



BOARD OF DIRECTORS
MEETING
March 4, 2026

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

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

Alameda County
Board of Supervisors District 3
101 Callan Ave., Suite 103
San Leandro, CA 94577

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

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

Office of Santa Clara County
Supervisor Otto Lee
70 W Hedding St
East Wing, 10th Floor
San Jose, CA 95110

Office of Alameda County Supervisor
David Haubert
Scott Haggerty House
4501 Pleasanton Avenue
Pleasanton, CA 94566

Santa Rosa Junior College Campus
Doyle Library, Room 148
1501 Mendocino Ave.
Santa Rosa, CA 95401

THE FOLLOWING STREAMING OPTIONS WILL ALSO BE PROVIDED

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

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

Members of the public may participate remotely via Zoom at <https://bayareametro.zoom.us/j/89845429627>, or may join Zoom by phone by dialing (669) 900-6833 or (408) 638-0968. The Webinar ID for this meeting is: 898 4542 9627

Public Comment on Agenda Items: The public may comment on each item on the agenda as the item is taken up. Members of the public who wish to speak on a matter on the agenda will have two minutes each to address the Board on that agenda item, unless a different time limit is established by the Chair. No speaker who has already spoken on an item will be entitled to speak to that item again.

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

BOARD OF DIRECTORS MEETING AGENDA

WEDNESDAY, MARCH 4, 2026

10:00 AM

Chairperson, Lynda Hopkins

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

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

2. **Pledge of Allegiance**

CLOSED SESSION

NOTE FOR MEMBERS OF THE PUBLIC INTERESTED IN ATTENDING OPEN SESSION ITEMS: OPEN SESSION WILL NOT RESUME BEFORE 11:00 A.M.

3. Conference with Legal Counsel re Anticipated Litigation Pursuant to Government Code Sections 54956.9(a) and (d)(2)

Pursuant to Government Code Sections 54956.9(a), (d)(2) and (e)(3), the Board of Directors will meet in closed session with legal counsel to discuss significant exposure to litigation: claim of Ronald Rice

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

Title: Executive Officer/APCO

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

Agency Designated Representatives:

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

Hyacinth Hinojosa, Deputy Executive Officer of Finance and Administration

Lisa Baker, Director of Human Resources

Employee Organization: BAAQMD Employees Association

OPEN SESSION - OPEN SESSION WILL NOT RESUME BEFORE 11:00 A.M.

OPENING ITEM(S)

6. Special Orders of the Day

CONSENT CALENDAR (Items 7 - 21)

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

7. Approval of the Draft Minutes of the Board of Directors Special/Retreat Meeting of January 28, 2026

The Board of Directors will consider approving the Draft Minutes of the Board of Directors Special/Retreat Meeting of January 28, 2026.

8. Approval of the Draft Minutes of the Board of Directors Meeting of February 4, 2026

The Board of Directors will consider approving the Draft Minutes of the Board of Directors Meeting of February 4, 2026.

9. Board Communications Received from February 4, 2026, through March 3, 2026

A copy of communications directed to the Board of Directors received by the Air District from February 4, 2026, through March 3, 2026, if any, will be distributed to the Board Members by way of email.

10. Personnel Out-of-State Business Travel Report for January 2026

In accordance with Section 1.1.3 of the Air District's Employee Travel and Business Expense Policy, the Board of Directors will be notified of Air District personnel who have traveled on out-of-state business.

11. Notices of Violations Issued and Settlements in Excess of \$10,000 in the Month of January 2026

In accordance with Board Resolution No. 2012-08, staff will provide the Board of Directors with a list of all Notices of Violations issued, and all settlements for amounts in excess of \$10,000, during the month of January 2026.

12. Fiscal Year 2025-2026 Second Quarter Financial Report, Ending December 31, 2025

The Board of Directors will receive the financial report for the second quarter of Fiscal Year 2025-2026, which ended December 31, 2025. The report provides an overview of the General Fund's financial activities for the period from July 1, 2025 to December 31, 2025, including preliminary revenue, expenditures and cash investment balance results for the period.

13. Fiscal Year 2025-2026 Second Quarter Reporting of Payments for Routine and Recurring Goods/Services Expenses and Contracts Executed under Delegated Authority

The Board of Directors will receive a report of vendor payments for routine and recurring essential services and contacts executed under delegated authority for the second quarter of Fiscal Year 2025-2026, which ended December 31, 2025.

14. Authorization to Amend Software Development and Maintenance Contracts for Permitting and Compliance Systems

The Board of Directors will consider authorizing the Executive Officer/APCO to amend two contracts for software development and support services for a total combined increased authorization of \$5,800,000 over the 24-month period beginning March 2026 for ClearSparc, Inc. and DVBE, Inc. This authorization would bring the total amount contracted for ClearSparc, Inc. to \$3,915,000 and for DVBE, Inc. to \$5,632,000. The Finance and Administration Committee recommended authorization of these amendments at its meeting on February 18, 2026.

15. Authorization to Participate in the Climate Heat Impact Response Program

The Board of Directors will consider (i) authorizing the Air District's acceptance of Climate Heat Impact Response Program funds and participation in the program, and (ii) authorizing the Executive Officer/APCO to enter into all necessary agreements to accept, obligate, and expend these funds. The Policy, Grants, and Technology Committee recommended this item at its meeting on February 18, 2026.

16. Public Hearing to Adopt Determination of Effectiveness of Transportation Fund for Clean Air (TFCA) Project Expenditures for Fiscal Year Ending 2025

The Board of Directors will hold a public hearing to consider adopting a determination that the Transportation Fund for Clean Air Projects 60% Fund expenditures were effective in improving air quality in Fiscal Year Ending 2025. The Policy, Grants, and Technology Committee recommended this item at its meeting on February 18, 2026.

17. Report of the Community Advisory Council Special Meeting of January 23, 2026

The Board of Directors will receive a report of the Community Advisory Council Special Meeting of January 23, 2026.

For the full Council agenda packet and materials, click on the link below:

www.baaqmd.gov/en/about-the-air-district/community-advisory-council/agendasreports

18. Report of the Stationary Source Committee Meeting of February 11, 2026

The Board of Directors will receive a report of the Stationary Source Committee Meeting of February 11, 2026.

For the full Committee agenda packet and materials, click on the link below:

www.baaqmd.gov/bodagendas

19. Report of the Community Equity, Health, and Justice Committee Meeting of February 11, 2026

The Board of Directors will receive a report of the Community Equity, Health, and Justice Committee meeting of February 11, 2026.

For the full Committee agenda packet and materials, click on the link below:

www.baaqmd.gov/bodagendas

20. Report of the Policy, Grants, and Technology Committee Meeting of February 18, 2026

The Board of Directors will receive a report of the Policy, Grants, and Technology Committee meeting of February 18, 2026.

For the full Committee agenda packet and materials, click on the link below:

www.baaqmd.gov/bodagendas

21. Report of the Finance and Administration Committee Meeting of February 18, 2026

The Board of Directors will receive a report of the Finance and Administration Committee meeting of February 18, 2026.

For the full Committee agenda packet and materials, click on the link below:

www.baaqmd.gov/bodagendas

INFORMATIONAL ITEM(S)

22. Community Priorities for Rule Development

The Board of Directors and participating members of the Air District's Community Advisory Council will discuss current rule development activities that are derived from community priorities and Assembly Bill 617 Community Emission Reduction Plans. This will include a discussion on current and planned community-focused rulemakings and will discuss community efforts for the flaring minimization and dust rulemaking projects, which are both major concerns in environmental justice communities. The Board of Directors and participating members of the Community Advisory Council will also discuss methods to effectively incorporate community lived experience and priorities into current rulemaking and planning for future rulemaking. This item will be presented by Bradley Cole, Manager in the Regulatory Development Division.

This item was to be presented at the January 28, 2026, Board of Directors Special / Retreat Meeting, but the meeting concluded prior to its presentation. It has been updated with additional information.

Members of the Community Advisory Council will join the Board of Directors for discussion of this agenda items pursuant to Section 54952.2(c)(4) of the Ralph M. Brown Act, Cal. Gov't Code § 54952.2(c)(4), which authorizes a majority of the Council members to discuss matters within the Council's jurisdiction as part of the agenda at an open and noticed meeting of the Board of Directors.

ACTION ITEM(S)

23. 2026 Legislative Platform and Consideration of State and Federal Legislation

The Board will consider (i) adopting the proposed 2026 Legislative Platform, and (ii) adopting positions on pending state and federal legislative bills where appropriate, including, but not limited to the following bills as recommended by the Policy, Grants, and Technology Committee at its meeting on February 18, 2026. This item will be presented by Alan Abbs, Legislative Officer in the Legislative and Government Affairs Division.

State Legislation:

- *Support Assembly Bill 1777 (Garcia)*

Federal Legislation:

- *Oppose House of Representatives Bill 161 (Griffith-R-VA-9)*
- *Oppose House of Representatives Bill 4214 (Allen-R-GA-12)*
- *Oppose House of Representatives Bill 4218 (Carter-R-GA-1)*
- *Oppose House of Representatives Bill 6409 (Pfluger-R-TX-11)*

OTHER BUSINESS

24. Public Comment on Non-Agenda Matters

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

25. Board Member Comments

Any member of the Board, or its staff, on their own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on their 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)

26. Report of the Executive Officer/APCO
27. Chairperson's Report
28. Time and Place of Next Meeting

Wednesday, April 1, 2026, at 10:00 a.m. The meeting will be held in-person at the Bay Area Metro Center and at satellite locations as may be specified on the meeting agenda using a remote teleconferencing link. Members of the Board of Directors and the public may attend at any of those in-person locations, and members of the public may also attend virtually via webcast.

29. Adjournment

The Board meeting shall be adjourned by the Board Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
vjohnson@baaqmd.gov

(415) 749-4941
FAX: (415) 928-8560
Air District homepage:
www.baaqmd.gov

- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body less than 72 hours before the meeting shall be made available at the Air District's offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

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

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

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

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

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

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

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

MARCH 2026

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting	Wednesday	4	10:00 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee - CANCELLED	Wednesday	11	10:00 a.m.	1 st Floor, Yerba Buena Room
Board of Directors Community Equity, Health, and Justice Committee	Wednesday	11	1:00 p.m.	1 st Floor, Yerba Buena Room
Advisory Council Meeting	Monday	16	9:00 a.m.	1 st Floor, Yerba Buena Room
Board of Directors Policy, Grants and Technology Committee	Wednesday	18	10:00 a.m.	1 st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	18	1:00 p.m.	1 st Floor Board Room
Community Advisory Council Meeting	Thursday	19	6:00 p.m.	Juntos Fruitvale 3357 International Boulevard Oakland, CA 94601

APRIL 2026

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting	Wednesday	1	10:00 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee	Wednesday	8	10:00 a.m.	1 st Floor, Yerba Buena Room
Board of Directors Community Equity, Health, and Justice Committee	Wednesday	8	1:00 p.m.	1 st Floor, Yerba Buena Room
Board of Directors Policy, Grants and Technology Committee	Wednesday	15	10:00 a.m.	1 st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	15	1:00 p.m.	1 st Floor Board Room
Board of Directors Special Meeting Budget Hearing	Wednesday	29	10:00 a.m.	1 st Floor Board Room
Board of Directors Special Meeting	Wednesday	29	11:00 a.m.	1 st Floor Board Room

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: Approval of the Draft Minutes of the Board of Directors Special/Retreat
Meeting of January 28, 2026

RECOMMENDED ACTION

Approve the Draft Minutes of the Board of Directors Special/Retreat Meeting of January 28, 2026.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the Draft Minutes of the Board of Directors Special/Retreat Meeting of January 28, 2026.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

ATTACHMENT(S):

1. Draft Minutes of the Board of Directors Retreat of January 28, 2026

Bay Area Air District
Board of Directors Special/Retreat Meeting
Bloc15, 252 2nd Street
Oakland, CA 94607

Wednesday, January 28, 2026

DRAFT MINUTES

This meeting was webcast, and a video recording is available on the website of the Bay Area Air District at www.baaqmd.gov/bodagendas

CALL TO ORDER

1. **Opening Comments:** Board of Directors (Board) Chairperson, Lynda Hopkins, called the meeting to order at 10:03 a.m.

Roll Call:

Present, In-Person (Bloc15, 252 2nd Street, Oakland, CA 94607): Chairperson Lynda Hopkins; and Directors Dionne Adams, Brian Barnacle, Monica Brown, Ken Carlson, Joelle Gallagher, John Gioia, David Haubert, Tyrone Jue, Otto Lee, Rico E. Medina, Ray Mueller, Gabe Quinto, Linda Sell, Lena Tam, Shamann Walton, and Steve Young.

Absent: Vice Chairperson Vicki Veenker; and Directors Margaret Abe-Koga, Brian Colbert, Noelia Corzo, Juan González III, Bilal Mahmood, and Mark Salinas.

2. **WELCOME AND OPENING REMARKS**

Chair Hopkins welcomed members of the public, stakeholders, Board members, and Air District staff to the retreat and thanked everyone for coming to Oakland.

MORNING SESSION

Note: Because many members of the public arrived in person in the morning to give Public Comments on Non-Agenda Matters (Item 7), which was to take place in the afternoon, Chair Hopkins agreed to bifurcate Item 7, allowing Item 7 to occur both in the morning and afternoon.

7. Public Comments on Non-Agenda Matters (Item 7 – First Opportunity)

Public comments were given by Mark Williams, Environmental Justice League (EJL); Camika Robinson, EJL; Millicent Hunter, EJL; Ajanae Young, EJL; Terrell Lawson, EJL; Brittany Bellamy, EJL; Oscar Harper, San Leandro resident; Drew Sage, Amalgamated Transit Union Local 1555; Yvonne Eashman, EJL; Valerie Davis, Oakland resident; Charmaine Robinson,

Oakland resident; Yvonne Williams; Tina Flores, EJM; Alice, Oakland resident; Matt Regan, Bay Area Council; Tony Sirna, Evergreen Action; Lola; Jared Butler, Pittsburg resident; Ty'Jeare Hunter, Oakland resident; Michael Randall, EJM; Stacey Richardson, Pittsburg resident; Lacoyia Johnson; and Steven Vader.

NOTED PRESENT: Director Mueller was noted present at 10:24 a.m.

ACTION ITEM

3. LOCAL COMMUNITY BENEFITS FUND GRANT GUIDELINES: ROUND 1

Emi Wang, Community Investments Officer, gave the staff presentation *Local Community Benefits Fund Grant Guidelines: Round 1*, including: recommended action; background; overview: Local Community Benefits Fund; public comments on Draft Grant Guidelines; program goals; community needs; core strategies (reduce air pollution and improve health outcomes and build economic resilience for a just transition); measurable outcomes; Seed grant; Opportunity grant (re-granting); Catalyst grant; partnerships; eligible applicants; available funding for Benicia and surrounding communities; eligible communities; Valero Refinery closure; grant awards; available funding for Richmond and surrounding communities; eligible communities; grant awards; application review; anticipated timeline; and recommended action.

