects through proven  
36 forestry practices consistent with the recommendations of the  
37 California Forest Carbon Plan, including the operation of  
38 year-round prescribed fire crews and implementation of a research  
39 and monitoring program for climate adaptation.

1 (5) (A) *Notwithstanding Section 13340 of the Government Code,*  
2 *for each fiscal year, beginning in the 2023–24 fiscal year, 10*  
3 *percent of the annual proceeds of the fund, in an amount not to*  
4 *exceed three hundred million dollars (\$300,000,000), is hereby*  
5 *continuously appropriated to the state board for allocation to air*  
6 *pollution control districts and air quality management districts*  
7 *for the purpose of supporting community emissions reduction*  
8 *strategies in, and reimbursement for participation by, communities*  
9 *selected pursuant to subdivision (c) of Section 44391.2 for the*  
10 *purposes of that section and Section 42705.5.*

11 (B) *Moneys appropriated pursuant to this paragraph shall be*  
12 *used only for projects that are included in the monitoring plan*  
13 *prepared pursuant to subdivision (b) of Section 42705.5.*

14 (c) In determining the amount of the annual proceeds of the  
15 fund for purposes of the calculation in paragraphs (1) to (3),  
16 inclusive, *and paragraph (5),* of subdivision (b), the funds subject  
17 to Section 39719.1 and the sum set forth in paragraph (4) of  
18 subdivision (b) shall not be included.

19 ~~SECTION 1. Section 40920.8 of the Health and Safety Code~~  
20 ~~is amended to read:~~

21 ~~40920.8. (a) The state board shall establish and maintain a~~  
22 ~~statewide clearinghouse that identifies the best available control~~  
23 ~~technology and best available retrofit control technology for criteria~~  
24 ~~air pollutants, and related technologies for the control of toxic air~~  
25 ~~contaminants.~~

26 ~~(b) A district shall, when updating its best available control~~  
27 ~~technology determinations, use the information in the statewide~~  
28 ~~clearinghouse established and maintained by the state board.~~

AMENDED IN ASSEMBLY MARCH 24, 2022

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

## ASSEMBLY BILL

**No. 2836**

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**Introduced by Assembly Member Eduardo Garcia**

February 18, 2022

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An act to amend ~~Section 44280 of the Health and Safety Code, relating to vehicular air pollution. Sections 40612, 41081, 44225, 44229, 44275, 44280, 44281, 44282, 44283, and 44287 of the Health and Safety Code, to amend Sections 42885 and 42889 of the Public Resources Code, and to amend Section 9250.2 of the Vehicle Code, relating to air pollution.~~

### LEGISLATIVE COUNSEL'S DIGEST

AB 2836, as amended, Eduardo Garcia. Carl Moyer Memorial Air Quality Standards Attainment ~~Program~~. *Program: vehicle registration fees: California tire fee.*

*(1) Existing law establishes the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program), which is administered by the State Air Resources Board, to provide grants to offset the incremental cost of eligible projects that reduce emissions of air pollutants from sources in the state and for funding a fueling infrastructure demonstration program and technology development efforts. Existing law, beginning January 1, 2024, limits the Carl Moyer Program to funding projects that reduce emissions of oxides of nitrogen (NOx) from covered sources. Existing law, until January 1, 2024, defines covered source for purposes of the Carl Moyer Program to include any marine vessel and any other category necessary for the state and air districts to meet air quality goals.*



*This bill would extend the current authorization for the Carl Moyer Program to fund a broader range of projects that reduce emissions from covered sources until January 1, 2038.*

*(2) Existing law authorizes the Sacramento Metropolitan Air Quality Management District to adopt a surcharge on motor vehicle registration fees applicable to all motor vehicles registered in counties within the district. Existing law, until January 1, 2024, raises the limit on the amount of that surcharge from \$4 to \$6 and requires that \$2 of the surcharge be used to implement the Carl Moyer Program, among other programs. Existing law requires the Department of Motor Vehicles to collect that surcharge if requested by the district, and requires the department, after deducting its administrative costs, to distribute the revenues to the district. Beginning January 1, 2024, existing law returns the surcharge limit to its previous amount of \$4.*

*This bill would extend the authorization to increase the surcharge to \$6 until January 1, 2038.*

*(3) Existing law authorizes an air pollution control or air quality management district, except the Sacramento district, to levy a surcharge on the registration fees for motor vehicles registered in the air district, as specified by the governing body of the air district. Existing law requires the Department of Motor Vehicles to collect that surcharge if requested by an air district, and requires the department, after deducting its administrative costs, to distribute the revenues to the air districts. Existing law, until January 1, 2024, raises the limit on the amount of that surcharge from \$4 to \$6 and requires that \$2 of the surcharge be used to implement the Carl Moyer Program, among other programs. Beginning January 1, 2024, existing law returns the surcharge limit to its previous amount of \$4. Existing law authorizes the San Joaquin Valley Unified Air Pollution Control District to increase the surcharge up to, but not exceeding, \$30 for incentive-based programs to achieve surplus emissions reductions, as specified, and authorizes an adopted increased surcharge to be charged in any fiscal years 2009–10 to 2023–24, inclusive.*

*This bill would extend the authorization to increase the surcharge to \$6 until January 1, 2038. The bill would also extend the authorization for the San Joaquin Valley Unified Air Pollution Control District to charge an adopted increased surcharge up to, but not exceeding, \$30, through fiscal year 2037–38.*

*(4) Existing law imposes, until January 1, 2024, a California tire fee of \$1.75 per tire on a person who purchases a new tire, with the*

revenues generated to be allocated for prescribed purposes related to disposal and use of used tires. Existing law requires that \$0.75 per tire on which the fee is imposed be deposited in the Air Pollution Control Fund with these moneys to be available upon appropriation by the Legislature for use by the state board and air districts for specified purposes. Existing law reduces the tire fee to \$0.75 per tire on and after January 1, 2024.

This bill would extend the collection of the tire fee at \$1.75 per tire until January 1, 2038, and would therefore impose a tax.

(5) This bill would include a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of <sup>2</sup>/<sub>3</sub> of the membership of each house of the Legislature.

~~Existing law establishes the Carl Moyer Memorial Air Quality Standards Attainment Program, which is administered by the State Air Resources Board. The program authorizes the state board to provide grants to offset the incremental cost of eligible projects that reduce emissions from covered vehicular sources. The program also authorizes funding for a fueling infrastructure demonstration program and for technology development efforts that are expected to result in commercially available technologies in the near-term that would improve the ability of the program to achieve its goals.~~

~~This bill would make nonsubstantive changes to these provisions.~~

Vote: ~~majority~~<sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: ~~no~~-yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 40612 of the Health and Safety Code is
- 2     amended to read:
- 3     40612. (a) In order to provide funding for air pollution control
- 4     programs needed to achieve and maintain state and federal air
- 5     quality, the district may do both of the following:
- 6         (1) Notwithstanding the limits on the amount of the motor
- 7     vehicle fee specified in Sections 44223 and 44225, increase the
- 8     fee established pursuant to these sections to up to, but not
- 9     exceeding, thirty dollars (\$30) per motor vehicle per year for the
- 10    purposes of establishing and implementing incentive-based
- 11    programs to achieve surplus emissions reductions that the district

determines are needed to remediate air pollution harms created by motor vehicles on which the fee is imposed and that are intended to achieve and maintain state and federal ambient air quality standards required by the federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.). Except for the amount of the fee, any increase shall be subject to Chapter 7 (commencing with Section 44220) of Part 5, including, but not limited to, the adoption of a resolution providing for both the fee increase and a corresponding program for expenditure of the moneys raised by the increased fees for the reduction of mobile source emissions.

(2) Notwithstanding Section 40717.9, adopt rules and regulations to reduce vehicle trips in order to reduce air pollution from vehicular sources.

(b) Fees adopted pursuant to this section are in addition to any other fees imposed by the district, and may be charged in any of fiscal years 2009–10 to ~~2023–24~~, 2037–38, inclusive. Fees may be assessed after the 2012–13 fiscal year only if the United States Environmental Protection Agency approves the district’s proposed reclassification of its nonattainment status for ozone from severe to extreme. The fees adopted pursuant to this section are for the district portion of the total amount needed to achieve and maintain state and federal ambient air quality standards. At least ten million dollars (\$10,000,000) shall be used to mitigate the impacts of air pollution on public health and the environment in disproportionately impacted environmental justice communities in the San Joaquin Valley. The district board shall convene an environmental justice advisory committee, selected from a list given to the board by environmental justice groups from the San Joaquin Valley, to recommend the neighborhoods in the district that constitute environmental justice communities, and how to expend funds within these communities.

(c) (1) The fees adopted pursuant to this section shall become effective after the state board makes both of the following findings:

(A) The district has undertaken all feasible measures to reduce nonattainment air pollutants from sources within the district’s jurisdiction and regulatory control.

(B) The district has notified the state board that fees have been adopted pursuant to this section and provided the state board with an estimate of the total funds that will be provided annually by each of those fees.

1 (2) The state board shall file a written copy of its findings made  
2 pursuant to this subdivision with the Secretary of State within two  
3 days of its determination.

4 (3) The fees adopted pursuant to this section shall be collected  
5 nine months after the requirements of paragraph (2) are met.

6 *SEC. 2. Section 41081 of the Health and Safety Code, as*  
7 *amended by Section 2 of Chapter 401 of the Statutes of 2013, is*  
8 *amended to read:*

9 41081. (a) Subject to Article 3.7 (commencing with Section  
10 53720) of Chapter 4 of Part 1 of Division 2 of Title 5 of the  
11 Government Code, or with the approval of the board of supervisors  
12 of each county included, in whole or in part, within the Sacramento  
13 district, the Sacramento district board may adopt a surcharge on  
14 the motor vehicle registration fees applicable to all motor vehicles  
15 registered in those counties within the Sacramento district whose  
16 boards of supervisors have adopted a resolution approving the  
17 surcharge. The surcharge shall be collected by the Department of  
18 Motor Vehicles and, after deducting the department's  
19 administrative costs, the remaining funds shall be transferred to  
20 the Sacramento district. ~~Prior to~~ *Before* the adoption of any  
21 surcharge pursuant to this subdivision, the district board shall make  
22 a finding that any funds allocated to the district as a result of the  
23 adoption of a county transportation sales and use tax are insufficient  
24 to carry out the purposes of this chapter.

25 (b) The surcharge shall not exceed four dollars (\$4).

26 (c) After consulting with the Department of Motor Vehicles on  
27 the feasibility thereof, the Sacramento district board may provide,  
28 in the surcharge adopted pursuant to subdivision (a), to exempt  
29 from all or part of the surcharge any category of low-emission  
30 motor vehicle.

31 (d) Funds received by the Sacramento district pursuant to this  
32 section shall be used to implement the strategy with respect to the  
33 reduction in emissions from vehicular sources, including, but not  
34 limited to, a clean fuels program and motor vehicle use reduction  
35 measures. Not more than 5 percent of the funds collected pursuant  
36 to this section shall be used by the district for administrative  
37 expenses.

38 (e) This section shall become operative on January 1, ~~2024~~.  
39 2038.

1     *SEC. 3. Section 41081 of the Health and Safety Code, as*  
2     *amended by Section 1 of Chapter 610 of the Statutes of 2015, is*  
3     *amended to read:*

4     41081. (a) Subject to Article 3.7 (commencing with Section  
5     53720) of Chapter 4 of Part 1 of Division 2 of Title 5 of the  
6     Government Code, or with the approval of the board of supervisors  
7     of each county included, in whole or in part, within the Sacramento  
8     district, the Sacramento district board may adopt a surcharge on  
9     the motor vehicle registration fees applicable to all motor vehicles  
10    registered in those counties within the Sacramento district whose  
11    boards of supervisors have adopted a resolution approving the  
12    surcharge. The surcharge shall be collected by the Department of  
13    Motor Vehicles and, after deducting the department's  
14    administrative costs, the remaining funds shall be transferred to  
15    the Sacramento district. ~~Prior to~~ Before the adoption of any  
16    surcharge pursuant to this subdivision, the district board shall make  
17    a finding that any funds allocated to the district as a result of the  
18    adoption of a county transportation sales and use tax are insufficient  
19    to carry out the purposes of this chapter.

20    (b) The surcharge shall not exceed six dollars (\$6).

21    (c) After consulting with the Department of Motor Vehicles on  
22    the feasibility thereof, the Sacramento district board may provide,  
23    in the surcharge adopted pursuant to subdivision (a), to exempt  
24    from all or part of the surcharge any category of low-emission  
25    motor vehicle.

26    (d) Funds received by the Sacramento district pursuant to this  
27    section shall be used by that district as follows:

28    (1) The revenues resulting from the first four dollars (\$4) of  
29    each surcharge shall be used to implement reductions in emissions  
30    from vehicular sources, including, but not limited to, a clean fuels  
31    program and motor vehicle use reduction measures.

32    (2) The revenues resulting from the next two dollars (\$2) of  
33    each surcharge shall be used to implement the following programs  
34    that achieve emission reductions from vehicular sources and  
35    off-road engines, to the extent that the district determines the  
36    program remediates air pollution harms created by motor vehicles  
37    on which the surcharge is imposed:

38    (A) Projects eligible for grants under the Carl Moyer Memorial  
39    Air Quality Standards Attainment Program (Chapter 9  
40    (commencing with Section 44275) of Part 5).

1 (B) The new purchase, retrofit, repower, or add-on of equipment  
2 for previously unregulated agricultural sources of air pollution, as  
3 defined in Section 39011.5, within the Sacramento district, for a  
4 minimum of three years from the date of adoption of an applicable  
5 rule or standard, or until the compliance date of that rule or  
6 standard, whichever is later, if the state board has determined that  
7 the rule or standard complies with Sections 40913, 40914, and  
8 41503.1, after which period of time, a new purchase, retrofit,  
9 repower, or add-on of equipment shall not be funded pursuant to  
10 this chapter. The district shall follow any guidelines developed  
11 under subdivision (a) of Section 44287 for awarding grants under  
12 this program.

13 (C) The purchase of new schoolbuses or the repower or retrofit  
14 of emissions control equipment for existing schoolbuses pursuant  
15 to the Lower-Emission School Bus Program adopted by the state  
16 board.

17 (D) An accelerated vehicle retirement or repair program that is  
18 adopted by the state board pursuant to authority granted hereafter  
19 by the Legislature by statute.

20 (E) The replacement of onboard natural gas fuel tanks on  
21 schoolbuses that are 14 years or older or the enhancement of  
22 deteriorating natural gas fueling dispensers of fueling infrastructure,  
23 pursuant to the Lower-Emission School Bus Program adopted by  
24 the state board.

25 (F) The funding of alternative fuel and electric infrastructure  
26 projects solicited and selected through a competitive bid process.

27 (e) Not more than 6.25 percent of the funds collected pursuant  
28 to this section shall be used by the district for administrative  
29 expenses.

30 (f) A project funded by the program shall not be used for credit  
31 under any state or federal emissions averaging, banking, or trading  
32 program. An emission reduction generated by the program shall  
33 not be used as marketable emission reduction credits or to offset  
34 any emission reduction obligation of any person or entity. Projects  
35 involving new engines that would otherwise generate marketable  
36 credits under state or federal averaging, banking, and trading  
37 programs shall include transfer of credits to the engine end user  
38 and retirement of those credits toward reducing air emissions in  
39 order to qualify for funding under the program. A purchase of a  
40 low-emission vehicle or of equipment pursuant to a corporate or

1 a controlling board's policy, but not otherwise required by law,  
2 shall generate surplus emissions reductions and may be funded by  
3 the program.

4 (g) This section shall remain in effect only until January 1, ~~2024~~,  
5 2038, and as of that date is repealed, unless a later enacted statute,  
6 that is enacted before January 1, ~~2024~~, 2038, deletes or extends  
7 that date.

8 *SEC. 4. Section 44225 of the Health and Safety Code, as*  
9 *amended by Section 7 of Chapter 401 of the Statutes of 2013, is*  
10 *amended to read:*

11 44225. (a) A district may increase the fee established under  
12 Section 44223 to up to four dollars (\$4). A district may increase  
13 the fee only if *both* of the following conditions are met:

14 ~~(a)~~

15 (1) A resolution providing for both the fee increase and a  
16 corresponding program for expenditure of the increased fees for  
17 the reduction of air pollution from motor vehicles pursuant to, and  
18 for related planning, monitoring, enforcement, and technical studies  
19 necessary for the implementation of, the California Clean Air Act  
20 of 1988 (*Chapter 1568 of the Statutes of 1988*) is adopted and  
21 approved by the governing board of the district.

22 ~~(b)~~

23 (2) In districts with nonelected officials on their governing  
24 boards, the resolution shall be adopted and approved by both a  
25 majority of the governing board and a majority of the board  
26 members who are elected officials.

27 ~~(c)~~

28 (b) An increase in fees established pursuant to this section shall  
29 become effective on either April 1 or October 1, as provided in  
30 the resolution adopted by the board pursuant to subdivision (a).

31 ~~(d)~~

32 (c) This section shall become operative on January 1, ~~2024~~.  
33 2038.

34 *SEC. 5. Section 44225 of the Health and Safety Code, as*  
35 *amended by Section 3 of Chapter 610 of the Statutes of 2015, is*  
36 *amended to read:*

37 44225. (a) A district may increase the fee established under  
38 Section 44223 to up to six dollars (\$6). A district may increase the  
39 fee only if *both* of the following conditions are met:

40 ~~(a)~~



1 (1) A resolution providing for both the fee increase and a  
2 corresponding program for expenditure of the increased fees for  
3 the reduction of air pollution from motor vehicles pursuant to, and  
4 for related planning, monitoring, enforcement, and technical studies  
5 necessary for the implementation of, the California Clean Air Act  
6 of 1988 (Chapter 1568 of the Statutes of 1988), or for the  
7 attainment or maintenance of state or federal ambient air quality  
8 standards or the reduction of toxic air contaminant emissions from  
9 motor vehicles, is adopted and approved by the governing board  
10 of the district.

11 ~~(b)~~

12 (2) In districts with nonelected officials on their governing  
13 boards, the resolution shall be adopted and approved by both a  
14 majority of the governing board and a majority of the board  
15 members who are elected officials.

16 ~~(e)~~

17 (b) An increase in fees established pursuant to this section shall  
18 become effective on either April 1 or October 1, as provided in  
19 the resolution adopted by the board pursuant to subdivision (a).

20 ~~(d)~~

21 (c) This section shall remain in effect only until January 1, ~~2024~~,  
22 2038, and as of that date is repealed, unless a later enacted statute,  
23 that is enacted before January 1, ~~2024~~, 2038, deletes or extends  
24 that date.

25 *SEC. 6. Section 44229 of the Health and Safety Code, as*  
26 *amended by Section 9 of Chapter 401 of the Statutes of 2013, is*  
27 *amended to read:*

28 44229. (a) After deducting all administrative costs it incurs  
29 through collection of fees pursuant to Section 44227, the  
30 Department of Motor Vehicles shall distribute the revenues to  
31 ~~districts~~ *districts*, which shall use the fees to reduce air pollution  
32 from motor vehicles and to carry out related planning, monitoring,  
33 enforcement, and technical studies necessary for implementation  
34 of the California Clean Air Act of ~~1988~~. 1988 (*Chapter 1568 of*  
35 *the Statutes of 1988*). Fees collected by the Department of Motor  
36 Vehicles pursuant to this chapter shall be distributed to districts  
37 based upon the amount of fees collected from motor vehicles  
38 registered within each district.

(b) The Department of Motor Vehicles may annually expend not more than the following percentages of the fees collected pursuant to Section 44227 on administrative costs:

(1) During the first year after the operative date of this chapter, not more than 5 percent of the fees collected may be used for administrative costs.

(2) During the second year after the operative date of this chapter, not more than 3 percent of the fees collected may be used for administrative costs.

(3) During any year subsequent to the second year after the operative date of this chapter, not more than 1 percent of the fees collected may be used for administrative costs.

(c) This section shall become operative on January 1, ~~2024~~, 2038.

*SEC. 7. Section 44229 of the Health and Safety Code, as amended by Section 4 of Chapter 610 of the Statutes of 2015, is amended to read:*

44229. (a) After deducting all administrative costs it incurs through collection of fees pursuant to Section 44227, the Department of Motor Vehicles shall distribute the revenues to districts, which shall use the revenues resulting from the first four dollars (\$4) of each fee imposed to reduce air pollution from motor vehicles and to carry out related planning, monitoring, enforcement, and technical studies necessary for implementation of the California Clean Air Act of 1988 (Chapter 1568 of the Statutes of 1988). Fees collected by the Department of Motor Vehicles pursuant to this chapter shall be distributed to districts based upon the amount of fees collected from motor vehicles registered within each district.

(b) Notwithstanding Sections 44241 and 44243, a district shall use the revenues resulting from the next two dollars (\$2) of each fee imposed pursuant to Section 44227 to implement the following programs that the district determines remediate air pollution harms created by motor vehicles on which the surcharge is imposed:

(1) Projects eligible for grants under the Carl Moyer Memorial Air Quality Standards Attainment Program (Chapter 9 (commencing with Section 44275) of Part 5).

(2) The new purchase, retrofit, repower, or add-on equipment for previously unregulated agricultural sources of air pollution, as defined in Section 39011.5, for a minimum of three years from the date of adoption of an applicable rule or standard, or until the

1 compliance date of that rule or standard, whichever is later, if the  
2 state board has determined that the rule or standard complies with  
3 Sections 40913, 40914, and 41503.1, after which period of time,  
4 a new purchase, retrofit, repower, or add-on of equipment shall  
5 not be funded pursuant to this chapter. The districts shall follow  
6 any guidelines developed under subdivision (a) of Section 44287  
7 for awarding grants under this program.

8 (3) The purchase of new schoolbuses or the repower or retrofit  
9 of emissions control equipment for existing schoolbuses pursuant  
10 to the Lower-Emission School Bus Program adopted by the state  
11 board.

12 (4) An accelerated vehicle retirement or repair program that is  
13 adopted by the state board pursuant to authority granted hereafter  
14 by the Legislature by statute.

15 (5) The replacement of onboard natural gas fuel tanks on  
16 schoolbuses that are 14 years or older or the enhancement of  
17 deteriorating natural gas fueling dispensers of fueling infrastructure,  
18 pursuant to the Lower-Emission School Bus Program adopted by  
19 the state board.