Public Comments

Public comments were given by Hon. Terry Scott, City of Benicia; Mario Giuliani, City of Benicia; Ken Szutu, Citizen Air Monitoring Network of Vallejo; Julia Sebastian, Jobs with Justice San Francisco; Glenn Loveall, Napa/Solano Central Labor Council; Richard Offerman, Pleasant Hill resident; Kathy Kerridge, Benicia resident; Richard Fleming, Benicia resident; and Stephen Golub, Benicia resident.

Board Comments

The Board and staff discussed the community of Benicia's appreciation to the Air District for making certain exceptions for Catalyst Grant applications in Benicia, due to the ongoing strain on the Benicia community's civic and organizational capacity resulting from the impending Valero refinery closure; the anticipated process of grant reviews and approvals (whether residents of the local community will be involved in the scoring, and whether the Board makes the final decisions); concerns regarding Valero's tentative plans to transition its Benicia refinery into a terminal for storing and distributing imported gasoline to the California market; the fact that future penalties will continue to fund the Regional and Local Community Benefits Funds (spending the funds does not indicate a permanent scarcity in funding); future staffing needs of the Air District's Community Investments Office; which of the Board's committees will consider staff recommendations and make recommendations (pertaining to these programs) to the Board; how to avoid potential confusion, for prospective Richmond area project applicants, between the two funding sources for the Richmond area (Richmond Community Air Quality Fund versus penalty funds); the suggestion of holding a bid conference so that potential project applicants may identify co-applicants; whether the Air District plans to suggest/provide metrics and impacts other than the reduction of Particulate Matter (PM)_{2.5};

whether sustainability plans will be required within project applications; whether selected applicants will have to pay costs upfront and then be reimbursed; whether the Air District’s definition of “government officials” includes non-elected officials that are professional staff; the suggestion of prioritizing projects that can be completed in a single attempt, without needing to be revisited, versus projects that will require maintenance; whether the Air District has preferred projects in mind, and if so, whether the Air District can we encourage specific entities to apply; how the Air District will ensure that none of the community reviewers show favoritism to specific applications (conflict of interest); the desire for cumulative, long-term result/benefit data as projects are completed, and what type of data will come back to the Board (results and scores); whether there is a maximum amount that may be spent on administrative/indirect project costs; appreciation for capacity building that was built into the guidelines; whether the application asks for minimum and maximum grant amounts; and the request for public workshops on how to apply (for non-government organizations/prospective applicants in Benicia and Richmond.)

Board Action

Director Young made a motion, seconded by Director Gioia, to **adopt** the Round 1 Grant Guidelines for the Local Community Benefits Fund, the Call for Projects for Benicia and Surrounding Communities, and the Call for Projects for Richmond and Surrounding Communities, with the following changes:

- 1) extend Catalyst grant application deadline to May 1, 2026 (5:00 PM PT) for Benicia; and
- 2) extend all grant applications across eligible communities (excluding Benicia Catalyst Grant) to May 29, 2026, at 5:00 PM PT

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

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

THE BOARD RECESSED AT 12:22 P.M., AND RESUMED AT 12:35 P.M.

AFTERNOON SESSION

INFORMATIONAL ITEMS

Members of the Air District’s Community Advisory Council (CAC) joined the Board of Directors for discussion of agenda items 4-6, pursuant to Section 54952.2(c)(4) of the Ralph M. Brown Act, Cal. Gov’t Code § 54952.2(c)(4), which authorizes a majority of the CAC members to discuss matters within the CAC’s jurisdiction as part of the agenda at an open and noticed meeting of the Board of Directors. The following CAC members attended the meeting:

Sejal Babaria, Adriana Fernandez-Arriaga (via Zoom), William Goodwin, Ms. Margaret Gordon, Patrick Messac, Cynthia Prieto-Diaz, Saidy Reyes Mazariegos, Violet Saena, Jeff Sanchez, Ken Szutu, Azjargal Tsogtsaikhan, and Latasha Washington.

4. **COMMUNITY WELCOME**

Rowena Brown, Oakland City Councilmember At-Large, and Ms. Margaret Gordon, Community Advisory Council member and founding member of the West Oakland Environmental Indicators Project, welcomed the Board of Directors and participating members of the Community Advisory Council to Oakland.

Public Comments

No requests received.

Board Comments

None.

Board Action

No action taken.

5. **BOARD OF DIRECTORS AND COMMUNITY ADVISORY COUNCIL DISCUSSION**

A. Introductions

The Board of Directors and participating members of the CAC shared introductions and learned about each other's respective work, advocacy, and experiences that shape their approach to air quality and environmental justice.

B. Collaboration of the Board of Directors and CAC

CAC members William Goodwin and Latasha Washington presented recommendations to the Board that the Council adopted at its November 20, 2025, meeting, followed by an open discussion. A presentation entitled *Collaboration of the Board of Directors and Community Advisory Council* was given, and slides included: purpose of increasing Board and CAC communications and collaboration; and CAC recommendations to the Board.

NOTED PRESENT: Director Barnacle was noted present at 1:24 p.m.

Public Comments

Public comments were given by J'marcus Addams.

Board and CAC Comments

The Board and staff discussed the desire for changes to the composition of the Board, allowing seats specifically designated for members of the public (non-elected officials at the city or county level); concern about the decrease of the number of Air District inspectors since the 1970s; the desire for clarification on how the Board and CAC will work together, and ways for the two bodies to meet more frequently, in compliance with the Ralph M. Brown Act (improved bi-directional communication); the suggestion of adding a standing agenda item to the Board agenda (and/or committee agendas) for CAC reports, given by a CAC member, and whether there should be a Board liaison seat on the CAC; whether the Board's Community Equity, Health, and Justice Committee could have a seat designated for a CAC member; the desire of various Board members to avoid future contention and separation between the two bodies; whether the Board is able to request that the CAC make recommendations to the Board; concerns regarding the perception that CAC members cannot bring community concerns to the Board, or have CAC issues agendaized on the Board's agendas, and whether CAC members may contact Board members in their capacity as CAC members, versus as individuals; concerns regarding the perceived imbalance of industrial representation and environmental activist representation at Board and committee meetings; concerns about the Board meeting start times, which can prevent those who work during the day from attending; the desire for improved CAC member onboarding; concerns regarding the fact that the CAC members were not originally being paid for attending this meeting; and the desire for the CAC's list of prioritized objectives.

Board Action

No action taken.

THE BOARD RECESSED AT 2:26 P.M., AND RESUMED AT 2:45 P.M.

At 2:45 p.m., a quorum of Board members (in any location) was lost, and the meeting was forced to adjourn. Items 6 through 11 did not occur.

6. COMMUNITY PRIORITIES FOR RULE DEVELOPMENT

OTHER BUSINESS

7. PUBLIC COMMENT ON NON-AGENDA MATTERS

8. BOARD MEMBER COMMENTS

9. REPORT OF THE EXECUTIVE OFFICER / APCO

10. CHAIRPERSON'S REPORT

11. TIME AND PLACE OF NEXT MEETING

Wednesday, February 4, 2026, at 10:00 a.m. The meeting will be held in-person at the Bay Area Metro Center and at satellite locations as may be specified on the meeting agenda using a remote teleconferencing link. Members of the Board of Directors and the public may attend at any of those in-person locations, and members of the public may also attend virtually via webcast.

12. ADJOURNMENT

The meeting was adjourned at 2:50 p.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: Approval of the Draft Minutes of the Board of Directors Meeting of February
4, 2026

RECOMMENDED ACTION

Approve the attached draft minutes of the Board of Directors Meeting of February 4, 2026.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Meeting of February 4, 2026.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

ATTACHMENT(S):

1. Draft Minutes of the Board of Directors Meeting of February 4, 2026

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

Board of Directors Meeting
Wednesday, February 4, 2026

DRAFT MINUTES

This meeting was webcast, and a video recording is available on the website of the Bay Area Air District at www.baaqmd.gov/bodagendas

CALL TO ORDER

1. **Opening Comments:** Board of Directors (Board) Chairperson, Lynda Hopkins, called the meeting to order at 10:04 a.m.

Roll Call:

Present, In-Person (Bay Area Metro Center, 375 Beale Street, 1st Floor Board Room, San Francisco, CA, 94105): Chairperson Lynda Hopkins; Vice Chairperson Vicki Veenker; and Directors Monica Brown, Noelia Corzo, Joelle Gallagher, Tyrone Jue, Bilal Mahmood, Gabe Quinto, Linda Sell, and Steve Young.

Present, In-Person Satellite Location (Office of Santa Clara County, 70 W. Hedding St, 10th Floor Conference Room, San Jose, CA 95110): Directors Margaret Abe-Koga and Otto Lee.

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

Present, In-Person Satellite Location (San Mateo County Board of Supervisors' Office, 5th Floor, 500 County Center, Redwood City, CA 94063): Directors Rico E. Medina and Ray Mueller.

Present, In-Person Satellite Location (The Lodge at Torrey Pines, 11480 N Torrey Pines Rd., Charles Fries Conference Room, La Jolla, CA 92037): Director David Haubert.

Absent: Directors Dionne Adams, Brian Barnacle, Ken Carlson, Brian Colbert, John Gioia, Juan González III, Mark Salinas, Shamann Walton.

2. **PLEDGE OF ALLEGIANCE**

CLOSED SESSION (ITEMS 3 – 4) (10:16 a.m.)

Public Comments (Items 3 and 4)

Public comments were given by Kennieth McKellar and Monte DiPalma, in their capacities as President and Professional Class Steward, respectively; and Geraldina Grunbaum, a former Air District employee who provided comments in her personal capacity. All three comments pertained to Item 4.

NOTED PRESENT: Director Margaret Abe-Koga was noted present at 10:09 a.m.; Director Ray Mueller was noted present at 10:10 a.m.; and Director Tyrone Jue was noted present at 10:15 a.m.

3. CONFERENCE WITH LEGAL COUNSEL RE EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9(a) AND (d)(1)

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

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

State of California et al. v. United States of America et al., Northern District of California Case No. 25-cv-04966-HSG;

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

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

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

Rochele Henderson v. Bay Area Air Quality Management District, Northern District of California Case No. 24-cv-01460-RFL; Page 2 of 392

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

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

Jaswant Singh Binning v. Bay Area Air Quality Management District, Solano County Superior Court Case No. CU25-06371.

Reportable Action: Alexander Crockett, General Counsel, announced that there was no reportable action for this item.

4. **CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6**

Agency Designated Representatives:

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

Hyacinth Hinojosa, Deputy Executive Officer of Finance and Administration

Lisa Baker, Director of Human Resources

Employee Organization: BAAQMD Employees Association

Reportable Action: Mr. Crockett announced that there was no reportable action for this item.

OPEN SESSION (11:31 a.m.)

5. **SPECIAL ORDERS OF THE DAY**

Chair Hopkins welcomed the following new employees: Antone Cruz, Air Quality Engineer 1 in the Engineering Division; Ana Beard, Senior Air Quality Specialist in the Regulatory Development Division; and Manuel Oliva, Manager II in the Planning and Climate Protection Division. Chair Hopkins also congratulated the following Air District employees on their recent promotions: John Chiladakis was promoted to Deputy Executive Officer of Information Management; and Rich Chien was promoted to Manager II in the Planning and Climate Protection Division.

CONSENT CALENDAR (ITEMS 6 – 19)

At this time, Mr. Crockett made the following announcement:

“I’d like to make a note for the record regarding Consent Calendar Agenda Item 14. Item 14 involves a proposed contractual agreement with Allison & Partners LLC, under which the Building Decarbonization Coalition will be a subcontractor. Director Barnacle has noted on his Form 700 Statement of Economic Interests that he has a financial interest in the Building Decarbonization Coalition because he receives a salary from that organization. As such, he would have to recuse himself from consideration of that contract – although he is not in attendance so there is no issue or need for recusal. But for the record, I want to note that Director Barnacle is not taking any part in the consideration of Item 14 and there are no conflict of interest concerns.”

6. Approval of the Draft Minutes of the Board of Directors Meeting of December 3, 2025
7. Board Communications Received from December 4, 2025, through February 3, 2026
8. 2026 Board of Directors Committee Appointments
9. Notices of Violations Issued and Settlements in Excess of \$10,000 in the Months of November and December 2025
10. Personnel Out-of-State Business Travel Report for November-December 2025
11. Report of Claims Resolved Not Exceeding \$50,000
12. Authorization to Amend the Contract with Atkinson, Andelson, Loya, Ruud & Romo for Human Resources and Labor Relations-Related Outside Counsel Services

13. Authorization to Amend the Contract with the Marie Harrison Community Foundation in Support of the Marie Harrison Environmental Justice Scholarship
14. Authorization to Execute a Professional Services Agreement with Allison & Partners LLC for Advertising, Communications, and Outreach Services for the Building Appliance Rules
15. Amendments to the Administrative Code Regarding Personnel Policies and Procedures
[Click here to view Board Resolution No. 2026-01](#)
16. Report of the Advisory Council Meeting of December 8, 2025
17. Report of the Stationary Source Committee Meeting of December 10, 2025
18. Report of the Finance and Administration Committee Meeting of December 17, 2025
19. Report of the Policy, Grants, and Technology Committee Meeting of December 17, 2025

Public Comments

Public comments were given by Tony Sirna, Evergreen Action.

Board Comments

Director Young pulled Item 14 (Authorization to Execute a Professional Services Agreement with Allison & Partners LLC for Advertising, Communications, and Outreach Services for the Building Appliance Rules) from the Consent Calendar. Regarding Item 14, the Board and staff discussed when staff plans to bring the gas appliance rules (Rules 9-4 and 9-6) back to the Board for consideration of amendments; the intended scope of work that Allison & Partners is to complete between February and the Fall of 2026; concerns regarding Air District staff's recommendation that the Board consider further definitions for low-income-qualified exemptions prior to rule implementation; the current status of adopted Rules 9-4 and 9-6; the obligation of the Air District to correct any misinformation that is being circulated about Rules 9-4 and 9-6; the Board's desire for a status update and accurate information on these rules so that the Board members can serve as credible sources of information to the public; the need to engage with Bay Area jurisdictions (cities and counties) to help articulate correct information about Rules 9-4 and 9-6; the suggestion of polling the public as soon as possible (prior to implementation) regarding the general public consensus of Rules 9-4 and 9-6; and the importance of contractors understanding incentives that currently are, and will be, available (both non-Air District incentives, and Air District incentives).

Board Action

Director Young made a motion, seconded by Director Quinto, to approve Consent Calendar Items 6 through 13, and 15 through 19; and the motion **carried** by the following vote of the Board:

AYES: Abe-Koga, Brown, Corzo, Gallagher, Hopkins, Jue, Lee, Mahmood, Medina, Mueller, Quinto, Sell, Tam, Veenker, Young.
ABSTAIN: None.
NOES: None.

ABSENT: Adams, Barnacle, Carlson, Colbert, Gioia, González, Haubert, Salinas, Walton.