20 (6) The funding of alternative fuel and electric infrastructure  
21 projects solicited and selected through a competitive bid process.

22 (c) The Department of Motor Vehicles may annually expend  
23 not more than 1 percent of the fees collected pursuant to Section  
24 44227 on administrative costs.

25 (d) A project funded by the program shall not be used for credit  
26 under any state or federal emissions averaging, banking, or trading  
27 program. An emission reduction generated by the program shall  
28 not be used as marketable emission reduction credits or to offset  
29 any emission reduction obligation of any person or entity. Projects  
30 involving new engines that would otherwise generate marketable  
31 credits under state or federal averaging, banking, and trading  
32 programs shall include transfer of credits to the engine end user  
33 and retirement of those credits toward reducing air emissions in  
34 order to qualify for funding under the program. A purchase of a  
35 low-emission vehicle or of equipment pursuant to a corporate or  
36 a controlling board's policy, but not otherwise required by law,  
37 shall generate surplus emissions reductions and may be funded by  
38 the program.

39 (e) This section shall remain in effect only until January 1, ~~2024~~,  
40 2038, and as of that date is repealed, unless a later enacted statute,

1 that is enacted before January 1, ~~2024~~, 2038, deletes or extends  
2 that date.

3 *SEC. 8. Section 44275 of the Health and Safety Code, as*  
4 *amended by Section 1 of Chapter 634 of the Statutes of 2017, is*  
5 *amended to read:*

6 44275. (a) As used in this chapter, the following terms have  
7 the following meanings:

8 (1) [Reserved]

9 (2) “Btu” means British thermal unit.

10 (3) “Commission” means the State Energy Resources  
11 Conservation and Development Commission.

12 (4) “Cost-effectiveness” means dollars provided to a project  
13 pursuant to subdivision (d) of Section 44283 for each ton of  
14 covered emission reduction attributed to a project or to the program  
15 as a whole. In calculating cost-effectiveness, one-time grants of  
16 funds made at the beginning of a project shall be annualized using  
17 a time value of public funds or discount rate determined for each  
18 project by the state board, taking into account the interest rate on  
19 bonds, interest earned by state funds, and other factors as  
20 determined appropriate by the state board. Cost-effectiveness shall  
21 be calculated by dividing annualized costs by average annual  
22 emissions reduction. The state board, in consultation with the  
23 districts and concerned members of the public, shall establish  
24 appropriate cost-effective limits for oxides of nitrogen, particulate  
25 matter, and reactive organic gases and a reasonable system for  
26 comparing the cost-effectiveness of proposed projects as described  
27 in subdivision (a) of Section 44283.

28 (5) “Covered emissions” include emissions of oxides of nitrogen,  
29 particulate matter, and reactive organic gases from any covered  
30 source.

31 (6) “Covered engine” includes any internal combustion engine  
32 or electric motor and drive powering a covered source.

33 (7) “Covered source” includes onroad vehicles, off-road  
34 nonrecreational equipment and vehicles, locomotives, marine  
35 vessels, agricultural sources of air pollution, as defined in Section  
36 39011.5, stationary irrigation or water conveyance engines, and,  
37 as determined by the state board, other categories necessary for  
38 the state and districts to meet air quality goals.

39 (8) “Covered vehicle” includes any vehicle or piece of  
40 equipment powered by a covered engine.

1 (9) "District" means a county air pollution control district or an  
2 air quality management district.

3 (10) "Fund" means the Air Pollution Control Fund established  
4 pursuant to Section 43015.

5 (11) "Incremental cost" means the cost of the project less a  
6 baseline cost that would otherwise be incurred by the applicant in  
7 the normal course of business. Incremental costs may include  
8 added lease, energy, or fuel costs pursuant to Section 44283 as  
9 well as incremental capital costs.

10 (12) "Liquidated" means that all moneys for a specified fiscal  
11 year have been spent by a district to reimburse grantees for valid  
12 and eligible project invoices and district administrative costs.  
13 Payments withheld from the grantee by a district until all  
14 contractual reporting requirements are met may be excluded from  
15 these amounts for the purposes of liquidation.

16 (13) "Mobile Source Air Pollution Reduction Review  
17 Committee" means the Mobile Source Air Pollution Reduction  
18 Review Committee created by Section 44244.

19 (14) "New very low emission vehicle" means a heavy-duty  
20 vehicle that qualifies as a very low emission vehicle when it is a  
21 new vehicle, where new vehicle has the same meaning as defined  
22 in Section 430 of the Vehicle Code, or that is modified with the  
23 approval and warranty of the original equipment manufacturer to  
24 qualify as a very low emission vehicle within 12 months of delivery  
25 to an owner for private or commercial use.

26 (15) "NO<sub>x</sub>" means oxides of nitrogen.

27 (16) "Program" means the Carl Moyer Memorial Air Quality  
28 Standards Attainment Program created by subdivision (a) of  
29 Section 44280.

30 (17) "Recaptured" means those moneys that are returned to a  
31 district or the state board by a grantee because that grantee did not  
32 meet contractual obligations.

33 (18) "Repower" means replacing an engine with a different  
34 engine. The term repower, as used in this chapter, generally refers  
35 to replacing an older, uncontrolled engine with a new,  
36 emissions-certified engine, although replacing an older  
37 emissions-certified engine with a newer engine certified to lower  
38 emissions standards may be eligible for funding under this program.

1 (19) “Retrofit” means making modifications to the engine and  
2 fuel system so that the retrofitted engine does not have the same  
3 specifications as the original engine.

4 (20) “Returned” means those moneys sent by a district to the  
5 state board for reallocation because those moneys are not liquidated  
6 by a liquidation deadline.

7 (21) “Schoolbus project” means the purchase of new schoolbuses  
8 or the repower or retrofit of emissions control equipment for  
9 existing schoolbuses.

10 (22) “Very low emission vehicle” means a heavy-duty vehicle  
11 with emissions significantly lower than otherwise applicable  
12 baseline emission standards or uncontrolled emission levels  
13 pursuant to Section 44282.

14 (b) This section shall remain in effect only until January 1, ~~2024~~,  
15 2038, and as of that date is repealed, unless a later enacted statute,  
16 that is enacted before January 1, ~~2024~~, 2038, deletes or extends  
17 that date.

18 *SEC. 9. Section 44275 of the Health and Safety Code, as*  
19 *amended by Section 2 of Chapter 634 of the Statutes of 2017, is*  
20 *amended to read:*

21 44275. (a) As used in this chapter, the following terms have  
22 the following meanings:

23 (1) [Reserved]

24 (2) “Btu” means British thermal unit.

25 (3) “Commission” means the State Energy Resources  
26 Conservation and Development Commission.

27 (4) “Cost-effectiveness” means dollars provided to a project  
28 pursuant to subdivision (d) of Section 44283 for each ton of NO<sub>x</sub>  
29 reduction attributed to a project or to the program as a whole. In  
30 calculating cost-effectiveness, one-time grants of funds made at  
31 the beginning of a project shall be annualized using a time value  
32 of public funds or discount rate determined for each project by the  
33 state board, taking into account the interest rate on bonds, interest  
34 earned by state funds, and other factors as determined appropriate  
35 by the state board. Cost-effectiveness shall be calculated by  
36 dividing annualized costs by average annual emissions reduction  
37 of NO<sub>x</sub> in this state.

38 (5) “Covered engine” includes any internal combustion engine  
39 or electric motor and drive powering a covered source.

1 (6) "Covered source" includes onroad vehicles of 14,000 pounds  
2 gross vehicle weight rating (GVWR) or greater, off-road  
3 nonrecreational equipment and vehicles, locomotives, diesel marine  
4 vessels, stationary agricultural engines, stationary irrigation or  
5 water conveyance engines, and, as determined by the state board,  
6 other high-emitting diesel engine categories.

7 (7) "Covered vehicle" includes any vehicle or piece of  
8 equipment powered by a covered engine.

9 (8) "District" means a county air pollution control district or an  
10 air quality management district.

11 (9) "Fund" means the Air Pollution Control Fund established  
12 pursuant to Section 43015.

13 (10) "Incremental cost" means the cost of the project less a  
14 baseline cost that would otherwise be incurred by the applicant in  
15 the normal course of business. Incremental costs may include  
16 added lease or fuel costs pursuant to Section 44283 as well as  
17 incremental capital costs.

18 (11) "Liquidated" means that all moneys for a specified fiscal  
19 year have been spent by a district to reimburse grantees for valid  
20 and eligible project invoices and district administrative costs.  
21 Payments withheld from the grantee by a district until all  
22 contractual reporting requirements are met may be excluded from  
23 these amounts for the purposes of liquidation.

24 (12) "Mobile Source Air Pollution Reduction Review  
25 Committee" means the Mobile Source Air Pollution Reduction  
26 Review Committee created by Section 44244.

27 (13) "New very low emission vehicle" means a vehicle that  
28 qualifies as a very low emission vehicle when it is a new vehicle,  
29 where new vehicle has the same meaning as defined in Section  
30 430 of the Vehicle Code, or that is modified with the approval and  
31 warranty of the original equipment manufacturer to qualify as a  
32 very low emission vehicle within 12 months of delivery to an  
33 owner for private or commercial use.

34 (14) "NO<sub>x</sub>" means oxides of nitrogen.

35 (15) "Program" means the Carl Moyer Memorial Air Quality  
36 Standards Attainment Program created by subdivision (a) of  
37 Section 44280.

38 (16) "Recaptured" means those moneys that are returned to a  
39 district or the state board by a grantee because that grantee did not  
40 meet contractual obligations.



(17) “Repower” means replacing an engine with a different engine. The term repower, as used in this chapter, generally refers to replacing an older, uncontrolled engine with a new, emissions-certified engine, although replacing an older emissions-certified engine with a newer engine certified to lower emissions standards may be eligible for funding under this program.

(18) “Retrofit” means making modifications to the engine and fuel system such that the retrofitted engine does not have the same specifications as the original engine.

(19) “Returned” means those moneys sent by a district to the state board for reallocation because those moneys are not liquidated by a liquidation deadline.

(20) “Schoolbus project” means the purchase of new schoolbuses or the repower or retrofit of emissions control equipment for existing schoolbuses.

(21) “Very low emission vehicle” means a vehicle with emissions significantly lower than otherwise applicable baseline emission standards or uncontrolled emission levels pursuant to Section 44282.

(b) This section shall become operative on January 1, ~~2024~~ 2038.

*SEC. 10. Section 44280 of the Health and Safety Code, as amended by Section 17 of Chapter 401 of the Statutes of 2013, is amended to read:*

44280. (a) There is hereby created the Carl Moyer Memorial Air Quality Standards Attainment Program. The program shall be administered by the state board in accordance with this chapter. The administration of the program may be delegated to the districts.

(b) The program shall provide grants to offset the incremental cost of projects that reduce covered emissions from covered sources in ~~California~~ the state. Eligibility for grant awards shall be determined by the state board, in consultation with the districts, in accordance with this chapter.

(c) The program shall also provide funding for a fueling infrastructure demonstration program and for technology development efforts that are expected to result in commercially available technologies in the near-term that would improve the ability of the program to achieve its goals. The infrastructure demonstration and technology development portions of the program

1 shall be managed by the commission, in consultation with the state  
2 board.