Director Gallagher made a motion, seconded by Director Lee, to approve Consent Calendar Item 14; and the motion **carried** by the following vote of the Board:

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

ACTION ITEM

20. 2026 LEGISLATIVE ACTIVITIES AND STATE LEGISLATIVE UPDATES

Alan Abbs, Legislative Officer, gave the staff presentation *2026 Legislative Activities and State Legislative Update*, including: Recommended Action #1; Recommended Action #2 and #2a; Recommended Action #3; abbreviations; key dates and deadlines; 2026 Legislative Session; proposed Legislative activities for 2026 (Recommended Action #1); California Air Resources Board air district Board Members compensation; California Environmental Quality Act streamlining; Air District Advisory Council (Recommended Action #2); air district board representation (Recommended Action #2 and #2a); heat pump permit streamlining (Recommended Action #3); air district permit streamlining; heat pump mitigation fee; housing/California Environmental Quality Act; indirect source regulation; State Budget; and recap of recommended actions.

AT THIS TIME, DUE TO AN UNEXPECTED EMERGENCY AT ONE OF THE REMOTE TELECONFERENCING LOCATIONS FROM WHICH SEVERAL BOARD MEMBERS WERE PARTICIPATING, THE BOARD RECESSED AT 12:24 P.M, AND RESUMED AT 12:35 P.M.

Public Comments

Public comments were given by Tony Fisher, Coalition for Clean Air; Patrick Messac; and Kristel Rietesel.

Board Comments

The Board and Air District staff discussed the use of population estimates for determining representation on the air district boards in California, and whether preliminary or final numbers should be considered; California elected officials' desire for accurate State deficit information; and whether the Legislature seems to be interested continuing the pursuit of high speed rail.

Board Action

Director Quinto made a motion, seconded by Director Mahmood, to do the following:

1. Approve the proposed legislative activities for the 2026 Legislative Session, as recommended by the Policy, Grants, and Technology Committee at its meeting on December 17, 2025;
2. Approve sponsorship of a proposed bill idea that would make changes to the structure of the Advisory Council, as well as clarify the use of final population estimates for determining representation on the Air District Board
 - a. Clarify that the Department of Finance’s final population estimates should be used ~~(preliminary or revised) will be used~~ when determining representation on the Air District Board, as is the established practice of the Air District.
3. Confirm co-sponsorship of Senate Bill 222 (Wiener) – Heat Pump Access Act

Prior to the vote, Director Mueller asked the maker and seconder of the motion to revise the language for Recommended Action #2 and #2a, stating that the clarification that Air District staff would be pursuing to the relevant statute -- that the Department of Finance's final population estimates should be used to determine the number of Board seats a county can appoint -- reflects the established practice that the Air District has used. (See tracked changes above). The maker and seconder of the motion agreed to these revisions.

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

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

OTHER BUSINESS

21. PUBLIC COMMENT ON NON-AGENDA MATTERS

Public comments were given by Patrick Messac; and Ken Ow-Wing.

22. BOARD MEMBER COMMENTS

None.

23. **REPORT OF THE EXECUTIVE OFFICER / APCO**

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

Upcoming Committee Agenda Items

1. Stationary Source - 2/11
 - a. Update on Regulation 9, Rule 6 - Options for Defining Low-Income Qualified for Affordability Amendments (informational)
 - b. Update on Socioeconomic Analysis Policy Development (informational)
2. Community Equity, Health, and Justice - 2/11
 - a. Update on East Oakland Air Monitoring Project (informational)
 - b. Bay Area Region Evaluation of Air Toxic Health Effects Study (informational)
3. Policy, Grants, and Technology - 2/18
 - a. Authorization to Participate in the Climate Heat Impact Response Program (consent calendar)
 - b. 2026 Legislative Platform and State and Federal Legislative Updates (action)
 - c. Report on Transportation Fund for Clean Air Projects Expenditures and Effectiveness for Fiscal Year Ending 2025 (action)
 - d. Data Center Overview and Considerations (informational)
4. Finance and Administration - 2/18
 - a. Hearing Board Quarterly Report: October through December 2025 (consent)
 - b. Fiscal Year 2025-2026 Second Quarter Financial Report, Ending December 31, 2025 (consent)
 - c. Fiscal Year 2025-2026 Second Quarter Reporting of Payments for Routine and Recurring Goods/Services Expenses and Contracts Executed Under Delegated Authority (consent)
 - d. Update on Air District Information Management Projects and Recommendation of Software Development and Maintenance Contracts for Permitting and Compliance Systems (action)
 - e. Overview of the Air District's Fleet Greening Strategy (informational)

24. **CHAIRPERSON'S REPORT**

Chair Hopkins made the following announcements:

- Thank you to the Air District's Executive Office administration team for planning the Board Retreat on January 28, 2026, in Oakland, which also served at the first joint meeting of the Air District's Board and Community Advisory Council (CAC).
- Because a quorum of Board members was lost at the January 28, 2026 Board retreat, the staff presentation that had been agendized but was unable to be presented (*Community Priorities for Rule Development*), will be agendized for the March 4, Board meeting. The CAC members will be invited to join the Board members for a joint discussion on this item the Board's March 4, 2026 meeting, as this item is to be a continuation of the retreat agenda.
- On October 15, 2025, the Solano County City Selection Committee reappointed Director Young to the Air District's Board for another 2-year term, from 12/31/25 to 12/31/27.

- On December 19, 2025, the San Mateo County City Selection Committee reappointed Director Medina to the Air District's Board for another 2-year term, from 1/1/26 to 12/31/27.
- On January 22, 2026, the Cities Association of Santa Clara County appointed Sunnyvale Councilmember, Linda Sell, to the Air District's Board for a 2-year term, from January 22, 2026 – January 22, 2028.
- Chair Hopkins and Vice Chair Veenker reported out on their experience at the 30th Conference of the Parties (COP30) to the United Nations Framework Convention on Climate Change, held in Belém, Brazil, from November 10-21, 2025.

25. TIME AND PLACE OF NEXT MEETING

Wednesday, March 4, 2026, at 10:00 a.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Board of Directors members and members of the public will be able to either join in-person or via webcast.

26. ADJOURNMENT

The meeting was adjourned at 1:20 p.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: Board Communications Received from February 4, 2026, through March 3,
2026

RECOMMENDED ACTION

None; the Board will discuss this item, but no action is requested at this time.

BACKGROUND

None.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from February 4, 2026, through March 3, 2026, if any, will be distributed to the Board Members by way of email.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Justine Buenaflor
Reviewed by: Vanessa Johnson

ATTACHMENT(S):

None

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: Personnel Out-of-State Business Travel Report for January 2026

RECOMMENDED ACTION

No action is requested at this time.

BACKGROUND

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

DISCUSSION

In accordance with Section 1.1.3 of the Policy, the Board of Directors is hereby notified of Air District personnel who have traveled on out-of-state business. This report covers out-of-state business travel for the month of January 2026.

The following out-of-state business travel activities occurred during the reporting period:

American Meteorological Society Annual Meeting, Houston, Texas, January 25-29, 2026 attendee:

- Daniel Alrick, Principal Air & Meteorological Monitoring Specialist, Meteorology and Measurement Division

BUDGET CONSIDERATION/FINANCIAL IMPACT

All associated business travel-related costs are covered by the respective division's Fiscal Year Ending 2026 Budget.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Michelle Hutson
Reviewed by: Stephanie Osaze

ATTACHMENT(S):

None

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: Notices of Violations Issued and Settlements in Excess of \$10,000 in the
Month of January 2026

RECOMMENDED ACTION

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

BACKGROUND

None.

DISCUSSION

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

BUDGET CONSIDERATION/FINANCIAL IMPACT

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

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Alexander G. Crockett

ATTACHMENT(S):

1. Notices of Violations Issued and Settlements in Excess of \$10,000 - January 2026

NOTICES OF VIOLATIONS ISSUED

The following Notice(s) of Violation(s) were issued in January 2026:

Alameda						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Asbestos Management Group of CA, Inc.	S783890	Oakland	A63678A	1/16/26	11-2-401.5	Asbestos Violation
Bay Ship & Yacht Co.	A9684	Alameda	A65169A	1/28/26	2-1-307	Permit Requirement/Condition Violation
Bay Ship & Yacht Co.	A9684	Alameda	A65169B	1/28/26	8-43-320	Marine Vessel Surface Coating Violation
Crest 76	C9292	Hayward	A64592A	1/13/26	8-7-301.13	Gasoline Dispensing Facility Violation
D-Line Constructors, Inc.	S783466	Oakland	A63677A	1/8/26	11-2-401.5	Asbestos Violation
Energy Recovery, Inc.	B9782	San Leandro	A65168A	1/6/26	2-1-307	Permit Requirement/Condition Violation
Energy Recovery, Inc.	B9782	San Leandro	A65168B	1/6/26	1-523.3	Parametric Monitor Violation
Foxy Gasoline	S200030	Livermore	A64749A	1/7/26	8-7-408	Gasoline Dispensing Facility Violation
Lam Research Corporation - Fremont Campus	A3152	Fremont	A64269A	1/7/26	2-1-307	Permit Requirement/Condition Violation
SFD	S784036	Oakland	A55874A	1/20/26	6-3-301	Fireplace Wood Smoke Violation
SFD	S784387	Newark	A59027A	1/27/26	6-3-301	Fireplace Wood Smoke Violation
West A Valero	C0056	Hayward	A64591A	1/8/26	8-7-301.6	Gasoline Dispensing Facility Violation
West A Valero	C0056	Hayward	A64591B	1/8/26	8-7-302.3	Gasoline Dispensing Facility Violation

Westco Gas	C0760	Oakland	A64967A	1/8/26	8-7-301.5	Gasoline Dispensing Facility Violation
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Contra Costa						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Chevron Products Company	A0010	Richmond	A64719A	1/5/26	2-1-302	No Permit to Operate
Chevron Products Company	A0010	Richmond	A64720A	1/5/26	2-1-307	Permit Requirement/Condition Violation
Chevron Products Company	A0010	Richmond	A64721A	1/14/26	2-6-307	Title V Requirement/Permit Condition Violation
Danville Shell	C8812	Danville	A64747A	1/12/26	8-7-301.6	Gasoline Dispensing Facility Violation
Martinez Refining Company LLC	A0011	Martinez	A65274A	1/29/26	2-6-307	Title V Requirement/Permit Condition Violation
Martinez Refining Company LLC	A0011	Martinez	A65274B	1/29/26	12-12-301	Miscellaneous Refinery Flare Standards of Performance Violation
Martinez Refining Company LLC	A0011	Martinez	A65275A	1/12/26	12-12-301	Miscellaneous Refinery Flare Standards Performance Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A64634A	1/8/26	2-1-307	Permit Requirement/Condition Violation
SFD	S783153	Richmond	A55871A	1/2/26	6-3-301	Fireplace Wood Smoke Violation
SFD	S784043	Crockett	A55875A	1/20/26	6-3-301	Fireplace Wood Smoke Violation
SFD	S784371	Clayton	A55877A	1/27/26	6-3-301	Fireplace Wood Smoke Violation
SFD	S784372	Walnut Creek	A59025A	1/27/26	6-3-301	Fireplace Wood Smoke Violation
State of California	B2076	Richmond	A64382A	1/5/26	9-7-307.2	Boiler Emissions Violation

Stroud Development	S784448	Lafayette	A64751A	1/28/26	11-2-303.8	Asbestos Violation
Stroud Development	S784448	Lafayette	A64751B	1/28/26	11-2-401.3	Asbestos Violation
West Contra Costa County Landfill	A1840	Richmond	A65198A	1/15/26	2-1-307	Permit Requirement/Condition Violation
West Contra Costa County Landfill	A1840	Richmond	A65199A	1/15/26	2-1-307	Permit Requirement/Condition Violation
West Contra Costa County Landfill	A1840	Richmond	A65201A	1/2/26	2-6-307	Title V Requirement/Permit Condition Violation
West Contra Costa County Landfill	A1840	Richmond	A65201B	1/2/26	8-34-301.1	Landfill Violation
Western Contra Costa Transit Authority	C8694	Pinole	A65508A	1/5/26	2-1-307	Permit Requirement/Condition Violation

Marin						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
SFD	S784007	Novato	A55873A	1/20/26	6-3-301	Fireplace Wood Smoke Violation
Shineology @ Second Street	C9000	San Rafael	A64986A	1/23/26	8-7-408	Gasoline Dispensing Facility Violation
Shineology @ Second Street	C9000	San Rafael	A64986B	1/23/26	8-7-302.3	Gasoline Dispensing Facility Violation
Swickard Marin Corporation dba Mercedes-Benz of Marin	D1269	San Rafael	A64987A	1/23/26	8-7-408	Gasoline Dispensing Facility Violation

Napa						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Bianco Winegrowing	S783721	Napa	A63556A	1/14/26	5-301	Open Burn Violation
College Chevron	C9192	Angwin	A65605A	1/15/26	2-1-307	Permit Requirement/Condition Violation
Former ARCO #4971	C2036	Napa	A65604A	1/12/26	2-1-307	Permit Requirement/Condition Violation

San Francisco						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Recology San Francisco	A4173	San Francisco	A60999A	1/21/26	2-1-307	Permit Requirement/Condition Violation
Unocal #5458	C8962	San Francisco	A63675A	1/8/26	8-7-301.6	Gasoline Dispensing Facility Violation
Unocal #5458	C8962	San Francisco	A63676A	1/8/26	2-1-302	No Permit to Operate
Recology San Francisco	A4173	San Francisco	A60999A	1/21/26	2-1-307	Permit Requirement/Condition Violation

San Mateo						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Pacific Row Development, LLC	S784143	San Mateo	A64913A	1/2/26	11-2-401.5	Asbestos Violation
SFD	S783155	San Rafael	A55872A	1/2/26	6-3-301	Fireplace Wood Smoke Violation

Santa Clara						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Branham 76	C7575	San Jose	A64922A	1/21/26	2-1-307	Permit Requirement/Condition Violation
Camden Gas & Mini Mart dba Fremont Gas	C6528	Sunnyvale	A64919A	1/13/26	8-7-301.1	Gasoline Dispensing Facility Violation
Capitol Toyota	D1154	San Jose	A64918A	1/12/26	2-1-307	Permit Requirement/Condition Violation
De Nguyen	S771492	San Jose	A64916A	1/6/26	11-2-401.5	Asbestos Violation
De Paul - County of Santa Clara	S784354	Morgan Hill	A65411A	1/27/26	2-1-301	No Authority to Construct and No Permit to Operate
De Paul - County of Santa Clara	S784354	Morgan Hill	A65411B	1/27/26	2-1-302	No Authority to Construct and No Permit to Operate
Lowe's HIW, Inc. /Corporate Payables	B5080	Gilroy	A65404A	1/9/26	2-1-302	No Permit to Operate
Mission Development Group	S783360	Los Altos	A64917A	1/7/26	11-2-401.5	Asbestos Violation
Reed & Graham, Inc.	A0107	San Jose	A64468A	1/5/26	2-1-301	No Authority to Construct and No Permit to Operate
Reed & Graham, Inc.	A0107	San Jose	A64468B	1/5/26	2-1-302	No Authority to Construct and No Permit to Operate
SFD	S784251	San Jose	A55876A	1/26/26	6-3-301	Fireplace Wood Smoke Violation
SFD	S784384	Milpitas	A59026A	1/27/26	6-3-301	Fireplace Wood Smoke Violation
The Lodge at Morgan Hill c/o Buckingham Property	E2105	Morgan Hill	A65405A	1/9/26	2-1-302	No Permit to Operate
The Ridgecrest Group Inc.	S783895	Campbell	A64920A	1/16/26	11-2-401.5	Asbestos Violation