3 (d) This section shall remain in effect only until January 1, ~~2024~~,  
4 2038, and as of that date is repealed, unless a later enacted statute,  
5 that is enacted before January 1, ~~2024~~, 2038, deletes or extends  
6 that date.

7 *SEC. 11. Section 44280 of the Health and Safety Code, as*  
8 *amended by Section 18 of Chapter 401 of the Statutes of 2013, is*  
9 *amended to read:*

10 44280. (a) There is hereby created the Carl Moyer Memorial  
11 Air Quality Standards Attainment Program. The program shall be  
12 administered by the state board in accordance with this chapter.  
13 The administration of the program may be delegated to the districts.

14 (b) The program shall provide grants to offset the incremental  
15 cost of projects that reduce emissions of NO<sub>x</sub> from covered sources  
16 in ~~California~~. *the state*. Eligibility for grant awards shall be  
17 determined by the state board, in consultation with the districts,  
18 in accordance with this chapter.

19 (c) The program shall also provide funding for a fueling  
20 infrastructure demonstration program and for technology  
21 development efforts that are expected to result in commercially  
22 available technologies in the near-term that would improve the  
23 ability of the program to achieve its goals. The infrastructure  
24 demonstration and technology development portions of the program  
25 shall be managed by the commission, in consultation with the state  
26 board.

27 (d) This section shall become operative on January 1, ~~2024~~.  
28 2038.

29 *SEC. 12. Section 44281 of the Health and Safety Code, as*  
30 *amended by Section 20 of Chapter 401 of the Statutes of 2013, is*  
31 *amended to read:*

32 44281. (a) Eligible projects are any of the following:

33 (1) Purchase of new very low or zero-emission covered vehicles  
34 or covered engines.

35 (2) Emission-reducing retrofit of covered engines, or  
36 replacement of old engines powering covered sources with newer  
37 engines certified to more stringent emissions standards than the  
38 engine being replaced, or with electric motors or drives.

39 (3) Purchase and use of emission-reducing add-on equipment  
40 for covered vehicles.

(4) Development and demonstration of practical, low-emission retrofit technologies, repower options, and advanced technologies for covered engines and vehicles with very low emissions of NO<sub>x</sub>.

(b) No new purchase, retrofit, repower, or add-on equipment shall be funded under this chapter if it is required by any local, state, or federal statute, rule, regulation, memoranda of agreement or understanding, or other legally binding document, except that an otherwise qualified project may be funded even if the state implementation plan assumes that the change in equipment, vehicles, or operations will occur, if the change is not required by a statute, regulation, or other legally binding document in effect as of the date the grant is awarded. No project funded by the program shall be used for credit under any state or federal emissions averaging, banking, or trading program. No emission reduction generated by the program shall be used as marketable emission reduction credits or to offset any emission reduction obligation of any entity. Projects involving new engines that would otherwise generate marketable credits under state or federal averaging, banking, and trading programs shall include transfer of credits to the engine end user and retirement of those credits toward reducing air emissions in order to qualify for funding under the program. A purchase of a low-emission vehicle or of equipment pursuant to a corporate or a controlling board's policy, but not otherwise required by law, shall generate surplus emissions reductions and may be funded by the program.

(c) The program may also provide funding toward installation of fueling or electrification infrastructure as provided in Section 44284.

(d) Eligible applicants may be any individual, company, or public agency that owns one or more covered vehicles that operate primarily ~~within California~~ *in the state* or otherwise contribute substantially to the NO<sub>x</sub> emissions inventory in ~~California~~ *the state*.

(e) It is the intent of the Legislature that all emission reductions generated by this chapter shall contribute to public health by reducing, for the life of the vehicle being funded, the total amount of emissions in ~~California~~ *the state*.

(f) This section shall become operative on January 1, ~~2024~~ 2038.

1     *SEC. 13. Section 44281 of the Health and Safety Code, as*  
2     *amended by Section 8 of Chapter 610 of the Statutes of 2015, is*  
3     *amended to read:*

4     44281. (a) Eligible projects include, but are not limited to, any  
5     of the following:

6         (1) Purchase of new very low or zero-emission covered vehicles  
7         or covered heavy-duty engines.

8         (2) Emission-reducing retrofit of covered engines, or  
9         replacement of old engines powering covered sources with newer  
10        engines certified to more stringent emissions standards than the  
11        engine being replaced, or with electric motors or drives.

12        (3) Purchase and use of emission-reducing add-on equipment  
13        that has been verified by the state board for covered vehicles.

14        (4) Development and demonstration of practical, low-emission  
15        retrofit technologies, repower options, and advanced technologies  
16        for covered engines and vehicles with very low emissions of NO<sub>x</sub>.

17        (5) Light- and medium-duty vehicle projects in compliance with  
18        guidelines adopted by the state board pursuant to Title 13 of the  
19        California Code of Regulations.

20     (b) No project shall be funded under this chapter after the  
21     compliance date required by any local, state, or federal statute,  
22     rule, regulation, memoranda of agreement or understanding, or  
23     other legally binding document, except that an otherwise qualified  
24     project may be funded even if the state implementation plan  
25     assumes that the change in equipment, vehicles, or operations will  
26     occur, if the change is not required by the compliance date of a  
27     statute, regulation, or other legally binding document in effect as  
28     of the date the grant is awarded. No project funded by the program  
29     shall be used for credit under any state or federal emissions  
30     averaging, banking, or trading program. No covered emission  
31     reduction generated by the program shall be used as marketable  
32     emission reduction credits or to offset any emission reduction  
33     obligation of any person or entity. Projects involving new engines  
34     that would otherwise generate marketable credits under state or  
35     federal averaging, banking, and trading programs shall include  
36     transfer of credits to the engine end user and retirement of those  
37     credits toward reducing air emissions in order to qualify for funding  
38     under the program. A purchase of a low-emission vehicle or of  
39     equipment pursuant to a corporate or a controlling board's policy,

1 but not otherwise required by law, shall generate surplus emissions  
2 reductions and may be funded by the program.

3 (c) The program may also provide funding toward the  
4 installation of fueling or energy infrastructure to fuel or power  
5 covered sources.

6 (d) Eligible applicants may be any individual, company, or  
7 public agency that owns one or more covered vehicles that operate  
8 primarily ~~within California~~ *in the state* or otherwise contribute  
9 substantially to the NO<sub>x</sub>, particulate matter (PM), or reactive  
10 organic gas (ROG) emissions inventory in ~~California~~ *the state*.

11 (e) It is the intent of the Legislature that all emission reductions  
12 generated by this chapter shall contribute to public health by  
13 reducing, for the life of the vehicle being funded, the total amount  
14 of emissions in ~~California~~ *the state*.

15 (f) This section shall remain in effect only until January 1, ~~2024~~,  
16 2038, and as of that date is repealed, unless a later enacted statute,  
17 that is enacted before January 1, ~~2024~~, 2038, deletes or extends  
18 that date.

19 *SEC. 14. Section 44282 of the Health and Safety Code, as*  
20 *amended by Section 8 of Chapter 748 of the Statutes of 2021, is*  
21 *amended to read:*

22 44282. The following criteria apply to all projects to be funded  
23 through the program except for projects funded through the  
24 infrastructure demonstration program and infrastructure projects,  
25 pursuant to subdivision (c) of Section 44281 and Section 44284:

26 (a) The state board may establish project criteria, including  
27 minimum project life for source categories, in the guidelines  
28 described in Section 44287. For previously unregulated source  
29 categories, project criteria shall consider the timing of newly  
30 established regulatory requirements.

31 (b) To be eligible, projects shall meet the cost-effectiveness per  
32 ton of covered emissions reduced requirements of Section 44283.

33 (c) To be eligible, retrofits, repowers, and installation of add-on  
34 equipment for covered vehicles shall be performed, or new covered  
35 vehicles delivered to the end user, or covered vehicles scrapped  
36 on or after the date the program is implemented.

37 (d) Retrofit technologies, new engines, and new vehicles shall  
38 be certified for sale or under experimental permit for operation in  
39 ~~California~~ *the state*.

1 (e) Repower projects that replace older, uncontrolled engines  
2 with new, emissions-certified engines or that replace  
3 emissions-certified engines with new engines certified to a more  
4 stringent NO<sub>x</sub> emissions standard are approvable subject to the  
5 other applicable selection criteria. The state board shall determine  
6 appropriate baseline emission levels for the uncontrolled engines  
7 being replaced.

8 (f) For heavy-duty-vehicle projects, retrofit and add-on  
9 equipment projects shall document a NO<sub>x</sub> or PM emission  
10 reduction of at least 25 percent and no increase in other covered  
11 emissions compared to the applicable baseline emissions accepted  
12 by the state board for that engine year and application. The state  
13 board shall determine appropriate baseline emission levels.  
14 Acceptable documentation shall be defined by the state board.  
15 After study of available emission reduction technologies and after  
16 public notice and comment, the state board may revise the  
17 minimum percentage emission reduction criterion for retrofits and  
18 add-on equipment provided for in this section to improve the ability  
19 of the program to achieve its goals.

20 (g) (1) For heavy-duty-vehicle projects involving the purchase  
21 of new very low or zero-emission vehicles, engines shall be  
22 certified to an optional low NO<sub>x</sub> emissions standard established  
23 by the state board, except as provided for in paragraph (2).

24 (2) For heavy-duty-vehicle projects involving the purchase of  
25 new very low or zero-emission covered vehicles for which no  
26 optional low NO<sub>x</sub> emission standards are available, documentation  
27 shall be provided showing that the low or zero-emission engine  
28 emits not more than 70 percent of the NO<sub>x</sub> or NO<sub>x</sub> plus  
29 hydrocarbon emissions of a new engine certified to the applicable  
30 baseline NO<sub>x</sub> or NO<sub>x</sub> plus hydrocarbon emission standard for that  
31 engine and meets applicable particulate standards. The state board  
32 shall specify the documentation required. If no baseline emission  
33 standard exists for new vehicles in a particular category, the state  
34 board shall determine an appropriate baseline emission level for  
35 comparison.

36 (h) For projects other than heavy-duty-vehicle projects, the state  
37 board shall determine appropriate criteria under the provisions of  
38 Section 44287.

39 (i) Projects using grants, loans, vouchers, or other incentives  
40 pursuant to this chapter shall condition eligibility on the

requirements of Chapter 3.6 (commencing with Section 39680) of Part 2, as applicable.

(j) This section shall remain in effect only until January 1, ~~2024~~, 2038, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, ~~2024~~, 2038, deletes or extends that date.

*SEC. 15. Section 44282 of the Health and Safety Code, as amended by Section 9 of Chapter 748 of the Statutes of 2021, is amended to read:*

44282. The following criteria apply to all projects to be funded through the program except for projects funded through the infrastructure demonstration program:

(a) Except for projects involving marine vessels, 75 percent or more of vehicle miles traveled or hours of operation shall be projected to be in ~~California~~ *the state* for at least five years following the grant award. Projects involving marine vessels and engines shall be limited to those that spend enough time operating in ~~California~~ *air basins in the state* over the lifetime of the project to meet the cost-effectiveness criteria based on NO<sub>x</sub> reductions in ~~California~~, *the state*, as provided in Section 44283.

(b) To be eligible, projects shall meet cost-effectiveness per ton of NO<sub>x</sub> reduced requirements of Section 44283.

(c) To be eligible, retrofits, repowers, and installation of add-on equipment for covered vehicles shall be performed, or new covered vehicles delivered to the end user, on or after the date the program is implemented.

(d) Retrofit technologies, new engines, and new vehicles shall be certified for sale or under experimental permit for operation in ~~California~~, *the state*.

(e) Repower projects that replace older, uncontrolled engines with new, emissions-certified engines or that replace emissions-certified engines with new engines certified to a more stringent NO<sub>x</sub> emissions standard are approvable subject to the other applicable selection criteria. The state board shall determine appropriate baseline emission levels for the uncontrolled engines being replaced.

(f) Retrofit and add-on equipment projects shall document a NO<sub>x</sub> emission reduction of at least 25 percent and no increase in particulate emissions compared to the applicable baseline emissions accepted by the state board for that engine year and application.



The state board shall determine appropriate baseline emission levels. Acceptable documentation shall be defined by the state board. After study of available emission reduction technologies and after public notice and comment, the state board may revise the minimum percentage NO<sub>x</sub> reduction criterion for retrofits and add-on equipment provided for in this section to improve the ability of the program to achieve its goals.

(g) (1) For projects involving the purchase of new very low or zero-emission vehicles, engines shall be certified to an optional low NO<sub>x</sub> emissions standard established by the state board, except as provided for in paragraph (2).

(2) For projects involving the purchase of new very low or zero-emission covered vehicles for which no optional low NO<sub>x</sub> emission standards are available, documentation shall be provided showing that the low- or zero-emission engine emits not more than 70 percent of the NO<sub>x</sub> or NO<sub>x</sub> plus hydrocarbon emissions of a new engine certified to the applicable baseline NO<sub>x</sub> or NO<sub>x</sub> plus hydrocarbon emission standard for that engine and meets applicable particulate standards. The state board shall specify the documentation required. If no baseline emission standard exists for new vehicles in a particular category, the state board shall determine an appropriate baseline emission level for comparison.

(h) Projects using grants, loans, vouchers, or other incentives pursuant to this chapter shall condition eligibility on the requirements of Chapter 3.6 (commencing with Section 39680) of Part 2, as applicable.

(i) This section shall become operative on January 1, ~~2024~~ 2038.

*SEC. 16. Section 44283 of the Health and Safety Code, as amended by Section 24 of Chapter 401 of the Statutes of 2013, is amended to read:*

44283. (a) Grants shall not be made for projects with a cost-effectiveness, calculated in accordance with this section, of more than twelve thousand dollars (\$12,000) per ton of NO<sub>x</sub> reduced in ~~California~~ *the state* or a higher value that reflects state consumer price index adjustments on or after January 1, ~~2024~~ 2038, as determined by the state board.

(b) Only NO<sub>x</sub> reductions occurring in this state shall be included in the cost-effectiveness determination. The extent to which emissions generated at sea contribute to air quality in ~~California~~

1 nonattainment areas *in the state* shall be incorporated into these  
2 methodologies based on a reasonable assessment of currently  
3 available information and modeling assumptions.

4 (c) The state board shall develop protocols for calculating the  
5 surplus NO<sub>x</sub> reductions in ~~California~~ *the state* from representative  
6 project types over the life of the project.

7 (d) The cost of the NO<sub>x</sub> reduction is the amount of the grant  
8 from the program, including matching funds provided pursuant to  
9 subdivision (e) of Section 44287, plus any other state funds, or  
10 funds under the district's budget authority or fiduciary control,  
11 provided toward the project, not including funds described in  
12 paragraphs (1) and (2) of subdivision (a) of Section 44287.2. The  
13 state board shall establish reasonable methodologies for evaluating  
14 project cost-effectiveness, consistent with the definition contained  
15 in paragraph (4) of subdivision (a) of Section 44275, and with  
16 accepted methods, taking into account a fair and reasonable  
17 discount rate or time value of public funds.

18 (e) A grant shall not be made that, net of taxes, provides the  
19 applicant with funds in excess of the incremental cost of the project.  
20 Incremental lease costs may be capitalized according to guidelines  
21 adopted by the state board so that these incremental costs may be  
22 offset by a one-time grant award.

23 (f) Funds under a district's budget authority or fiduciary control  
24 may be used to pay for the incremental cost of liquid or gaseous  
25 fuel, other than standard gasoline or diesel, which is integral to a  
26 NO<sub>x</sub> reducing technology that is part of a project receiving grant  
27 funding under the program. The fuel shall be approved for sale by  
28 the state board. The incremental fuel cost over the expected lifetime  
29 of the vehicle may be offset by the district if the project as a whole,  
30 including the incremental fuel cost, meets all of the requirements  
31 of this chapter, including the maximum allowed cost-effectiveness.  
32 The state board shall develop an appropriate methodology for  
33 converting incremental fuel costs over the vehicle lifetime into an  
34 initial cost for—the purposes of determining project  
35 cost-effectiveness. Incremental fuel costs shall not be included in  
36 project costs for fuels dispensed from any facility that was funded,  
37 in whole or in part, from the fund.

38 (g) For purposes of determining any grant amount pursuant to  
39 this chapter, the incremental cost of any new purchase, retrofit,  
40 repower, or add-on equipment shall be reduced by the value of

any current financial incentive that directly reduces the project price, including any tax credits or deductions, grants, or other public financial assistance, not including funds described in paragraphs (1) and (2) of subdivision (a) of Section 44287.2. Project proponents applying for funding shall be required to state in their application any other public financial assistance to the project.

(h) For projects that would repower off-road equipment by replacing uncontrolled diesel engines with new, certified diesel engines, the state board may establish maximum grant award amounts per repower. A repower project shall also be subject to the incremental cost maximum pursuant to subdivision (e).

(i) After study of available emission reduction technologies and costs and after public notice and comment, the state board may reduce the values of the maximum grant award criteria stated in this section to improve the ability of the program to achieve its goals. Every year the state board shall adjust the maximum cost-effectiveness amount established in subdivision (a) and any per-project maximum set by the state board pursuant to subdivision (h) to account for inflation.

(j) This section shall become operative on January 1, ~~2024~~ 2038.

*SEC. 17. Section 44283 of the Health and Safety Code, as amended by Section 10 of Chapter 610 of the Statutes of 2015, is amended to read:*

44283. (a) (1) For all projects funded pursuant to this chapter, except for an infrastructure project described in subdivision (c) of Section 44281, the following cost-effectiveness criteria shall apply:

(A) (i) Project grants shall not be made that exceed cost-effectiveness values calculated in accordance with this section.

(ii) The state board, in collaboration with the districts, shall establish cost-effectiveness values in the guidelines issued pursuant to Section 44287, taking into consideration factors, including, but not limited to, the following:

(I) The cost of emission control technologies identified in Section 44281.

(II) The cost-effectiveness values for NO<sub>x</sub>, particulate matter, or reactive organic gases for any adopted rule or control measure in any district's approved state implementation plan, or rule adopted by the state board.

1 (iii) A grant for a schoolbus project shall not exceed the cost  
2 caps established in the Lower-Emission School Bus Program and  
3 consistent with Section 44299.901. The cost-effectiveness value  
4 for these projects shall be set forth in the guidelines issued pursuant  
5 to Section 44287.

6 (B) For projects obtaining reactive organic gas and particulate  
7 matter reductions, the state board shall determine appropriate  
8 adjustment factors to calculate a weighted cost-effectiveness value.

9 (2) When a district board approves funding for a project or  
10 project category, the district board shall include, in its agenda or  
11 supporting materials for the meeting approving funding for the  
12 project or project category, a brief statement of the rationale for  
13 funding that source category, including the basis for selection and  
14 the importance of that project type.

15 (b) Only covered emission reductions occurring in this state  
16 shall be included in the cost-effectiveness determination. The  
17 extent to which emissions generated at sea contribute to air quality  
18 in ~~California~~ nonattainment areas *in the state* shall be incorporated  
19 into these methodologies based on a reasonable assessment of  
20 currently available information and modeling assumptions.

21 (c) The state board shall develop protocols for calculating the  
22 surplus covered emission reductions in ~~California~~ *the state* from  
23 representative project types over the life of the project.

24 (d) The cost of the covered emission reduction is the amount  
25 of the grant from the program, including matching funds provided  
26 pursuant to subdivision (e) of Section 44287, or funding provided  
27 pursuant to paragraph (2) of subdivision (d) of Section 41081 or  
28 subdivision (b) of Section 44229, not including funds described  
29 in subdivision (a) of Section 44287.2. The state board shall  
30 establish reasonable methodologies for evaluating project  
31 cost-effectiveness, consistent with the definition contained in  
32 paragraph (4) of subdivision (a) of Section 44275, and with  
33 accepted methods, taking into account a fair and reasonable  
34 discount rate or time value of public funds.

35 (e) A grant shall not be made that, net of taxes, provides the  
36 applicant with funds in excess of the incremental cost of the project.  
37 Incremental lease costs may be capitalized according to guidelines  
38 adopted by the state board so that these incremental costs may be  
39 offset by a one-time grant award.

1 (f) Funds under a district's budget authority or fiduciary control  
2 may be used to pay for the incremental cost of energy or liquid or  
3 gaseous fuel, other than standard gasoline or diesel, which is  
4 integral to a covered emission reducing technology that is part of  
5 a project receiving grant funding under the program. The fuel shall  
6 be approved for sale in the state. The incremental energy or fuel  
7 cost over the expected lifetime of the vehicle may be offset by the  
8 district if the project as a whole, including the incremental energy  
9 or fuel cost, meets all of the requirements of this chapter, including  
10 the maximum allowed cost-effectiveness. The state board shall  
11 develop an appropriate methodology for converting incremental  
12 energy or fuel costs over the vehicle lifetime into an initial cost  
13 for ~~the~~ purposes of determining project cost-effectiveness.  
14 Incremental energy or fuel costs shall not be included in project  
15 costs for fuels dispensed from any facility that was funded, in  
16 whole or in part, from the fund.

17 (g) For ~~the~~ purposes of determining any grant amount pursuant  
18 to this chapter, project proponents applying for funding shall be  
19 required to state in their application any other public financial  
20 assistance to the project.

21 (h) For projects that would repower off-road equipment by  
22 replacing uncontrolled diesel engines with new, certified diesel  
23 engines, the state board may establish maximum grant award  
24 amounts per repower. A repower project shall also be subject to  
25 the incremental cost maximum pursuant to subdivision (e).

26 (i) After study of available emission reduction technologies and  
27 costs and after public notice and comment, the state board may  
28 adjust the values of the maximum grant award criteria stated in  
29 this section to improve the ability of the program to achieve its  
30 goals. Every year the state board shall adjust the maximum  
31 cost-effectiveness amount established in subdivision (a) and any  
32 per-project maximum set by the state board pursuant to subdivision  
33 (h) to account for inflation and other factors as authorized by this  
34 section.

35 (j) This section shall remain in effect only until January 1, ~~2024~~,  
36 2038, and as of that date is repealed, unless a later enacted statute,  
37 that is enacted before January 1, ~~2024~~, 2038, deletes or extends  
38 that date.