Vesta Housing Inc. & Aro Homes	S783308	Mountain View	A64915A	1/6/26	11-2-401.5	Asbestos Violation
Vesta Housing Inc. & Aro Homes	S783308	Mountain View	A64915B	1/6/26	11-2-303.8	Asbestos Violation

Solano						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Paradise Valley Estates	B8292	Fairfield	A64496A	1/5/26	2-1-307	Permit Requirement/Condition Violation
Paradise Valley Estates	B8292	Fairfield	A64497A	1/5/26	2-1-307	Permit Requirement/Condition Violation
Paradise Valley Estates	B8292	Fairfield	A64498A	1/5/26	2-1-307	Permit Requirement/Condition Violation
Valero Refining Company	B5574	Benicia	A65316A	1/28/26	1-301	Public Nuisance Violation
Valero Refining Company	B5574	Benicia	A65318A	1/28/26	8-5-328	Storage Tank Violation
Valero Refining Company - California	B2626	Benicia	A65314A	1/7/26	2-6-307	Title V Requirement/Permit Condition Violation
Valero Refining Company - California	B2626	Benicia	A65317A	1/28/26	1-301	Public Nuisance Violation

Sonoma						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Republic Services of Sonoma County, Inc.	A2254	Petaluma	A60952A	1/14/26	2-6-307	Title V Requirement/Permit Condition Violation
Republic Services of Sonoma County, Inc.	A2254	Petaluma	A64521A	1/14/26	8-34-301.1	Landfill Violation

Republic Services of Sonoma County, Inc.	A2254	Petaluma	A64522A	1/13/26	8-34-301.1	Landfill Violation
Valero Refining Co #7249	D0409	Rohnert Park	A65578A	1/7/26	2-1-307	Permit Requirement/Condition Violation
Whitey's TBA Inc. DBA	D0395	Rohnert Park	A65579A	1/7/26	2-1-307	Permit Requirement/Condition Violation

SETTLEMENTS FOR \$10,000 OR MORE REACHED

There were 2 settlements for \$10,000 or more completed in January 2026.

- 1) On January 15, 2026, the Air District reached a settlement with Sustainable Organics Solutions for \$22,000, regarding the allegations contained in the following 1 Notice of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A61633A	8/8/22	7/24/18	2-1-301	No Authority to Construct and No Permit to Operate
A61633B	8/8/22	7/24/18	2-1-302	No Authority to Construct and No Permit to Operate

- 2) On January 26, 2026, the Air District reached a settlement with County of Alameda for \$13,000, regarding the allegations contained in the following 3 Notices of Violations:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A63859A	10/15/24	10/1/23	2-1-307	Permit Requirement/Condition Violation
A63859B	10/15/24	10/1/23	9-8-530	Internal Combustion Engine Violation
A63860A	10/15/24	9/18/24	9-7-404	Boiler Emissions Violation
A63862A	10/15/24	11/8/23	2-1-307	Permit Requirement/Condition Violation
A63862B	10/15/24	11/8/23	9-7-301.1	Boiler Emissions Violation

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: Fiscal Year 2025-2026 Second Quarter Financial Report, Ending December
31, 2025

RECOMMENDED ACTION

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

BACKGROUND

A financial report is submitted to the Board of Directors quarterly for the relevant reporting period covering from the beginning of the fiscal year to the most recent quarter-end.

This report provides an overview of the General Fund's financial activities for both the first and second quarters of fiscal year 2025-2026, including preliminary results for revenues, expenditures, cash account balances, and investment earnings for the reporting period. The Finance and Administration Committee received this report at its meeting on February 18, 2026.

DISCUSSION

Attachment A provides the financial report for the Second quarter of Fiscal Year 2025-2026, from July 1, 2025, to December 31, 2025.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Jun Pan
Reviewed by: Stephanie Osaze

ATTACHMENT(S):

1. Attachment A - Second Quarter ending December 31, 2025 Financial Report

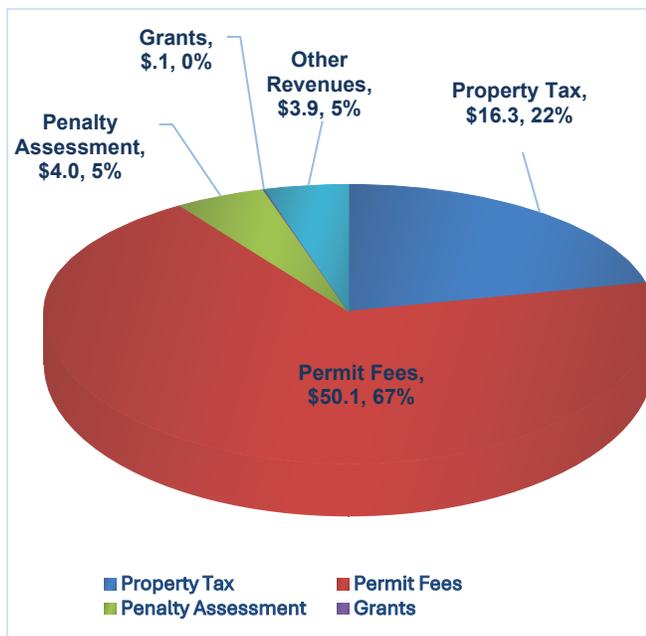
Attachment A: Financial Summary for the Second Quarter of Fiscal Year 2025-2026

This report provides an update on the Air District’s financial performance for the second quarter of the 2025-2026 fiscal year, covering the period from July 1, 2025, through December 31, 2025. As of the second quarter, General Fund revenues total \$74.4 million, with expenditures at \$62.53 million. Revenues are in line with expectations, and no significant changes are anticipated through the end of the fiscal year on June 30, 2026. Expenditures, such as professional services, may fluctuate based on when work is performed under contract terms, making them less predictable for projecting through the end of the fiscal year.

FINANCIAL RESULTS

The following information summarizes the second quarter financial results for fiscal year (FY) 2025-2026

TABLE 1: FISCAL YEAR 2026 GENERAL FUND REVENUE OVERVIEW



FY 2026 Q2 (as of 12/31/2025) General Fund Revenues	in Millions	% of Total
Property Tax	\$16.3	22%
Permit Fees	\$50.1	67%
Penalty Assessment	\$4.0	5%
Grants	\$.1	0%
Other Revenues	\$3.9	5%
Total	\$74.4	100%

Summary of Table 1

As of December 31, 2025, total revenue recognized a total of \$74.4 million. Permit Fees and Property Tax are the largest revenue sources in the General Fund, totaling \$50.1M and \$16.3M, respectively.

TABLE 2: GENERAL FUND REVENUE – BUDGET VS ACTUAL (IN MILLIONS \$)

Categories	FYE 2026 Adopted Budget	FYE 2026 Amended Budget	FYE 2026 Actual (as of 12/31/2025)	Percentage of Amended Budget
Property Tax	\$47.6	\$47.6	\$16.3	34%
Permit Fees*	\$68.4	\$68.4	\$50.1	73%
Penalty Assessment	\$4.0	\$4.0	\$4.0	100%
Grants (includes AB617)	\$17.9	\$17.9	\$.1	0%
Other Revenues	\$8.6	\$8.6	\$3.9	46%
Total Revenues	\$146.5	\$146.5	\$74.4	51%

* Permit Fees				
Application & Renewal Fees	\$48.4	\$48.4	\$37.1	77%
Title V Permit Fees	\$8.5	\$8.5	\$5.7	67%
Asbestos Fees	\$3.3	\$3.3	\$2.0	60%
Toxic Inventory Fees	\$1.2	\$1.2	\$.7	60%
Community Health Impact Fees	\$1.2	\$1.2	\$1.0	77%
Criteria Toxic Reporting Fees	\$1.8	\$1.8	\$1.2	67%
Greenhouse Gas Fees	\$4.0	\$4.0	\$2.3	59%
Other Fees	\$.1	\$.1	\$.0	21%
Total Permit Fees	\$68.4	\$68.4	\$50.1	73%

Summary of Table 2:

Overall revenue recognized for the 2nd quarter of the fiscal year represents 51% of the budget, which is on target with projections.

- Property tax is 34%, which is based on the normal timing of the revenues received by the end of December. This ratio is consistent with the same period last year. Property tax largest receipts are usually received in December and April timeframe.
- Permit fees are consistent with the annual progress of the permitting process.
- Other revenues increased due to higher interest income resulting from improved investment performance in the San Mateo County Investment Pool, where Air District funds are managed.
- Grant revenues recognition occurs usually at the end of the fiscal year when the grant activities are reconciled and charged to the grant funds. This portion of funding is mainly related to the Assembly Bill 617 Implementation grant program.

**TABLE 3: GENERAL FUND REVENUE PRIOR YEARS TREND VS. CURRENT YEAR
(IN MILLIONS \$)**

Major Categories	FYE 2024 (As of 12/31/2023)	FYE 2025 (As of 12/31/2024)	FYE 2026 (As of 12/31/2025)	\$ DIFF FY26 - FY25
Property Tax	\$14.4	\$15.6	\$16.3	\$.7
Permit Fees*	\$43.7	\$47.6	\$50.1	\$2.5
Penalty Assessment	\$2.4	\$4.0	\$4.0	(\$.1)
Grants (includes AB617)	\$.3	\$.0	\$.1	\$.1
Other Revenues	\$1.9	\$3.6	\$3.9	\$.4
Total Revenues	\$62.6	\$70.8	\$74.4	\$3.6

*Permit Fees	(As of 12/31/2023)	(As of 12/31/2024)	(As of 12/31/2025)	\$ DIFFERENCE
Application & Renewal Fees	\$31.4	\$35.9	\$37.1	\$1.2
Title V Permit Fees	\$4.6	\$4.8	\$5.7	\$.9
Asbestos Fees	\$1.7	\$1.7	\$2.0	\$.3
Toxic Inventory Fees	\$1.5	\$.8	\$.7	(\$.0)
Community Health Impact Fees	\$.8	\$.9	\$1.0	\$.0
Criteria Toxic Reporting Fees	\$1.0	\$1.1	\$1.2	\$.1
Greenhouse Gas Fees	\$2.5	\$2.3	\$2.3	\$.0
Other Fees	\$.2	\$.1	\$.0	(\$.0)
Total Permit Fees	\$43.7	\$47.6	\$50.1	\$2.5

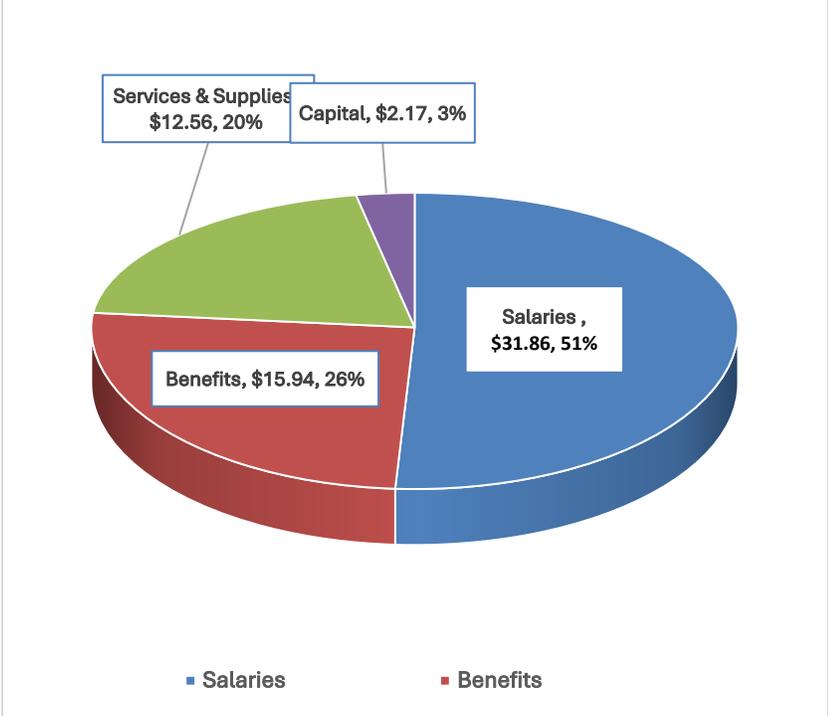
Summary of Table 3:

Property tax revenue increased as expected due to growth in tax assessments from previous years

- Permit fees increase consistently with fee rate increase
- The \$4M Penalty assessment represents the General Fund portion only which supports general activities
- Other revenues increased mainly due to interest income earned as of December 2025

TABLE 4: FISCAL YEAR 2025 GENERAL FUND EXPENDITURE OVERVIEW

FY 2026 Q2 (as of 12/31/2025) General Fund Expenditures	in Millions	% of Total
Salaries	\$31.86	51%
Benefits	\$15.94	26%
Services & Supplies	\$12.56	20%
Capital	\$2.17	3%
Total	\$62.53	100%



Summary of Table 4:

As of December 31, 2025, total expenditure recognized a total of \$62.5 million. Salaries and Benefits are the largest expenditure costs in the General Fund totaling \$31.9M and \$15.9M respectively.

TABLE 5: GENERAL FUND EXPENDITURE – BUDGET VS ACTUAL (IN MILLIONS \$)

Major Categories	FYE 2026 Adopted Budget	FYE 2026 Amended Budget	FYE 2026 Actual (as of 12/31/2025)	Percentage of Amended Budget
Personnel - Salaries	\$76.0	\$76.0	\$31.9	42%
Personnel - Benefits	\$34.3	\$34.3	\$15.9	47%
Operational Services and Supplies	\$46.5	\$61.5	\$12.6	20%
Capital Outlay	\$6.5	\$7.1	\$2.2	31%
TOTAL	\$163.3	\$178.8	\$62.5	35%

*Consolidated Personnel Salaries & Benefits				
Personnel - Salaries	\$83.2	\$83.2	\$34.4	41%
Personnel - Benefits	\$37.5	\$37.5	\$17.0	45%
Total	\$120.7	\$120.7	\$51.4	43%

*Consolidated includes both General Fund and Special Fund

Summary of Table 5:

- Amended Budget includes carryover of FYE 25 encumbrances as authorized by the board.
- Salaries and benefits are consistent with the budgeted projections and reflect lower costs in the first half of the fiscal year due to vacancies.
- Actual Services/Supplies and Capital expenses are lower due to the timing of payments for services rendered.