1     *SEC. 18. Section 44287 of the Health and Safety Code, as*  
2     *amended by Section 26 of Chapter 401 of the Statutes of 2013, is*  
3     *amended to read:*

4     44287. (a) The state board shall establish grant criteria and  
5     guidelines consistent with this chapter for covered vehicle projects  
6     as soon as practicable, but not later than January 1, 2000. The  
7     adoption of guidelines is exempt from the rulemaking provisions  
8     of the Administrative Procedure Act, Chapter 3.5 (commencing  
9     with Section 11340) of Part 1 of Division 3 of Title 2 of the  
10    Government Code. The state board shall solicit input and comment  
11    from the districts during the development of the criteria and  
12    guidelines and shall make every effort to develop criteria and  
13    guidelines that are compatible with existing district programs that  
14    are also consistent with this chapter. Guidelines shall include  
15    protocols to calculate project cost-effectiveness. The grant criteria  
16    and guidelines shall include safeguards to ensure that the project  
17    generates surplus emissions reductions. Guidelines shall enable  
18    and encourage districts to cofund projects that provide emissions  
19    reductions in more than one district. The state board shall make  
20    draft criteria and guidelines available to the public 45 days before  
21    final adoption, and shall hold at least one public meeting to  
22    consider public comments before final adoption.

23    (b) The state board, in consultation with the participating  
24    districts, may propose revisions to the criteria and guidelines  
25    established pursuant to subdivision (a) as necessary to improve  
26    the ability of the program to achieve its goals. A proposed revision  
27    shall be made available to the public 45 days before final adoption  
28    of the revision and the state board shall hold at least one public  
29    meeting to consider public comments before final adoption of the  
30    revision.

31    (c) The state board shall reserve funds for, and disburse funds  
32    to, districts from the fund for administration pursuant to this section  
33    and Section 44299.1.

34    (d) The state board shall develop guidelines for a district to  
35    follow in applying for the reservation of funds, in accordance with  
36    this chapter. It is the intent of the Legislature that district  
37    administration of any reserved funds be in accordance with the  
38    project selection criteria specified in Sections 44281, 44282, and  
39    44283 and all other provisions of this chapter. The guidelines shall

1 be established and published by the state board as soon as  
2 practicable, but not later than January 1, 2000.

3 (e) Funds shall be reserved by the state board for administration  
4 by a district that adopts an eligible program pursuant to this chapter  
5 and offers matching funds at a ratio of one dollar (\$1) of matching  
6 funds committed by the district or the Mobile Source Air Pollution  
7 Reduction Review Committee for every two dollars (\$2) committed  
8 from the fund. Funds available to the Mobile Source Air Pollution  
9 Reduction Review Committee may be counted as matching funds  
10 for projects in the South Coast Air Basin only if the committee  
11 approves the use of these funds for matching purposes. Matching  
12 funds may be any funds under the district's budget authority that  
13 are committed to be expended in accordance with the program.  
14 Funds committed by a port authority or a local government, in  
15 cooperation with a district, to be expended in accordance with the  
16 program may also be counted as district matching funds. Matching  
17 funds provided by a port authority or a local government may not  
18 exceed 30 percent of the total required matching funds in any  
19 district that applies for more than three hundred thousand dollars  
20 (\$300,000) of the state board funds. Only a district, or a port  
21 authority or a local government teamed with a district, may provide  
22 matching funds.

23 (f) The state board may adjust the ratio of matching funds  
24 described in subdivision (e), if it determines that an adjustment is  
25 necessary in order to maximize the use of, or the air quality benefits  
26 provided by, the program, based on a consideration of the financial  
27 resources of the district.

28 (g) Notwithstanding subdivision (e), a district need not provide  
29 matching funds for state board funds allocated to the district for  
30 program outreach activities pursuant to paragraph (4) of subdivision  
31 (a) of Section 44299.1.

32 (h) A district may include within its matching funds a reasonable  
33 estimate of direct or in-kind costs for assistance in providing  
34 program outreach and application evaluation. In-kind and direct  
35 matching funds shall not exceed 15 percent of the total matching  
36 funds offered by a district. A district may also include within its  
37 matching funds any money spent on or after February 25, 1999,  
38 that would have qualified as matching funds but were not  
39 previously claimed as matching funds.



(i) A district desiring a reservation of funds shall apply to the state board following the application guidelines established pursuant to this section. The state board shall approve or disapprove a district application not later than 60 days after receipt. Upon approval of any district application, the state board shall simultaneously approve a reservation of funding for that district to administer. Reserved funds shall be disbursed to the district so that funding of a district-approved project is not impeded.

(j) Notwithstanding any other provision of this chapter, districts and the Mobile Source Air Pollution Reduction Review Committee shall not use funds collected pursuant to Section 41081 or Chapter 7 (commencing with Section 44220), or pursuant to Section 9250.11 of the Vehicle Code, as matching funds to fund a project with stationary or portable engines, locomotives, or marine vessels.

(k) Any funds reserved for a district pursuant to this section are available to the district for a period of not more than two years from the time of reservation. Funds not expended by June 30 of the second calendar year following the date of the reservation shall revert back to the state board as of that June 30, and shall be deposited in the fund for use by the program. The funds may then be redirected based on applications to the fund. Regardless of any reversion of funds back to the state board, the district may continue to request other reservations of funds for local administration. Each reservation of funds shall be accounted for separately, and unused funds from each application shall revert back to the state board as specified in this subdivision.

(l) The state board shall specify a date each year when district applications are due. If the eligible applications received in any year oversubscribe the available funds, the state board shall reserve funds on an allocation basis, pursuant to subdivision (b) of Section 44299.1. The state board may accept a district application after the due date for a period of months specified by the state board. Funds may be reserved in response to those applications, in accordance with this chapter, out of funds remaining after the original reservation of funds for the year.

(m) Guidelines for a district application shall require information from an applicant district to the extent necessary to meet the requirements of this chapter, but shall otherwise minimize the information required of a district.

(n) A district application shall be reviewed by the state board immediately upon receipt. If the state board determines that an application is incomplete, the applicant shall be notified within 10 working days with an explanation of what is missing from the application. A completed application fulfilling the criteria shall be approved as soon as practicable, but not later than 60 working days after receipt.

(o) The state board, in consultation with the districts, shall establish project approval criteria and guidelines for infrastructure projects consistent with Section 44284 as soon as practicable, but not later than February 15, 2000. The commission shall make draft criteria and guidelines available to the public 45 days before final adoption, and shall hold at least one public meeting to consider public comments before final adoption.

(p) The state board, in consultation with the participating districts, may propose revisions to the criteria and guidelines established pursuant to subdivision (o) as necessary to improve the ability of the program to achieve its goals. A revision may be proposed at any time, or may be proposed in response to a finding made in the annual report on the program published by the state board pursuant to Section 44295. A proposed revision shall be made available to the public 45 days before final adoption of the revision and the commission shall hold at least one public meeting to consider public comments before final adoption of the revision.

(q) This section shall become operative on January 1, ~~2024~~ 2038.

*SEC. 19. Section 44287 of the Health and Safety Code, as amended by Section 12 of Chapter 610 of the Statutes of 2015, is amended to read:*

44287. (a) The state board shall establish or update grant criteria and guidelines consistent with this chapter for covered vehicle and infrastructure projects as soon as practicable, but not later than July 1, 2017. The adoption of guidelines is exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The state board shall solicit input and comment from the districts during the development of the criteria and guidelines and shall make every effort to develop criteria and guidelines that are compatible with existing district programs that are also consistent with this chapter.

Guidelines shall include protocols to calculate project cost-effectiveness. The grant criteria and guidelines shall include safeguards to ensure that the project generates surplus emissions reductions. Guidelines shall enable and encourage districts to cofund projects that provide emissions reductions in more than one district. The state board shall make draft criteria and guidelines available to the public 45 days before final adoption, and shall hold at least one public meeting to consider public comments before final adoption. The state board may develop separate guidelines and criteria for the different types of eligible projects described in subdivision (a) of Section 44281.

(b) The state board, in consultation with the participating districts, may propose revisions to the criteria and guidelines established pursuant to subdivision (a) as necessary to improve the ability of the program to achieve its goals. A proposed revision shall be made available to the public 45 days before final adoption of the revision and the state board shall hold at least one public meeting to consider public comments before final adoption of the revision.

(c) The state board shall reserve funds for, and disburse funds to, districts from the fund for administration pursuant to this section and Section 44299.1.

(d) The state board shall develop guidelines for a district to follow in applying for the reservation of funds, in accordance with this chapter. It is the intent of the Legislature that district administration of any reserved funds be in accordance with the project selection criteria specified in Sections 44281, 44282, and 44283 and all other provisions of this chapter. The guidelines shall be established and published by the state board as soon as practicable, but not later than January 1, 2006.

(e) Funds shall be reserved by the state board for administration by a district that adopts an eligible program pursuant to this chapter and offers matching funds at a ratio of one dollar (\$1) of matching funds committed by the district or the Mobile Source Air Pollution Reduction Review Committee for every two dollars (\$2) committed from the fund. Funds available to the Mobile Source Air Pollution Reduction Review Committee may be counted as matching funds for projects in the South Coast Air Basin only if the committee approves the use of these funds for matching purposes. Matching funds may be any funds under the district's budget authority that

1 are committed to be expended in accordance with the program.  
2 Funds committed by a port authority or a local government, in  
3 cooperation with a district, to be expended in accordance with the  
4 program may also be counted as district matching funds. Matching  
5 funds provided by a port authority or a local government shall not  
6 exceed 30 percent of the total required matching funds in any  
7 district that applies for more than three hundred thousand dollars  
8 (\$300,000) of the state board funds. Only a district, or a port  
9 authority or a local government teamed with a district, may provide  
10 matching funds.

11 (f) The state board may adjust the ratio of matching funds  
12 described in subdivision (e), if it determines that an adjustment is  
13 necessary in order to maximize the use of, or the air quality benefits  
14 provided by, the program, based on a consideration of the financial  
15 resources of the district.

16 (g) Notwithstanding subdivision (e), a district need not provide  
17 matching funds for state board funds allocated to the district for  
18 program outreach activities pursuant to paragraph (4) of subdivision  
19 (a) of Section 44299.1.

20 (h) A district may include within its matching funds a reasonable  
21 estimate of direct or in-kind costs for assistance in providing  
22 program outreach and application evaluation. In-kind and direct  
23 matching funds shall not exceed 15 percent of the total matching  
24 funds offered by a district. A district may also include within its  
25 matching funds any money spent on or after February 25, 1999,  
26 that would have qualified as matching funds but were not  
27 previously claimed as matching funds.

28 (i) A district desiring a reservation of funds shall apply to the  
29 state board following the application guidelines established  
30 pursuant to this section. The state board shall approve or disapprove  
31 a district application not later than 60 days after receipt. Upon  
32 approval of any district application, the state board shall  
33 simultaneously approve a reservation of funding for that district  
34 to administer. Reserved funds shall be disbursed to the district so  
35 that funding of a district-approved project is not impeded.

36 (j) Any funds reserved for a district by the state board pursuant  
37 to this section are available for disbursement to the district for a  
38 period of not more than two years from the time of reservation.  
39 Funds not liquidated by a district by June 30 of the fourth calendar  
40 year following the date of the reservation shall be returned to the

1 state board within 90 days for future allocation pursuant to this  
2 chapter. Each reservation of funds shall be accounted for separately,  
3 and unused funds from each application shall revert back to the  
4 state board for use pursuant to this chapter as specified in this  
5 subdivision.