TABLE 6: EXPENDITURE PRIOR YEARS TREND VS. CURRENT YEAR (IN MILLIONS \$)

Major Categories	FYE 2024 (As of 12/31/2023)	FYE 2025 (As of 12/31/2024)	FYE 2026 (As of 12/31/2025)	\$ DIFF FY26 - FY25
Personnel - Salaries	\$26.3	\$30.4	\$31.9	\$1.5
Personnel - Benefits	\$15.4	\$14.6	\$15.9	\$1.4
Operational Services and Supplies	\$12.9	\$12.8	\$12.6	(\$.3)
Capital Outlay	\$2.1	\$4.5	\$2.2	(\$2.3)
Total Expenditures	\$56.7	\$62.2	\$62.5	\$.3

*Consolidated Personnel Salaries & Benefits				
Personnel - Salaries	\$28.8	\$32.9	\$34.4	\$1.5
Personnel - Benefits	\$16.4	\$15.6	\$17.0	\$1.4
Total Consolidated	\$45.1	\$48.6	\$51.4	\$2.9

*Consolidated includes both General Fund and Special Fund

Summary of Table 8

The Air District’s cash total on December 31, 2025, of \$750.9 million represents 7.6 % of the \$9.9 billion in the San Mateo County Investment Pool.

- December 31, 2025, net investment earnings are 3.865%
- The average maturity of the portfolio is 2.54 years.
- The second quarter General Fund interest earned is \$2.25M
- Of the \$246.2M total General Fund balance, \$98M is available for general operations.

TABLE 9: Detail Description of Special Fund Grant Cash Account

Special Funds (Grant Funds):	Description/Purpose
TFCA \$154.9 Transportation for Clean Air	Programs for on-road vehicles emission reduction (trucks, buses and charging infrastructure, Vehicle Buy-Back, Clean Cars 4 All, trip reduction, and Spare the Air) and pass through funding for local transportation agencies
MSIF \$95.2 Mobile Source Incentive Fund	Mobile source emission reduction programs and match funds for Carl Moyer Program
Carl Moyer \$166.5	State funding under Carl Moyer, Community Air Protection Incentives, and FARMER programs to reduce emission reductions from mobile sources and reduce exposures to pollution in communities.
Good Movement \$21.4	Emission Reduction Programs (Projects eligible for Goods Movement I-Bond Funding)
Air Quality Projects \$1.3	Miscellaneous funding sources: project eligibility is specific to each source
Vehicles Mitigation \$65.5	Volkswagen Environmental Mitigation Trust statewide programs reducing NOx emissions (Light-duty charging stations and zero-emissions port, freight, and marine projects)
Total Special Funds \$504.8	

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: Fiscal Year 2025-2026 Second Quarter Reporting of Payments for Routine
and Recurring Goods/Services Expenses and Contracts Executed under
Delegated Authority

RECOMMENDED ACTION

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

BACKGROUND

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

DISCUSSION

Attached, in accordance with the Air District's Administrative Code, Section 9.4, is the second quarter Fiscal Year 2025-2026 report of vendor payments for routine and recurring essential services and contracts executed under delegated authority by the Executive Officer/APCO.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Erica Flahan
Reviewed by: Hyacinth Hinojosa

ATTACHMENT(S):

1. Second Quarter Fiscal Year 2025 -2026, Ending December 31, 2025 Report

**Air District Report of Vendor Payments for Routine and Recurring
Essential Services and Contracts Executed Under Delegated Authority**

Second Quarter Fiscal Year 2025 -2026, Ending December 31, 2025

Contracts and Payments for Select Goods/Services Expenditures

The Air District’s Administrative Code Section 9.4(e) authorizes the Executive Officer/APCO to renew contracts for specific categories of routine, recurring goods and services without requiring formal Board of Directors approval. This provision is intended to streamline procurement for essential expenditures without further approval by the Board due to their recurring nature.

To ensure transparency, Air District staff are required to report all contract renewals executed and expenditures made under this procurement provision to the Board of Directors with the quarterly financial report. This informational report provides a summary of such contract renewals for the second quarter of Fiscal Year (FY) 2025 - 2026 to accompany the second quarter FY 2025 - 2026 financial report which will be presented as an informational report on the same Committee meeting agenda as a consent item.

The eligible categories of goods and services under this provision are strictly limited to essential and recurring needs: utilities; insurance; employee benefits; fueling and charging of Air District vehicles; Bay Area Headquarters Authority common area and shared services expenses; real property leases and license agreements; software services; cloud-based information infrastructure and services; OEM equipment warranties; and equipment leases. These expenditures support the Air District’s ongoing operations and ensure continuity of critical services.

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

Quarter 2 FY 2025 - 2026 Contract Renewals Executed for Select Essential Goods/Services:

The following contract renewals were executed under this provision during the second quarter of FY 2026.

Vendor	Synopsis	Renewal Amount	Total Contract Value	Date Executed
Cloud Based Information Infrastructure and Services				
CivicPlus, LLC	Renewal of subscription for Agenda Management System	\$42,173.16	\$87,259.66	10/07/2025
LeaseQuery	Renewal of subscription for new lease accounting standards, FASB ASC 842, IFRS 16, and GASB 87	\$16,704.00	\$80,262.80	11/12/2025
Questica, Inc. (Euna Solutions)	Renewal of subscription for Budget Software	\$35,361.47	\$412,092.81	10/21/2025

**Air District Report of Vendor Payments for Routine and Recurring
Essential Services and Contracts Executed Under Delegated Authority**

Vendor	Synopsis	Renewal Amount	Total Contract Value	Date Executed
OEM Equipment Maintenance and Warranties				
Entech Instruments Inc.	Renewal of service contract for preconcentrator	\$7,919.00	\$76,621.00	12/04/2025
Software Licenses, Warranties, Maintenance, and Support Services				
Oracle	Renewal of Oracle-JDE Technical Support Services and True-Up Licenses	\$126,822.56	\$488,841.81	11/19/2025
Oshyn	Renewal of support services contract for ONS Web Operations and NPS Software Documentation	\$200,000.00	\$1,154,568.00	12/29/2025
Regroup	Renewal of subscription for Service to provide automated STA phone alerts	\$20,000.00	\$33,600.00	11/05/2025

FY 2025 - 2026 Routine and Recurring Vendor Payments by Category:

The following payments were made under this provision during the first and second quarters of FY 2025 - 2026.

Payment Categories	Amount Paid (July 1, 2025 – December 31, 2025)
AIR DISTRICT INSURANCE	
ALLIANT INSURANCE SERVICES, IN	\$1,009,245.69
BENEFIT COORDINATORS CORPORATION - LIFE INSURANCE	\$839,762.18
BAY AREA HEADQUARTERS AUTHORITY (SHARED SERVICES EXPENSES)	
BAY AREA HEADQUARTERS AUTHORITY	\$1,611,962.80
CLOUD BASED INFORMATION INFRASTRUCTURE AND SERVICES	
CARAHSOFT TECHNOLOGY CORPORATI	\$58,593.36
DAYFORCE US, INC.	\$168,453.23
DELL MARKETING LP	\$965,433.24
DENOVO VENTURES, LLC	\$127,447.74
EPLUS TECHNOLOGY, INC.	\$166,019.83
EUNA SOLUTIONS, INC.	\$69,180.64
OFFICESPACE SOFTWARE INC.	\$36,524.22
ORACLE AMERICA, INC.	\$78,674.85
THOMSON REUTERS - WEST PAYMENT	\$36,275.49
EMPLOYEE HEALTH AND BENEFITS	
BENEFIT COORDINATORS CORPORATION - DENTAL	\$463,494.06

**Air District Report of Vendor Payments for Routine and Recurring
Essential Services and Contracts Executed Under Delegated Authority**

Payment Categories	Amount Paid (July 1, 2025 – December 31, 2025)
CA PUBLIC EMP RET SYSTEM - HEALTH	\$6,290,485.85
CA PUBLIC EMP RET SYSTEM - PENSION	\$5,136,572.80
CALIFORNIA VISION SERVICE PLAN	\$71,940.00
P & A ADMINISTRATIVE SERVICES	\$390,589.15
SEDGWICK CLAIMS MANAGEMENT SER	\$46,431.00
EQUIPMENT LEASES	
ENTERPRISE FLEET SERVICES	\$141,250.65
FUEL	
WEX FLEET UNIVERSAL-ENTERPRISE	\$76,883.52
OEM EQUIPMENT MAINTENANCE AND WARRANTIES	
PROPERTY LEASES AND LICENSE AGREEMENTS	
HOLLIS PROPERTY	\$75,765.00
LAO FAMILY COMMUNITY DEVELOPME	\$39,333.78
MARINA BAY CROSSING, LLC	\$32,683.53
PACIFIC GATEWAY PROPERTIES, IN	\$40,391.34
WANG BROTHERS INVESTMENTS, LLC	\$243,839.02
WESTERN PACIFIC PROPERTY, LLC	\$49,859.52
ZUCKERMAN CONSTRUCTION CO	\$30,530.17
SOFTWARE LICENSES, WARRANTIES, MAINTENANCE, AND SUPPORT SERVICES	
CIPHEREX INC.	\$117,018.00
CLEARSPARC	\$642,177.00
COMPLETE DISCOVERY SOURCE INC.	\$35,008.36
DVBE CONNECT INC	\$977,486.45
GOLDEN STAR TECHNOLOGY INC.	\$93,678.00
LIGHTBOX PARENT, L.P.	\$42,240.00
NAVIANT, INC	\$76,061.15
OSHYN INC.	\$262,973.92
PRODIGY CONSULTING LLC	\$47,000.00
SUPPORTFOCUS, INC.	\$84,750.00
TRYFACTA, INC.	\$102,376.80
UTILITIES	
AT & T CALNET; AT&T; AT&T MOBILITY; AT&T U-VERSE	\$75,241.40
COMCAST; COMCAST CABLE COMMUNICATIONS	\$134,590.08
PACIFIC GAS & ELECTRIC COMPANY	\$134,004.23
VERIZON BUSINESS; VERIZON WIRELESS	\$143,490.65

**Air District Report of Vendor Payments for Routine and Recurring
Essential Services and Contracts Executed Under Delegated Authority**

Contracts Executed under Board-Delegated Contracting Authority

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

Additionally, pursuant to Section 9.4(c) of the Administrative Code, the Executive Officer/APCO may execute contract amendments without Board of Directors approval when either (1) the total contract amount, as amended, does not exceed two hundred thousand dollars (\$200,000), or (2) for contracts previously approved by the Board, the cumulative value of all amendments since the last Board approval does not increase the contract amount by more than the lesser of two hundred thousand dollars (\$200,000) or 25%. The Executive Officer/APCO is required to report to the Board of Directors any amendments that cause a contract to exceed one hundred thousand dollars (\$100,000) in total value, or that increase the value of a contract already exceeding one hundred thousand dollars (\$100,000) by more than 25%.

For reporting purposes, the total contract value is calculated by combining the base contract value with any approved amendments and option years. The following tables provide a summary of contracts and contract amendments executed under these provisions during the second quarter of FY 2025 - 2026.

New Contracts Executed Under Section 9.4(b):

Vendor	Synopsis	Total Contract Value	Date Executed

Contract Amendments Executed Under Section 9.4(c):

Vendor	Synopsis	Previous Approved Amount	Increase	Total Contract Value	Date Executed
Avantpage	Language Translation Services	\$500,000.00	\$125,000.00	\$625,000.00	11/25/2025
Lores Maintenance	Janitorial Services at Field Offices	\$96,660.00	\$39,579.00	\$136,239.00	12/02/2025

**Air District Report of Vendor Payments for Routine and Recurring
Essential Services and Contracts Executed Under Delegated Authority**

Vendor	Synopsis	Previous Approved Amount	Increase	Total Contract Value	Date Executed
Marie Harrison Community Foundation Inc.	Community Engagement Support, Policy Development, and Facilitation Services	\$892,226.00	\$99,660.00	\$991,886.00	11/25/2025
Universal Building Services & Supply Co.	Janitorial Services for HQE and Richmond Pkwy suites	\$96,120.00	\$6,000.00	\$102,120.00	11/12/2025
Van Dermyden Makus Law Corporation	Outside Legal Services	\$100,000.00	\$50,000.00	\$150,000.00	10/20/2025

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: Authorization to Amend Software Development and Maintenance Contracts
for Permitting and Compliance Systems

RECOMMENDED ACTION

Authorize the Executive Officer/APCO to amend contracts for software development and support services for a total combined increased authorization not to exceed \$5.8 million over the 24-month period beginning March 2026 as listed in Table 1.

Table 1 Requested Authorization

Vendor	Procurement Method	Service Description	Not to Exceed for this Authorization	Total Amount Contracted
ClearSparc	RFQ# 2024-009	Software Design, Development, and DevOps Services	\$2,400,000	\$3,915,000
DVBE	RFQ# 2024-009	Software Development Supporting Services	\$3,400,000	\$5,632,000
TOTAL:			\$5,800,000	

BACKGROUND

The Air District continues to modernize its Information Technology (IT) systems as authorized by the Board of Directors in June 2024. This effort aims to enhance operational efficiency, transparency, and regulatory accountability in alignment with the Air District's overall strategic goals. Key results over the past eighteen months include:

- Unified Information Management into a cohesive service area encompassing Information Technology operations, User Support, Cybersecurity, Software Development, data services, online services, and records management.
- Migrated to cloud-based solutions, increasing system resilience and reducing costs; and
- Implemented advanced reporting systems for permitting and compliance, improving transparency and efficiency.
- Improved efficiency and cost effectiveness in software development and maintenance

This work has delivered significant and measurable value, including more than \$1.2 million in annual cost savings, improved operational reliability, and over \$1.7 million per year in increased software development productivity. These gains have enabled the Air District to redirect Information Management resources toward initiatives that directly advance the Agency's Strategic Plan.

Over the past 18 months, Information Management has completed the following projects that support the Air District's Strategic Plan:

Achieve Impact– Streamline upfront estimates for rule development operations

- Develop a methodology, process and procedure that will standardize operational resource estimates for proposed initiatives

Advance Environmental Justice

- Develop a Title V Deviation Compliance Reporting Tool.
- Develop the Complaint Reporting System with a community-focused interface
- Develop a data collection system to acquire and securely retain community volunteer information for community air quality monitoring

Be Effective and Accountable- Data Transparency

- Lay the foundation for a comprehensive and user-friendly data portal that fosters accessibility and transparency. Finalize scope definition, build a clickable design, that includes search enhancements such as advanced filters and improved indexing
- Enhance transparency by surfacing air quality geospatial data through the implementation of modern mapping tools for the Air District's website

Be Effective and Accountable - Efficiency and modernization

- Conduct procurement and manage project framework and requirements gathering for establishing a modern grants management system
- Develop a dedicated communication platform for regulated entities to provide timely updates, share resources, and foster collaborative engagement
- Implement a governance framework with a governance board and regular audits to provide for modern change control
- Develop and maintain comprehensive documentation for Permitting and Compliance system architecture, configuration, workflows, and dependencies, ensuring clarity for troubleshooting, onboarding, and upgrades
- Develop policy, governance, and implement a proof-of-concept system to improve efficiency leveraging artificial intelligence
- Provide staff with documentation, training, and knowledge transfer for systems implemented in recent years

DISCUSSION

The proposed contract authorization will allow the Air District to operate and maintain its core Permitting and Compliance software systems over a 24-month period beginning in March 2026, while also advancing a defined set of strategic deliverables. These include targeted enhancements to reporting, permitting, compliance, billing, and rule development, all of which directly support the Air District’s strategic objectives.