6 (k) The state board shall specify a date each year when district  
7 applications are due. If the eligible applications received in any  
8 year oversubscribe the available funds, the state board shall reserve  
9 funds on an allocation basis, pursuant to Section 44299.2. The  
10 state board may accept a district application after the due date for  
11 a period of months specified by the state board. Funds may be  
12 reserved in response to those applications, in accordance with this  
13 chapter, out of funds remaining after the original reservation of  
14 funds for the year.

15 (l) Guidelines for a district application shall require information  
16 from an applicant district to the extent necessary to meet the  
17 requirements of this chapter, but shall otherwise minimize the  
18 information required of a district.

19 (m) A district application shall be reviewed by the state board  
20 immediately upon receipt. If the state board determines that an  
21 application is incomplete, the applicant shall be notified within 10  
22 working days with an explanation of what is missing from the  
23 application. A completed application fulfilling the criteria shall be  
24 approved as soon as practicable, but not later than 60 working days  
25 after receipt.

26 (n) The commission, in consultation with the districts, shall  
27 establish project approval criteria and guidelines for infrastructure  
28 projects consistent with Section 44284 as soon as practicable, but  
29 not later than February 15, 2000. The commission shall make draft  
30 criteria and guidelines available to the public 45 days before final  
31 adoption, and shall hold at least one public meeting to consider  
32 public comments before final adoption.

33 (o) The commission, in consultation with the participating  
34 districts, may propose revisions to the criteria and guidelines  
35 established pursuant to subdivision (n) as necessary to improve  
36 the ability of the program to achieve its goals. A revision may be  
37 proposed at any time, or may be proposed in response to a finding  
38 made in the annual report on the program published by the state  
39 board pursuant to Section 44295. A proposed revision shall be  
40 made available to the public 45 days before final adoption of the

1 revision and the commission shall hold at least one public meeting  
2 to consider public comments before final adoption of the revision.

3 (p) Unclaimed funds will be allocated by the state board in  
4 accordance with Section 44299.2.

5 (q) This section shall remain in effect only until January 1, ~~2024~~,  
6 2038, and as of that date is repealed, unless a later enacted statute,  
7 that is enacted before January 1, ~~2024~~, 2038, deletes or extends  
8 that date.

9 *SEC. 20. Section 42885 of the Public Resources Code, as*  
10 *amended by Section 31 of Chapter 401 of the Statutes of 2013, is*  
11 *amended to read:*

12 42885. (a) For purposes of this section, “California tire fee”  
13 means the fee imposed pursuant to this section.

14 (b) (1) A person who purchases a new tire, as defined in  
15 subdivision (g), shall pay a California tire fee of one dollar and  
16 seventy-five cents (\$1.75) per tire.

17 (2) The retail seller shall charge the retail purchaser the amount  
18 of the California tire fee as a charge that is separate from, and not  
19 included in, any other fee, charge, or other amount paid by the  
20 retail purchaser.

21 (3) The retail seller shall collect the California tire fee from the  
22 retail purchaser at the time of sale and may retain 1 ½ percent of  
23 the fee as reimbursement for any costs associated with the  
24 collection of the fee. The retail seller shall remit the remainder to  
25 the state on a quarterly schedule for deposit in the California Tire  
26 Recycling Management Fund, which is hereby created in the State  
27 Treasury.

28 (c) The department, or its agent authorized pursuant to Section  
29 42882, shall be reimbursed for its costs of collection, auditing, and  
30 making refunds associated with the California Tire Recycling  
31 Management Fund, but not to exceed 3 percent of the total annual  
32 revenue deposited in the fund.

33 (d) The California tire fee imposed pursuant to subdivision (b)  
34 shall be separately stated by the retail seller on the invoice given  
35 to the customer at the time of sale. Any other disposal or  
36 transaction fee charged by the retail seller related to the tire  
37 purchase shall be identified separately from the California tire fee.

38 (e) A person or business who knowingly, or with reckless  
39 disregard, makes a false statement or representation in a document  
40 used to comply with this section is liable for a civil penalty for

1 each violation or, for continuing violations, for each day that the  
2 violation continues. Liability under this section may be imposed  
3 in a civil action and shall not exceed twenty-five thousand dollars  
4 (\$25,000) for each violation.

5 (f) In addition to the civil penalty that may be imposed pursuant  
6 to subdivision (e), the department may impose an administrative  
7 penalty in an amount not to exceed five thousand dollars (\$5,000)  
8 for each violation of a separate provision or, for continuing  
9 violations, for each day that the violation continues, on a person  
10 who intentionally or negligently violates a permit, rule, regulation,  
11 standard, or requirement issued or adopted pursuant to this chapter.  
12 The department shall adopt regulations that specify the amount of  
13 the administrative penalty and the procedure for imposing an  
14 administrative penalty pursuant to this subdivision.

15 (g) For purposes of this section, “new tire” means a pneumatic  
16 or solid tire intended for use with onroad or off-road motor  
17 vehicles, motorized equipment, construction equipment, or farm  
18 equipment that is sold separately from the motorized equipment,  
19 or a new tire sold with a new or used motor vehicle, as defined in  
20 Section 42803.5, including the spare tire, construction equipment,  
21 or farm equipment. “New tire” does not include retreaded, reused,  
22 or recycled tires.

23 (h) The California tire fee shall not be imposed on a tire sold  
24 with, or sold separately for use on, any of the following:

25 (1) A self-propelled wheelchair.

26 (2) A motorized tricycle or motorized quadricycle, as defined  
27 in Section 407 of the Vehicle Code.

28 (3) A vehicle that is similar to a motorized tricycle or motorized  
29 quadricycle and is designed to be operated by a person who, by  
30 reason of the person’s physical disability, is otherwise unable to  
31 move about as a pedestrian.

32 (i) This section shall remain in effect only until January 1, ~~2024~~,  
33 2038, and as of that date is repealed, unless a later enacted statute,  
34 that is enacted before January 1, ~~2024~~, 2038, deletes or extends  
35 that date.

36 *SEC. 21. Section 42885 of the Public Resources Code, as*  
37 *amended by Section 32 of Chapter 401 of the Statutes of 2013, is*  
38 *amended to read:*

39 42885. (a) For purposes of this section, “California tire fee”  
40 means the fee imposed pursuant to this section.



1 (b) (1) Every person who purchases a new tire, as defined in  
2 subdivision (g), shall pay a California tire fee of seventy-five cents  
3 (\$0.75) per tire.

4 (2) The retail seller shall charge the retail purchaser the amount  
5 of the California tire fee as a charge that is separate from, and not  
6 included in, any other fee, charge, or other amount paid by the  
7 retail purchaser.

8 (3) The retail seller shall collect the California tire fee from the  
9 retail purchaser at the time of sale and may retain 3 percent of the  
10 fee as reimbursement for any costs associated with the collection  
11 of the fee. The retail seller shall remit the remainder to the state  
12 on a quarterly schedule for deposit in the California Tire Recycling  
13 Management Fund, which is hereby created in the State Treasury.

14 (c) The department, or its agent authorized pursuant to Section  
15 42882, shall be reimbursed for its costs of collection, auditing, and  
16 making refunds associated with the California Tire Recycling  
17 Management Fund, but not to exceed 3 percent of the total annual  
18 revenue deposited in the fund.

19 (d) The California tire fee imposed pursuant to subdivision (b)  
20 shall be separately stated by the retail seller on the invoice given  
21 to the customer at the time of sale. Any other disposal or  
22 transaction fee charged by the retail seller related to the tire  
23 purchase shall be identified separately from the California tire fee.

24 (e) Any person or business who knowingly, or with reckless  
25 disregard, makes any false statement or representation in any  
26 document used to comply with this section is liable for a civil  
27 penalty for each violation or, for continuing violations, for each  
28 day that the violation continues. Liability under this section may  
29 be imposed in a civil action and shall not exceed twenty-five  
30 thousand dollars (\$25,000) for each violation.

31 (f) In addition to the civil penalty that may be imposed pursuant  
32 to subdivision (e), the department may impose an administrative  
33 penalty in an amount not to exceed five thousand dollars (\$5,000)  
34 for each violation of a separate provision or, for continuing  
35 violations, for each day that the violation continues, on any person  
36 who intentionally or negligently violates any permit, rule,  
37 regulation, standard, or requirement issued or adopted pursuant to  
38 this chapter. The department shall adopt regulations that specify  
39 the amount of the administrative penalty and the procedure for  
40 imposing an administrative penalty pursuant to this subdivision.

(g) For purposes of this section, “new tire” means a pneumatic or solid tire intended for use with onroad or off-road motor vehicles, motorized equipment, construction equipment, or farm equipment that is sold separately from the motorized equipment, or a new tire sold with a new or used motor vehicle, as defined in Section 42803.5, including the spare tire, construction equipment, or farm equipment. “New tire” does not include retreaded, reused, or recycled tires.

(h) The California tire fee may not be imposed on any tire sold with, or sold separately for use on, any of the following:

(1) Any self-propelled wheelchair.

(2) Any motorized tricycle or motorized quadricycle, as defined in Section 407 of the Vehicle Code.

(3) Any vehicle that is similar to a motorized tricycle or motorized quadricycle and is designed to be operated by a person who, by reason of the person’s physical disability, is otherwise unable to move about as a pedestrian.

(i) This section shall become operative on January 1, ~~2024~~, 2038.

*SEC. 22. Section 42889 of the Public Resources Code, as amended by Section 152 of Chapter 35 of the Statutes of 2014, is amended to read:*

42889. (a) Of the moneys collected pursuant to Section 42885, an amount equal to seventy-five cents (\$0.75) per tire on which the fee is imposed shall be transferred by the State Board of Equalization to the Air Pollution Control Fund. The state board shall expend those moneys, or allocate those moneys to the districts for expenditure, to fund programs and projects that mitigate or remediate air pollution caused by tires in the state, to the extent that the state board or the applicable district determines that the program or project remediates air pollution harms created by tires upon which the fee described in Section 42885 is imposed.

(b) The remaining moneys collected pursuant to Section 42885 shall be used to fund the waste tire program, and shall be appropriated to the department in the annual Budget Act in a manner consistent with the five-year plan adopted and updated by the department. These moneys shall be expended for the payment of refunds under this chapter and for the following purposes:

(1) To pay the administrative overhead cost of this chapter, not to exceed 6 percent of the total revenue deposited in the fund

1 annually, or an amount otherwise specified in the annual Budget  
2 Act.

3 (2) To pay the costs of administration associated with collection,  
4 making refunds, and auditing revenues in the fund, not to exceed  
5 3 percent of the total revenue deposited in the fund, as provided  
6 in subdivision (c) of Section 42885.

7 (3) To pay the costs associated with operating the tire recycling  
8 program specified in Article 3 (commencing with Section 42870).