The two-year, \$5.8 million request includes approximately \$1.3 million per year for essential software maintenance and support, with the remaining approximately \$1.6 million per year is dedicated to the strategic deliverables outlined below:

Advance Environmental Justice

- Create systems to tag and alert compliance activities at high-interest facilities
- Develop a new complaint intake system that is more user-friendly and provides better transparency for complaint resolution
- Create Air Pollution log so community members can upload and view photos of any air pollution observations

Be Effective and Accountable - Data Transparency

- Implement functionality for greater public transparency for complaint investigations
- Create notification for any permitting or enforcement actions in Assembly Bill (AB) 617 communities
- Provide better information to applicants regarding the status of their permit application

Be Effective and Accountable - Efficiency and modernization

- Provide for bulk data exchange for large and mid-sized facilities allowing for efficient annual emission calculations and renewals of permits
- Implement workflow enhancements to track and report on all tasks during the permit application process allowing for estimation of completion dates for each task
- Integrate source test workflow into the system so engineers and inspectors are informed about source testing events
- Create systems to support Notice to Comply (NTC) business functions
- Implement online processes to achieve higher rates of paperless workflow improving the velocity of permit applications

Vendor Qualification

On August 19, 2024, the Air District issued Request for Qualifications (RFQ) 2024-009 for IT Consulting Services in the following categories:

- Software Development
- Web Content Management
- IT Project Management
- Software Documentation
- Knowledge Transfer

The Air District received forty-six (46) submissions under this procurement, and an evaluation panel of Air District staff qualified a total of nine (9) vendors across the various categories to form a qualified pool of vendors under which additional requests for proposals were solicited for the multiple deliverables listed under this authorization request. A panel of Air District staff evaluated the additional proposals, resulting in the authorization request for the recommended amounts listed in Table 1:

Contract Authorization Request

If approved, this authorization will allocate \$5.8 million over the 24-month period starting March 2026 to support information services core permitting and compliance system development and maintenance including the critical strategic deliverables described in this memo and the table below:

Vendor	Procurement Method	Service Description	Not to Exceed for this Authorization	Total Amount Contracted
ClearSparc	RFQ# 2024-009	Software Design, Development, and DevOps Services	\$2,400,000	\$3,915000

DVBE	RFQ# 2024-009	Software Development Supporting Services	\$3,400,000	\$5,632,000
TOTAL:			\$5,800,000	

BUDGET CONSIDERATION/FINANCIAL IMPACT

\$1.3 million of the total amount required for these contracts are included in the Fiscal Year Ending (FYE) 2026 Enterprise Technology Services approved budget. The remaining \$4.5 million will be expended conditionally upon approval of the funds for these programs in the FYE 2027 and 2028 budget.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: John Chiladakis
Reviewed by: Philip M. Fine

ATTACHMENT(S):

1. ClearSparc Master Services Contract
2. ClearSparc Contract - Amendment 1 DRAFT
3. DVBE Master Services Contract
4. DVBE Contract - Amendment 1 DRAFT

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

MASTER SERVICES CONTRACT

CONTRACT NO. 2024.228

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 **ClearSparc** (“CONTRACTOR”) whose address is 2906 Colby Avenue, Everett, WA 98201.

2. **RECITALS**
 - A. DISTRICT is the local agency with primary responsibility for regulating stationary source air pollution in the Bay Area Air Quality Management District in the State of California. DISTRICT is authorized to enter into this Contract under California Health and Safety Code Section 40701. DISTRICT desires to contract with CONTRACTOR for Services as defined herein. DISTRICT is entering into this Contract based on CONTRACTOR’s stated qualifications to perform the Services.
 - B. CONTRACTOR designs, develops, manages, and maintains software systems.
 - C. All parties to this Contract have had the opportunity to have this contract reviewed by their attorney.

3. **DEFINITIONS**
 - A. “Purchase Order” shall mean the written or electronic document used by DISTRICT to track payments to CONTRACTOR under this Contract.
 - B. “Services” shall mean the services to be provided by CONTRACTOR hereunder as generally described in the General Description of Services, attached hereto as Attachment A and made a part hereof by this reference, and as specifically described in Task Orders issued pursuant to this Contract.
 - C. “Task Order” shall mean a written request by DISTRICT for specific services to be performed by CONTRACTOR.

4. **PERFORMANCE REQUIREMENTS**
 - A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
 - B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and pay all applicable fees.
 - C. CONTRACTOR shall comply with all laws and regulations that apply to its performance under this Contract, including any requirements to disclose potential conflicts of interest under DISTRICT’s Conflict of Interest Code.
 - D. CONTRACTOR shall not engage in any performance of work during the term of this contract that is in direct or indirect conflict with duties and responsibilities set forth in the Scope of Work.
 - E. CONTRACTOR shall exercise the degree of skill and care customarily required by accepted professional practices and procedures.
 - F. CONTRACTOR shall ensure that any subcontractors, employees and agents performing under this Contract comply with the performance standards set forth in paragraphs A-E above.

5. TERM – The term of this Contract is from the date of execution of the Contract to July 31, 2026, unless further extended by amendment of this Contract in writing and signed by both parties, or terminated earlier. CONTRACTOR shall not submit any invoice for services performed under this Contract until the Contract is fully executed.

6. TERMINATION

- A. The DISTRICT may terminate this Contract at any time, at will, and without specifying any reason, by notifying CONTRACTOR in writing. The notice of termination shall specify the effective date of termination, which shall be no less than thirty (30) calendar days from the date of delivery of the notice of termination, as set forth in section 13, below, and shall be delivered in accordance with the provisions of section 13 below. Immediately upon receipt of the notice of termination, CONTRACTOR shall cease all services under this Contract, except such services as are specified in the notice of termination. CONTRACTOR shall deliver a final invoice for all remaining services performed but not billed, including any services specified in the termination notice, on or before ten (10) business days following the termination date.
- B. Either party may terminate this Contract for breach by the other party.
- i) Failure to perform any agreement or obligation contained in this Contract or failure to complete the services in a satisfactory manner shall constitute a breach of the Contract.
 - ii) The non-breaching party may terminate the Contract by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and the date by which such breach must be cured.
 - iii) If CONTRACTOR fails to perform any obligation under this Contract, DISTRICT at its sole discretion, may perform, or cause the performance, of the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the payment otherwise due to CONTRACTOR for work performed under this Contract. DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, CONTRACTOR under this Contract.
 - iv) The notice of breach shall be provided in accordance with the notice requirements set forth in section 13.
 - v) The non-breaching party reserves all rights under law and equity to enforce this Contract and recover any damages.

7. INSURANCE

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

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

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

8. INDEMNIFICATION

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

9. AGREEMENT TO PROVIDE SERVICES

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

C. Notwithstanding any other provision of this Contract to the contrary, DISTRICT shall have no obligation to order or purchase any services hereunder and the placement of any Task Order shall be in the sole discretion of DISTRICT. Without limiting the generality of the foregoing, the actual quantity of services to be purchased hereunder shall be determined by DISTRICT in its sole discretion and shall not exceed \$1,515,000. This Contract is not exclusive. CONTRACTOR expressly acknowledges and agrees that DISTRICT may purchase at its sole discretion, services that are identical or similar to the services described in this Contract from any third party.

10. TASK ORDERS – Each Task Order will specify the following items, as relevant: specific services requested, schedule for services, location where services are to be performed (with contact person), and cost or estimated cost of services. Each Task Order issued under this Contract shall be made part of, and be incorporated into this Contract, and shall reference this Contract on the face of each Task Order. Should any Task Order not conform to or satisfy the terms of this Contract, CONTRACTOR shall have five (5) business days after receipt to reject the Task Order. By not rejecting the Task Order within five (5) business days, CONTRACTOR will have accepted the Task Order. Acceptance by CONTRACTOR is limited to the provisions of this Contract and the Task Order. No additional or different provisions proposed by CONTRACTOR or DISTRICT shall apply. In addition, the parties agree that this Contract and accepted Task Orders constitute a contract for services and satisfy all statutory and legal formalities of a contract.

11. PRICING, INVOICES, AND PAYMENT

- A. DISTRICT shall pay CONTRACTOR for all services ordered and provided in compliance with the terms and conditions of this Contract and with Task Orders issued under this Contract.
- B. CONTRACTOR shall submit original invoices to DISTRICT in form and substance and format reasonably acceptable to DISTRICT. Each invoice, including supporting documentation, must be prepared on CONTRACTOR's letterhead; must list DISTRICT's contract number, applicable Task Order Number and Purchase Order Number, and CONTRACTOR's Federal Employer Identification Number; and must be submitted to: Bay Area Air Quality Management District, 375 Beale Street, Suite 600, San Francisco, CA 94105, Attn: Patricia Roman.
- C. DISTRICT's payment of invoices shall be subject to the following limitations and requirements:
 - i) Each invoice, including supporting documentation, shall include the period covered by the invoice, specify the total cost of the services for which the invoice is submitted, shall reference tasks completed, the hours associated with same, or percentage completion thereof, and the amount of charge claimed.
 - 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. Except as specifically set forth in Attachment A or in Task Orders under this Contract, DISTRICT shall not be responsible for any additional costs or expenses of any nature incurred by CONTRACTOR in connection with the provision of the services, including without limitation travel expenses, clerical or administrative personnel, long distance telephone charges, etc.
- E. CONTRACTOR represents, warrants and covenants that the prices, charges and fees for services set forth in this Contract (on the whole) are at least as favorable as the prices, charges and fees CONTRACTOR charges (on the whole) to other of its customers or clients for the same or substantially similar services provided under the same or substantially similar circumstances, terms, and conditions. If CONTRACTOR agrees or contracts with other clients or customers

similarly situated during the Term of this Contract, and offers or agrees to financial terms more favorable than those set forth herein (on the whole), CONTRACTOR hereby agrees that it will reduce the prices, charges and/or fees charged to DISTRICT in respect of the services hereunder to the most favorable rates received by those other clients or customers.

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

CONTRACTOR: ClearSparc
2906 Colby Avenue
Everett, WA 98201
Attn: Jonathan Roselle

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

15. EMPLOYEES OF CONTRACTOR

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

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

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

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

18. PUBLICATION

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

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

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

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

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

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

21. 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.
22. 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.
23. 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.
24. 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.
25. 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.
26. 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.
27. 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.
28. 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

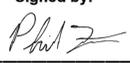
which together shall constitute the same contract. The parties may rely upon a facsimile copy or scanned copy of any party's signature as an original for all purposes.

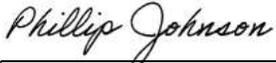
- 29. GOVERNING LAW – Any dispute that arises under or relates to this Contract shall be governed by California law, excluding any laws that direct the application of another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Contract, including mediation, shall be San Francisco, California.
- 30. 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.
- 31. SURVIVAL OF TERMS – The provisions of sections 8 (Indemnification), 16 (Confidentiality), 17 (Intellectual Property Rights), and 18 (Publication) shall survive the expiration or termination of this Contract.

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

BAY AREA AIR QUALITY
MANAGEMENT DISTRICT

CLEARSPARC

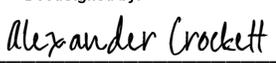
Signed by:

 By: _____
 Dr. Philip M. Fine
 Executive Officer/APCO


 By: _____
 Phil Johnson
 Co-Owner / Lead Developer

Date: 3/15/2025

Date: 03/13/2025

Approved as to form:

DocuSigned by:
 3/15/2025
 By: _____
 Alexander G. Crockett
 General Counsel

Attachment A
General Description of Services

Pursuant to Task Orders issued under the Contract, CONTRACTOR will collaborate with DISTRICT's Agile teams to implement best practices, optimize workflows, and ensure seamless integration of tools and technologies. CONTRACTOR will address evolving technical requirements through innovative development and proactive system management

Key services include software design, software development, and development operations services. Deliverables may include, but are not limited to, professional services to design, develop, and enhance software systems that meet DISTRICT's goals.

AMENDMENT NO. 1 TO
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
CONTRACT NO. 2024.228

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, January 28, 2026.

RECITALS:

1. The Bay Area Air Quality Management District ("DISTRICT") and **ClearSparc** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract for software design, software development, and development operations services (the "Contract"), which Contract was executed on behalf of CONTRACTOR on March 13, 2025, and on behalf of DISTRICT on March 15, 2025.
2. The PARTIES seeks to amend the term and total maximum cost of the Contract because the DISTRICT seeks to have CONTRACTOR continue providing the services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new total maximum cost.
3. The PARTIES also seek to amend the point of contact for DISTRICT because DISTRICT's point of contact has changed.
4. In accordance with Section 30 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

TERMS AND CONDITIONS OF CONTRACT AMENDMENT:

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 5, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now February 29, 2028.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph C of Section 9, "Agreement to Provide Services," of the Contract to replace "\$1,515,000" with "\$3,915,000."
3. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph B of Section 11, "Pricing, Invoices, and Payment," of the Contract to replace "Patricia Roman" with "John Chiladakis."

4. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 13, "Notices," of the Contract to replace DISTRICT's point of contact "Patricia Roman" with "John Chiladakis."
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

CLEARSPARC

By: _____
Dr. Philip M. Fine
Executive Officer/APCO

By: _____
Philip Johnson
Co-Owner / Lead Developer

Date: _____

Date: _____

Approved as to form:

By: _____
Alexander G. Crockett
General Counsel

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

MASTER SERVICES CONTRACT

CONTRACT NO. 2024.230

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 **DVBE Connect, Inc.** (“CONTRACTOR”) whose address is 400 Plaza Drive, Suite 102, Folsom, CA 95630.
2. **RECITALS**
 - A. DISTRICT is the local agency with primary responsibility for regulating stationary source air pollution in the Bay Area Air Quality Management District in the State of California. DISTRICT is authorized to enter into this Contract under California Health and Safety Code Section 40701. DISTRICT desires to contract with CONTRACTOR for Services as defined herein. DISTRICT is entering into this Contract based on CONTRACTOR’s stated qualifications to perform the Services.
 - B. CONTRACTOR manages and maintains software systems.
 - C. All parties to this Contract have had the opportunity to have this contract reviewed by their attorney.
3. **DEFINITIONS**
 - A. “Purchase Order” shall mean the written or electronic document used by DISTRICT to track payments to CONTRACTOR under this Contract.
 - B. “Services” shall mean the services to be provided by CONTRACTOR hereunder as generally described in the General Description of Services, attached hereto as Attachment A and made a part hereof by this reference, and as specifically described in Task Orders issued pursuant to this Contract.
 - C. “Task Order” shall mean a written request by DISTRICT for specific services to be performed by CONTRACTOR.
4. **PERFORMANCE REQUIREMENTS**
 - A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
 - B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and to pay all applicable fees.
 - C. CONTRACTOR shall comply with all laws and regulations that apply to its performance under this Contract, including any requirements to disclose potential conflicts of interest under DISTRICT’s Conflict of Interest Code.
 - D. CONTRACTOR shall not engage in any performance of work during the term of this contract that is in direct or indirect conflict with duties and responsibilities set forth in the Scope of Work.
 - E. CONTRACTOR shall exercise the degree of skill and care customarily required by accepted professional practices and procedures.
 - F. CONTRACTOR shall ensure that any subcontractors, employees and agents performing under this Contract comply with the performance standards set forth in paragraphs A-E above.

5. TERM – The term of this Contract is from the date of execution of the Contract to July 31, 2026, unless further extended by amendment of this Contract in writing, and signed by both parties, or terminated earlier. CONTRACTOR shall not submit any invoice for services performed under this Contract until the Contract is fully executed.

6. TERMINATION

- A. The DISTRICT may terminate this Contract at any time, at will, and without specifying any reason, by notifying CONTRACTOR in writing. The notice of termination shall specify the effective date of termination, which shall be no less than thirty (30) calendar days from the date of delivery of the notice of termination, as set forth in section 13, below, and shall be delivered in accordance with the provisions of section 13 below. Immediately upon receipt of the notice of termination, CONTRACTOR shall cease all services under this Contract, except such services as are specified in the notice of termination. CONTRACTOR shall deliver a final invoice for all remaining services performed but not billed, including any services specified in the termination notice, on or before ten (10) business days following the termination date.
- B. Either party may terminate this Contract for breach by the other party.
 - i) Failure to perform any agreement or obligation contained in this Contract or failure to complete the services in a satisfactory manner shall constitute a breach of the Contract.
 - ii) The non-breaching party may terminate the Contract by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and the date by which such breach must be cured.
 - iii) If CONTRACTOR fails to perform any obligation under this Contract, DISTRICT at its sole discretion, may perform, or cause the performance, of the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the payment otherwise due to CONTRACTOR for work performed under this Contract. DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, CONTRACTOR under this Contract.
 - iv) The notice of breach shall be provided in accordance with the notice requirements set forth in section 13.
 - v) The non-breaching party reserves all rights under law and equity to enforce this Contract and recover any damages.

7. INSURANCE

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

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

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

8. INDEMNIFICATION

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

9. AGREEMENT TO PROVIDE SERVICES

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

be in the sole discretion of DISTRICT. Without limiting the generality of the foregoing, the actual quantity of services to be purchased hereunder shall be determined by DISTRICT in its sole discretion and shall not exceed \$2,232,000. This Contract is not exclusive. CONTRACTOR expressly acknowledges and agrees that DISTRICT may purchase at its sole discretion, services that are identical or similar to the services described in this Contract from any third party.

10. TASK ORDERS – Each Task Order will specify the following items, as relevant: specific services requested, schedule for services, location where services are to be performed (with contact person), and cost or estimated cost of services. Each Task Order issued under this Contract shall be made part of, and be incorporated into this Contract, and shall reference this Contract on the face of each Task Order. Should any Task Order not conform to or satisfy the terms of this Contract, CONTRACTOR shall have five (5) business days after receipt to reject the Task Order. By not rejecting the Task Order within five (5) business days, CONTRACTOR will have accepted the Task Order. Acceptance by CONTRACTOR is limited to the provisions of this Contract and the Task Order. No additional or different provisions proposed by CONTRACTOR or DISTRICT shall apply. In addition, the parties agree that this Contract and accepted Task Orders constitute a contract for services and satisfy all statutory and legal formalities of a contract.

11. PRICING, INVOICES, AND PAYMENT

- A. DISTRICT shall pay CONTRACTOR for all services ordered and provided in compliance with the terms and conditions of this Contract and with Task Orders issued under this Contract.
- B. CONTRACTOR shall submit original invoices to DISTRICT in form and substance and format reasonably acceptable to DISTRICT. Each invoice, including supporting documentation, must be prepared on CONTRACTOR's letterhead; must list DISTRICT's contract number, applicable Task Order Number and Purchase Order Number, and CONTRACTOR's Federal Employer Identification Number; and must be submitted to: Bay Area Air Quality Management District, 375 Beale Street, Suite 600, San Francisco, CA 94105, Attn: Patricia Roman.
- C. DISTRICT's payment of invoices shall be subject to the following limitations and requirements:
 - i) Each invoice, including supporting documentation, shall include the period covered by the invoice, specify the total cost of the services for which the invoice is submitted, shall reference tasks completed, the hours associated with same, or percentage completion thereof, and the amount of charge claimed.
 - 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. Except as specifically set forth in Attachment A or in Task Orders under this Contract, DISTRICT shall not be responsible for any additional costs or expenses of any nature incurred by CONTRACTOR in connection with the provision of the services, including without limitation travel expenses, clerical or administrative personnel, long distance telephone charges, etc.
- E. CONTRACTOR represents, warrants and covenants that the prices, charges and fees for services set forth in this Contract (on the whole) are at least as favorable as the prices, charges and fees CONTRACTOR charges (on the whole) to other of its customers or clients for the same or substantially similar services provided under the same or substantially similar circumstances, terms, and conditions. If CONTRACTOR agrees or contracts with other clients or customers similarly situated during the Term of this Contract, and offers or agrees to financial terms more favorable than those set forth herein (on the whole), CONTRACTOR hereby agrees that it will

reduce the prices, charges and/or fees charged to DISTRICT in respect of the services hereunder to the most favorable rates received by those other clients or customers.

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

13. NOTICES – All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail or regular first class mail. In the case of e-mail communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail 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 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: Patricia Roman

CONTRACTOR: DVBE Connect, Inc.
400 Plaza Drive, Suite 102
Folsom, CA 95630
Attn: Jack Batchelor

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

15. EMPLOYEES OF CONTRACTOR
- A. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation leave, vacation replacements, sick leave, severance pay, and pay for legal holidays.

- B. CONTRACTOR, its officers, employees, agents, or representatives shall not be considered employees or agents of DISTRICT, nor shall CONTRACTOR, its officers, employees, agents, or representatives be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by DISTRICT to its employees.
- C. DISTRICT reserves the right to review the credentials to perform the services for any of CONTRACTOR's employees assigned herein and to disapprove CONTRACTOR's assignments. CONTRACTOR warrants that it will not employ any subcontractor(s) without prior written approval from DISTRICT.

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

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

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

18. PUBLICATION

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

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

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

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

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

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

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

21. 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.
22. 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.
23. 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.
24. 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.
25. 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.
26. 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.
27. 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.
28. 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.

29. 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.

30. 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.

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

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

BAY AREA AIR QUALITY
MANAGEMENT DISTRICT

DVBE CONNECT, INC.

By: 
98506AE9981D4CC
Dr. Philip M. Fine
Executive Officer/APCO

By: 
Chris Haney
Chief Executive Officer

Date: 2/26/2025

Date: 2/24/2025

Approved as to form:

By:  2/25/2025
Alexander G. Crockett
General Counsel

Attachment A
General Description of Services

Pursuant to Task Orders issued under the Contract, CONTRACTOR will collaborate with DISTRICT's Agile/Scrum development teams, program staff, and external partners to maintain and enhance DISTRICT's New Production System (NPS) and other core systems.

Key services include business analysis, quality assurance, user interface/user experience design, database management, and development operations, focusing on operational efficiency, accessibility, and infrastructure reliability. Deliverables may include, but are not limited to, detailed documentation, optimized workflows, testing frameworks, deployment processes, and performance metrics to ensure alignment with strategic goals and high system reliability.

AMENDMENT NO. 1 TO
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
CONTRACT NO. 2024.230

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, January 28, 2026, and consists of two (2) pages.

RECITALS:

1. The Bay Area Air Quality Management District ("DISTRICT") and **DVBE Connect, Inc.** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract maintain and enhance DISTRICT's New Production System and other core systems (the "Contract"), which Contract was executed on behalf of CONTRACTOR on February 24, 2025, and on behalf of DISTRICT on February 26, 2025.
2. The PARTIES seeks to amend the term and total maximum cost of the Contract because the DISTRICT seeks to have CONTRACTOR continue providing the services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new total maximum cost.
3. The PARTIES also seek to amend the point of contact for DISTRICT because DISTRICT's point of contact has changed.
4. In accordance with Section 30 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

TERMS AND CONDITIONS OF CONTRACT AMENDMENT:

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 5, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now February 29, 2028.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph C of Section 9, "Agreement to Provide Services," of the Contract to replace "\$2,232,000" with "\$5,632,000."
3. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph B of Section 11, "Pricing, Invoices, and Payment," of the Contract to replace "Patricia Roman" with "John Chiladakis."

4. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 13, "Notices," of the Contract to replace DISTRICT's point of contact "Patricia Roman" with "John Chiladakis."
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

DVBE CONNECT, INC.

By: _____
Dr. Philip M. Fine
Executive Officer/APCO

By: _____
Chris Haney
Chief Executive Officer

Date: _____

Date: _____

Approved as to form:

By: _____
Alexander G. Crockett
General Counsel

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: Authorization to Participate in the Climate Heat Impact Response Program

RECOMMENDED ACTION

Recommend that the Board of Directors:

1. Authorize the Air District's participation in the Climate Heat Impact Response Program and acceptance of fiscal year 2025-2026 program funds from the California Air Resources Board; and
2. Authorize the Executive Officer/APCO to enter into all agreements necessary to accept, obligate, and extend Climate Heat Impact Response Program funds.

The Policy, Grants and Technology Committee recommended this item at its meeting on February 18, 2026.

BACKGROUND

The purpose of the state's Climate Heat Impact Response Program (CHIRP) incentives is to mitigate the emissions caused by the use of backup generators and other power sources that are allowed to operate beyond their permitted or regulated limits during extreme heat events, such as a heatwave. To increase power supply and reduce demand on the electrical grid to avoid power outages, the Governor issues a proclamation of a state of emergency that allows the increased emissions. A majority of the increased emissions occur in disadvantaged communities affecting the most vulnerable populations. The CHIRP incentive program was established to fund mitigation projects that offset the increased emissions allowed by the proclamation.

The CHIRP incentive program was created through the Proclamation of a State of Emergency signed by Governor Gavin Newsom on July 30, 2021 (2021 Proclamation), which directed the California Air Resources Board (CARB) to develop a State-funded mitigation plan. Assembly Bill (AB) 205 (Chapter 61, Statutes of 2021) designated the California Energy Commission (CEC) to fund CHIRP mitigation. Funds were transferred to CARB in September 2025.

CHIRP incentives may be used to fund any project eligible under either the Carl Moyer Program or the Community Air Protection (CAP) Incentives program. This includes the full range of source categories and project types in both sets of program guidelines. In addition, CARB will consider alternative project proposals submitted by districts that fall outside of the Carl Moyer Program or CAP Incentives eligibility, provided they align with CHIRP objectives.

DISCUSSION

A total of approximately \$22.7 million in 2022 CHIRP funding was tentatively allocated by CARB to 26 air districts. Using air district data, allocations were based on a weighting of 35% CHIRP emissions data, 35% air quality severity, and 30% District population. The Bay Area Air District was tentatively allocated \$4,335,668.

On January 15, 2026, the Air District applied to CARB to accept the tentative allocation of 2022 CHIRP funding and any additional funding that may become available for fiscal year 2025-2026. This program does not require any local match requirement.

The Air District intends to meet CARB's requirements and CHIRP objectives by using these funds to develop and implement a program that reduces or mitigates emissions from diesel stationary backup generators with a focus on zero-emission alternatives. As required by CARB, the Air District will administer funds received through the CHIRP program in accordance with the administration requirements in Chapter 3, Program Administration, of the 2024 Carl Moyer Program Guidelines as required by CARB.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The revenue from CHIRP is expected to be at least \$4,335,668 and may be more depending on future availability of the \$22.7 million. Up to 12.5% of the funds received may be used by the Air District to pay administrative expenses related to the implementation of the program. These funds must be fully liquidated by June 30, 2033. If approved, the Air District would use existing staff and resources to administer these new monies.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Alona Davis and Adam Shapiro
Reviewed by: Arsenio Mataka

ATTACHMENT(S):

None

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: Public Hearing to Adopt Determination of Effectiveness of Transportation
Fund for Clean Air (TFCA) Project Expenditures for Fiscal Year Ending 2025

RECOMMENDED ACTION

Adopt a determination that the Fiscal Year Ending 2025 Transportation Fund for Clean Air 60% Fund expenditures were effective in improving air quality.

The Policy, Grants, and Technology Committee recommended approval of this item at its meeting on February 18, 2026.

BACKGROUND

In 1991, the California State Legislature authorized the Bay Area Air District (Air District) to impose a \$4 surcharge on motor vehicles registered within the nine-county Bay Area to fund projects that reduce on-road motor vehicle emissions. Since 1992, the Air District has allocated these funds to its Transportation Fund for Clean Air Program (TFCA) to fund eligible projects and programs. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 through 44242.

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

HSC Section 44241 requires that the Board of Directors (Board) hold a public hearing each year to review the Air District's expenditure of TFCA funds to determine their effectiveness in improving air quality. Additionally, the designated agencies are required to hold a public hearing each year to review their expenditure of TFCA funds.

DISCUSSION

The Fiscal Year Ending (FYE) 2025 Report on Expenditures and Effectiveness of Transportation Fund for Clean Air Regional Fund Projects and Air District-Sponsored Programs, found in Attachment 1, evaluated 15 TFCA Regional Fund projects and 5 Air District-sponsored programs that were completed prior to June 30, 2025. The key findings of this report are as follows:

- TFCA funds were allocated to eligible projects and programs, consistent with the legislation that authorizes the TFCA program
- TFCA expenditures totaled \$14.04 million, including \$8.61 million in Regional Fund projects, \$4.44 million in Air District-sponsored programs, and \$0.99 million in administrative and indirect costs
- About 72% of funds spent provided mobile source emissions reductions in Priority Areas [1]

[1] Priority Areas include communities that have been identified through the Assembly Bill (AB) 617 process (i.e., West Oakland and East Oakland in Alameda County, Richmond/San Pablo in Contra Costa County, and Bayview-Hunters Point in San Francisco), Senate Bill (SB) 535 disadvantaged communities (DAC), and AB 1550 low-income communities (LIC). Funds used for Administration and awarded to Air District-sponsored programs that reduce emissions region-wide (i.e., 24R01a, 24R01b, 24R02, and 24R03) were excluded from this calculation.

During their operational periods, the projects and programs reduced criteria pollutant emissions by an estimated 171.56 tons, which includes 65.59 tons of reactive organic gases (ROG), 49.47 tons of nitrogen oxides (NO_x), and 56.51 tons of particulate matter (PM₁₀) – and reduced carbon dioxide (CO₂) emissions by over 62,000 tons.

These projects and programs achieved a combined weighted average cost-effectiveness of \$71,467 per ton of criteria pollutant emissions reduced.