9 (4) To pay the costs associated with the development and  
10 enforcement of regulations relating to the storage of waste tires  
11 and used tires. The department shall consider designating a city,  
12 county, or city and county as the enforcement authority of  
13 regulations relating to the storage of waste tires and used tires, as  
14 provided in subdivision (c) of Section 42850, and regulations  
15 relating to the hauling of waste and used tires, as provided in  
16 subdivision (b) of Section 42963. If the department designates a  
17 local entity for that purpose, the department shall provide sufficient,  
18 stable, and noncompetitive funding to that entity for that purpose,  
19 based on available resources, as provided in the five-year plan  
20 adopted and updated as provided in subdivision (a) of Section  
21 42885.5. The department may consider and create, as appropriate,  
22 financial incentives for citizens who report the illegal hauling or  
23 disposal of waste tires as a means of enhancing local and statewide  
24 waste tire and used tire enforcement programs.

25 (5) To pay the costs of cleanup, abatement, removal, or other  
26 remedial action related to waste tire stockpiles throughout the state,  
27 including all approved costs incurred by other public agencies  
28 involved in these activities by contract with the department. Not  
29 less than six million five hundred thousand dollars (\$6,500,000)  
30 shall be expended by the department during each of the following  
31 fiscal years for this purpose: 2001–02 to 2006–07, inclusive.

32 (6) To make studies and conduct research directed at promoting  
33 and developing alternatives to the landfill disposal of waste tires.

34 (7) To assist in developing markets and new technologies for  
35 used tires and waste tires. The department's expenditure of funds  
36 for purposes of this subdivision shall reflect the priorities for waste  
37 management practices specified in subdivision (a) of Section  
38 40051.

(8) To pay the costs associated with implementing and operating a waste tire and used tire hauler program and manifest system pursuant to Chapter 19 (commencing with Section 42950).

(9) To pay the costs to create and maintain an emergency reserve, which shall not exceed one million dollars (\$1,000,000).

(10) To pay the costs of cleanup, abatement, or other remedial action related to the disposal of waste tires in implementing and operating the Farm and Ranch Solid Waste Cleanup and Abatement Grant Program established pursuant to Chapter 2.5 (commencing with Section 48100) of Part 7.

(11) To fund border region activities specified in paragraph (8) of subdivision (b) of Section 42885.5.

(12) For expenditure pursuant to paragraph (3) of subdivision (a) of, and paragraph (3) of subdivision (b) of, Section 17001.

(c) This section shall remain in effect only until January 1, ~~2024~~, 2038, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, ~~2024~~, 2038, deletes or extends that date.

*SEC. 23. Section 42889 of the Public Resources Code, as amended by Section 153 of Chapter 35 of the Statutes of 2014, is amended to read:*

42889. Funding for the waste tire program shall be appropriated to the department in the annual Budget Act. The moneys in the fund shall be expended for the payment of refunds under this chapter and for the following purposes:

(a) To pay the administrative overhead cost of this chapter, not to exceed 5 percent of the total revenue deposited in the fund annually, or an amount otherwise specified in the annual Budget Act.

(b) To pay the costs of administration associated with collection, making refunds, and auditing revenues in the fund, not to exceed 3 percent of the total revenue deposited in the fund, as provided in subdivision (b) of Section 42885.

(c) To pay the costs associated with operating the tire recycling program specified in Article 3 (commencing with Section 42870).

(d) To pay the costs associated with the development and enforcement of regulations relating to the storage of waste tires and used tires. The department shall consider designating a city, county, or city and county as the enforcement authority of regulations relating to the storage of waste tires and used tires, as

provided in subdivision (c) of Section 42850, and regulations relating to the hauling of waste and used tires, as provided in subdivision (b) of Section 42963. If the department designates a local entity for that purpose, the department shall provide sufficient, stable, and noncompetitive funding to that entity for that purpose, based on available resources, as provided in the five-year plan adopted and updated as provided in subdivision (a) of Section 42885.5. The department may consider and create, as appropriate, financial incentives for citizens who report the illegal hauling or disposal of waste tires as a means of enhancing local and statewide waste tire and used tire enforcement programs.

(e) To pay the costs of cleanup, abatement, removal, or other remedial action related to waste tire stockpiles throughout the state, including all approved costs incurred by other public agencies involved in these activities by contract with the department. Not less than six million five hundred thousand dollars (\$6,500,000) shall be expended by the department during each of the following fiscal years for this purpose: 2001–02 to 2006–07, inclusive.

(f) To fund border region activities specified in paragraph (8) of subdivision (b) of Section 42885.5.

(g) For expenditure pursuant to paragraph (3) of subdivision (a) of, and paragraph (3) of subdivision (b) of, Section 17001.

(h) This section shall become operative on January 1, ~~2024~~, 2038.

*SEC. 24. Section 9250.2 of the Vehicle Code, as amended by Section 36 of Chapter 401 of the Statutes of 2013, is amended to read:*

9250.2. (a) The department, if requested by the Sacramento Metropolitan Air Quality Management District pursuant to Section 41081 of the Health and Safety Code, shall impose and collect a surcharge on the registration fees for every motor vehicle registered in that district, not to exceed the amount of six dollars (\$6), as specified by the governing body of that district.

(b) This section shall remain in effect only until January 1, ~~2024~~, 2038, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, ~~2024~~, 2038, deletes or extends that date.

*SEC. 25. Section 9250.2 of the Vehicle Code, as amended by Section 37 of Chapter 401 of the Statutes of 2013, is amended to read:*

1 9250.2. (a) The department, if requested by the Sacramento  
2 Metropolitan Air Quality Management District pursuant to Section  
3 41081 of the Health and Safety Code, shall impose and collect a  
4 surcharge on the registration fees for every motor vehicle registered  
5 in that district, not to exceed four dollars (\$4).

6 (b) This section shall become operative on January 1, 2024.  
7 2038.

8 ~~SECTION 1. Section 44280 of the Health and Safety Code, as~~  
9 ~~amended by Section 17 of Chapter 401 of the Statutes of 2013, is~~  
10 ~~amended to read:~~

11 ~~44280. (a) The Carl Moyer Memorial Air Quality Standards~~  
12 ~~Attainment Program is hereby established. The program shall be~~  
13 ~~administered by the state board in accordance with this chapter.~~  
14 ~~The administration of the program may be delegated to the districts.~~

15 ~~(b) The program shall provide grants to offset the incremental~~  
16 ~~cost of projects that reduce covered emissions from covered sources~~  
17 ~~in the state. Eligibility for grant awards shall be determined by the~~  
18 ~~state board, in consultation with the districts, in accordance with~~  
19 ~~this chapter.~~

20 ~~(c) The program also shall provide funding for a fueling~~  
21 ~~infrastructure demonstration program and for technology~~  
22 ~~development efforts that are expected to result in commercially~~  
23 ~~available technologies in the near-term that would improve the~~  
24 ~~ability of the program to achieve its goals. The infrastructure~~  
25 ~~demonstration and technology development portions of the program~~  
26 ~~shall be managed by the commission, in consultation with the state~~  
27 ~~board.~~

28 ~~(d) This section shall remain in effect only until January 1, 2024,~~  
29 ~~and as of that date is repealed, unless a later enacted statute, that~~  
30 ~~is enacted before January 1, 2024, deletes or extends that date.~~

O



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

**AGENDA: 19**

# **Consideration of New Bills**

**Board of Directors Meeting  
April 6, 2022**

**Alan Abbs  
Legislative Officer  
[aabbs@baaqmd.gov](mailto:aabbs@baaqmd.gov)**



# Presentation Outcome



Staff will provide a brief summary and status of two bills of interest to the Air District and will recommend the Board of Directors take a support position.

# Presentation Outline



## **AB 2141 (E. Garcia) - Greenhouse Gas Reduction Fund: community projects: funding.**

- Bill Summary
- Current Status
- Recommended Position: Support

## **AB 2836 (E. Garcia) - Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.**

- Bill Summary
- Current Status
- Recommended Position: Support

# Presentation Requested Action



Staff recommends the following positions on current legislation:

## Support

- AB 2141 (E. Garcia) - Greenhouse Gas Reduction Fund: community projects: funding.
- AB 2836 (E. Garcia) - Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.

# AB 2141 (E. Garcia)



## **AB 2141 (E. Garcia) - Greenhouse Gas Reduction Fund: community projects: funding.**

This bill would continuously appropriate to the state board, beginning in the 2023–24 fiscal year, 10% of the annual proceeds of the Greenhouse Gas Reduction Fund, up to \$300,000,000, for allocation to air pollution control districts and air quality management districts for the purpose of supporting community emissions reduction strategies in, and reimbursement for participation by, communities selected by the state board, as specified.

**Current Status: Referred to Assembly Natural Resources Committee**

# AB 2836 (E. Garcia)



## **AB 2836 (E. Garcia) - Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.**

This bill would extend the current authorization for the Carl Moyer Program to fund a broader range of projects that reduce emissions from covered sources until January 1, 2038.

Current Status: Referred to Assembly Transportation and Assembly Natural Resources Committees



## Questions / Discussion

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**Memorandum**

To: Chairperson Karen Mitchoff and Members  
of the Board of Directors

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: April 6, 2022

Re: Authorization to Use Community Air Protection Program (CAPP) Implementation  
Funds for the Current James Cary Smith Community Grant Program

**RECOMMENDED ACTION**

Recommend the Board of Directors authorize the use of Community Air Protection Program (CAPP) implementation funds for the current James Cary Smith Community Grant awards previously approved by the Board, in an amount not to exceed \$3,061,470.

**BACKGROUND**

The Board of Directors approved 35 James Cary Smith (JCS) Community Grant awards for the current grant cohort. More specifically, Board members approved nine grant awards on November 3, 2021; 25 grant awards on December 1, 2021, and one grant award on February 2, 2022. The Air District is entering into contract agreements with the 33 nonprofit organizations that have accepted JCS grant funds. These grant awards span up to three years and afford the Board of Directors and staff the flexibility to cancel or suspend funding to grantees in any year. Funding for these grants may be drawn from CAPP implementation funds, or from the Air District's general or reserve funds. The maximum amount that may be needed to fund the three year grant program is approximately \$7.8 Million.

On December 1, 2021, the Air District Board of Directors approved a reallocation of California Air Resources Board (CARB) 19CAPP Implementation Funds, to support community capacity-building efforts through the James Cary Smith Community Grant Program. That approval authorized the Executive Officer/APCO to execute grant agreements for the recommended projects, in an amount not to exceed \$3,061,470 to cover the first year of the program.

**DISCUSSION**

In accordance with the provisions outlined in the Air District's Grant Agreement with CARB, Funds for implementation pursuant to Assembly Bill 617 may support selecting locations and deploying community air monitoring systems, deploying fence-line monitoring, developing an expedited schedule for requiring best available retrofit control technology, and developing



Community Emissions Reduction Programs which includes efforts to improve community capacity to participate in the process, such as the provision of stipends, determining the proportional contribution of sources to air pollution exposure, developing rules, staff support, collecting data and reporting and other related tasks. for projects serving designated AB 617 communities and communities awaiting AB 617 designation in the Bay Area.

Staff request Board authorization to use CAPP Implementation Funds for the current James Cary Smith Community Grant Program for projects as specified above. However, as the current JCS grant program straddles multiple CAPP Implementation Fund cycles, this memo clarifies that funding for the expanded JCS grant program derives from multiple CAPP Implementation Fund years and is not specific to the 19CAPP Implementation funding.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

The Implementation Funds used for grants are not available to cover Air District costs.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Kristen Law and Elinor Mattern  
Reviewed by: Suma Peesapati and Veronica Eady

#### ATTACHMENTS:

None