TFCA Cost-Effectiveness

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

BUDGET CONSIDERATION/FINANCIAL IMPACT

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

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Jason Newman

Reviewed by: Kenneth Mak, Minda Berbeco, Alona Davis, Anthony Fournier

ATTACHMENT(S):

1. TFCA Report on Expenditures and Effectiveness FYE 2025



FISCAL YEAR ENDING (FYE) 2025
REPORT ON EXPENDITURES AND EFFECTIVENESS OF THE
TRANSPORTATION FUND FOR CLEAN AIR (TFCA)
60% FUND

BAY AREA AIR DISTRICT

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

FEBRUARY 2026

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The Bay Area Air District

The California State Legislature created the Bay Area Air District (Air District) in 1955 as the first regional air pollution control agency in the country, recognizing that air pollution transcends political boundaries. The San Francisco Bay Area forms a regional air basin, sharing common geographical features and weather patterns, and therefore similar air pollution burdens, which cannot be addressed by counties acting on their own. The Air District is the public agency entrusted with regulating stationary sources of air pollution in the nine counties that surround San Francisco Bay: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, southwestern Solano, and southern Sonoma counties.

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

BACKGROUND

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

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

THE TRANSPORTATION FUND FOR CLEAN AIR

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

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

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

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

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

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

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

FYE 2025 SUMMARY

This report summarizes the *expenditures* and *effectiveness* of 15 Regional Fund projects and 5 Air District-sponsored programs that were completed¹ by June 30, 2025 that were not reviewed in previous reports.

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

Appendix A lists each of the Regional Fund projects and Air District-sponsored programs that were summarized as part of this report.

Key Report Findings for Board Effectiveness Determination

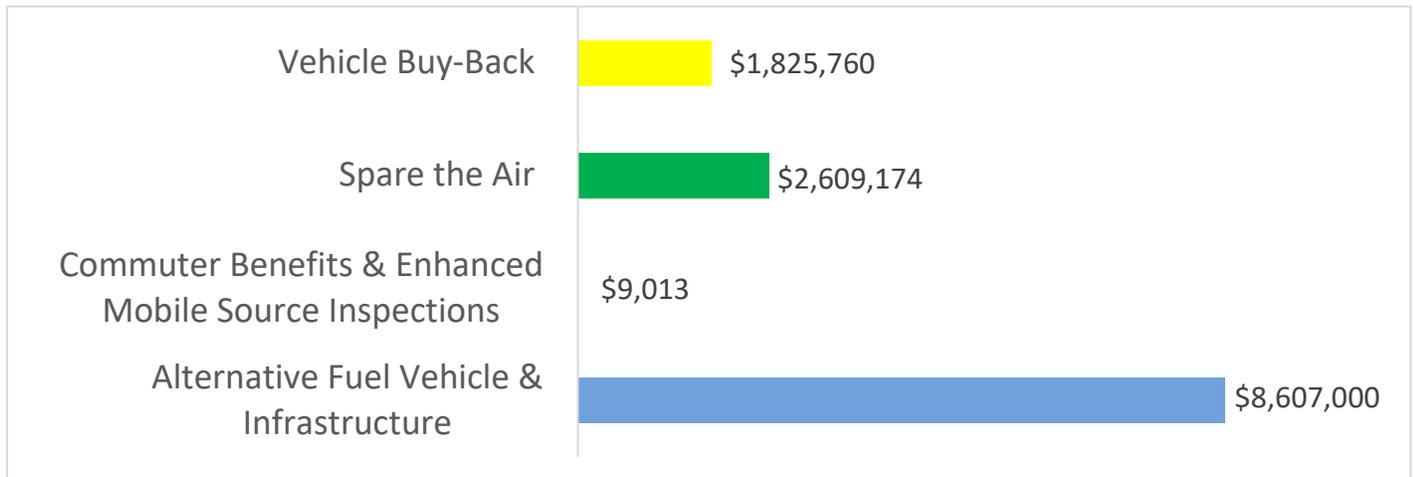
- TFCA funds were allocated to eligible projects and programs, consistent with the legislation that authorizes the TFCA program.
- The TFCA expenditures totaled \$14.04 million, including \$8.61 million in Regional Fund projects, \$4.44 million in Air District-sponsored programs, and \$0.99 million in administrative and indirect costs.
- About 72% of funds spent provided mobile source emissions reductions in Priority Areas.²
- During their operational periods, the projects and programs reduced criteria pollutant emissions by an estimated 171.56 tons, which includes 65.59 tons of reactive organic gases (ROG), 49.47 tons of nitrogen oxides (NO_x), and 56.51 tons of particulate matter (PM₁₀) – and reduced carbon dioxide (CO₂) emissions by over 62,000 tons.
- These projects and programs achieved a combined weighted average cost-effectiveness of \$71,467 per ton of criteria pollutant emissions reduced.

EXPENDITURES

The expenditure of these projects and programs totals approximately \$14.04 million, including \$4.44 million for the programs administered directly by the Air District, \$8.61 million in Regional Fund awarded to other organizations, and \$0.99 million in associated administrative and audit costs in FYE 2025. About 72% of funds expended supported air quality improvements in Priority Areas.² A summary of the expenditures for these TFCA Regional Fund projects and Air District-sponsored programs is shown in **Figure 1**.

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

Figure 1. Summary of FYE 2025 Expenditures



EFFECTIVENESS

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

The projects and programs discussed in this report are estimated to reduce criteria pollutant emissions over their operational periods by 171.56 tons. This total is the sum of ozone precursors (65.59 tons of ROG and 49.47 tons of NO_x) and particulate matter (56.51 tons of PM₁₀). These projects and programs will also reduce CO₂ emissions over their operational periods by an estimated 62,000 tons.³

The combined weighted-average cost-effectiveness of the projects and programs reported for FYE 2025 is \$71,467 per ton of criteria pollutant emissions reduced. The Board-adopted cost-effectiveness limits for these projects and programs range from \$250,000 to \$1,500,000 per ton of criteria pollutant emissions reduced depending on the project category and the year it was funded. It should be noted that some individual EV Charging projects were not cost-effective. These were projects predominantly in multi-family housing units and had other benefits that were taken into account as part of the evaluation, including location. However, the resulting combined weighted-average cost effectiveness of these projects and programs is more cost-effective than the average approved limit. These estimated emissions reductions are also conservative in that many projects continue to operate and reduce emissions even after their operational periods ended, so these have

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

the potential to reduce more emissions and hence be more cost-effective in reducing emissions than what is presented in this report.

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

Table 1: Emission Reductions and Cost-Effectiveness by Program Category for Projects and Programs Completed by the End of FYE 2025

Category	# of Projects	TFCA \$ Expended	% of TFCA \$ Expended	Emissions Reduced (tons) ^a	% of Emissions Reduced	Weighted Cost-Effectiveness (\$/ton) ^b
Bicycle Facilities	0	\$0	0%	0.00	0%	N/A ^c
Alternative Fuel Vehicle & Infrastructure	15	\$8,607,000	66%	0.99	1%	\$2,359,675
Commuter Benefits & Enhanced Mobile Source Inspections	2	\$9,013	1%	0.04	0%	not determined ^d
Spare the Air	1	\$2,609,174	19%	91.43	55%	\$26,127
Vehicle Buy-Back	2	\$1,825,760	14%	79.10	44%	\$23,080 ^e
Total for Projects and Programs^f	20	\$13,050,947	100%	171.56	100%	\$71,467
Administration		\$988,321				

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

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

(c) No Bicycle Facilities projects reported for FYE 2025

(d) Cost-effectiveness cannot be determined

(e) Only Vehicle Buy-Back Project expenditures were used in this calculation (Admail was excluded)

(f) Totals may vary due to rounding.

The combined weighted-average cost-effectiveness of the projects and programs reported in FYE 2025 is 46% lower than FYE 2024, meaning that the projects closed out in FYE 2025 were more cost-effective than the previous year. The variation of combined weighted-average cost-effectiveness from year to year is also due to different types of projects that were completed and included in the report each year.

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

Project #	Project Sponsor	Project Description	Weighted Cost-Effectiveness (per ton)	TFCA Funds Expended
23SBP51	St. Helena Unified School District Bus & Infrastructure	Co-funding for 2 EV School buses and associated infrastructure	N/A ^a	\$90,000
23MOY152	US Foods, Inc	Co-Funding for 23 EV Trucks replacements and associated infrastructure	N/A ^a	\$1,881,751
22SBP40	Franklin-McKinley School District	Co-Funding for 5 EV school bus units and associated infrastructure	N/A ^a	\$1,075,605
22SBP203	Oak Grove School District	Co-funding for 9 EV school buses and associated infrastructure	N/A ^a	\$3,474,877
2303-34378	Palo Alto Condominium Owners' Association	Install and operate 97 Level 2 (low) chargers at a multi-family housing facility in Palo Alto.	\$5,411,916	\$339,500
2303-34376	Green Water and Power	Install and operate 30 Level 2 (high) chargers at a multi-family housing facility in Oakland.	\$528,363	\$44,377
2302-33844	Grand Petroleum Inc	Install, and operate six DC Fast chargers at one Destination and two Transportation Corridor facilities in Campbell, Hayward, and Pleasant Hill.	\$2,339,882	\$190,000
2301-33229	Carmel Gardens Homeowners Association	Install and operate 18 Level 1 chargers at a multi-family housing facility in Burlingame.	\$22,470,906	\$31,390
2302-34214	1567 McAllister Street Homeowners Association	Install and operate 5 Level 2 (high) chargers at a multi-family housing facility in San Francisco.	\$1,352,979	\$17,500

2101-15735	EVgo Services LLC	Install and operate 36 DC Fast chargers at six Transportation Corridor facilities in Concord, Livermore, San Francisco, South San Francisco, and San Jose.	\$436,039	\$900,000
2103-17497	Ava Community Energy Authority	Install and operate 17 DCFC at a Transportation Corridor facility in Oakland.	\$436,039	\$425,000
2103-17345	City of San Ramon	Install and operate 2 Level 2 (high) dual port chargers and 2 DCFC at two Destination facilities in San Ramon.	\$293,659	\$44,000
2103-17359	The Shores at Marina Bay Association	Install and operate 2 Level 2 (high) single port chargers and 4 Level 2 (high) dual port chargers at a multi-family housing facility in Richmond.	\$1,529,124	\$48,000
18EV057	City of San Rafael	Install and operate 2 dual-port Level 2 (high) chargers and a 246,210 -watt solar array at a Destination facility in San Rafael.	\$283,903	\$13,000
17EV027	Santa Clara Valley Transportation Authority	Install and operate 8 dual-port Level 2 (high) chargers at a Transit Parking facility in San Jose.	\$229,307	\$32,000
15 Regional Fund Projects			Subtotal of Regional Fund Projects:	\$8,607,000

Project #	Project Sponsor	Project Description	Weighted Cost-Effectiveness (per ton)	TFCFA Funds Expended
25R01a	Bay Area Air District	FYE 2025 Commuter Benefits	N/A	\$0
25R01b	Bay Area Air District	FYE 2025 Enhanced Mobile Source Inspections	Not determined ^c	\$9,013
25R02a	Bay Area Air District	FYE2025 Admail for Vehicle Buy-Back	N/A	\$6,535
25R02b	Bay Area Air District	FYE 2025 Vehicle Buy-Back Projects	\$66,324	\$1,819,225
25R03	Bay Area Air District	FYE 2025 Spare the Air	\$26,127	\$2,609,174
5 Air District-Sponsored Programs			Subtotal of District Sponsored Projects:	\$4,443,947
23R00	Bay Area Air District	FYE 2025 Administration ^c	N/A	\$988,321
Subtotal of Administration Expenditures for Regional Fund Projects and Air District-Sponsored Programs:				\$988,321
			Grand Total:	\$14,039,268

(a) Emissions reduction benefits for co-funded projects are claimed by the Carl Moyer Program.

(b) Cost-effectiveness cannot be determined due to no survey responses.

(c) Sixty percent of the total administrative and audit costs expended in FYE 2025.

BOARD MEETING DATE: March 4, 2026

REPORT: Community Advisory Council

SYNOPSIS: The Community Advisory Council (CAC) held a special meeting on Friday, January 23, 2026. The following is a summary of the meeting.

RECOMMENDED ACTION:

This item is provided for the Board's information and awareness; no action is requested at this time.

CALL TO ORDER - ROLL CALL

The meeting Facilitator, Randolph Belle of Randolph Belle, Artist (RBA) Creative, called the Community Advisory Council in-person meeting to order at 9:33 a.m.

Roll Call:

Present, In Person: (Bay Area Metro Center, 375 Beale Street, Yerba Buena Room, San Francisco, CA, 94105): Council Members Sejal Babaria, Dominique Brooks, Adriana Fernandez-Arriaga, William Goodwin, Arieann Harrison, Patrick Messac, Cynthia Prieto-Diaz, Saidy Reyes Mazariegos, Kevin G. Ruano Hernandez, Violet Saena, Jeff Sanchez, Ken Szutu, Azjargal Tsogtsaikhan, and Latasha Washington.

Absent: Council Members Ms. Margaret Gordon, Dominick Ramirez, and Harsheet Subedi.

For additional details of the Community Advisory Council Meeting, please refer to the webcast, which can be found [here](#). Please use the webcast's index to view specific agenda items.

2. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

CONSENT CALENDAR

3. APPROVAL OF THE DRAFT MINUTES OF THE COMMUNITY ADVISORY COUNCIL MEETING OF NOVEMBER 20, 2025

Public Comments

No requests received.

Council Comments

None.

Council Action

Council Member Babaria made a motion, seconded by Council Member Harrison, to **approve** the Draft Minutes of the Community Advisory Council Meeting of November 20, 2025; and the motion **carried** by the following vote of the Council:

AYES: Babaria, Brooks, Harrison, Messac, Prieto-Diaz, Reyes Mazariegos, Ruano Hernandez, Saena, Szutu.
NOES: None.
ABSTAIN: Fernandez-Arriaga, Goodwin, Sanchez, Tsogtsaikhan.
ABSENT: Gordon, Ramirez, Subedi, Washington.

Motion Approved.

INFORMATIONAL ITEMS

4. **OVERVIEW OF THE BAY AREA AIR DISTRICT AND COMMUNITY ADVISORY COUNCIL PURPOSE AND PROCEDURES**

a) Welcome and Introductions

Arsenio Mataka, Deputy Executive Officer of Equity and Community Programs, and Diana Ruiz, Acting Director, Environmental Justice Division, gave the staff presentation *Welcome and Introductions*, including: overview of meeting goals, morning session, and afternoon session; and Council Member introductions.

The Council members each introduced themselves, including the geographic area they represent, and whether they were new, returning, or continuing members.

b) Overview of the Air District

Viet Tran, Deputy Executive Officer of Public Affairs, gave the staff presentation *Overview of the Air District*, including: history and jurisdiction; mission and vision; Air District Board of Directors; Community Advisory Council and Advisory Council; Hearing Board; Air District organizational structure; Legal Office; Equity & Community Programs; Policy & Science; Engineering & Compliance and Public Affairs; Finance & Administration and Information Technology Governance; Air District funding sources; Strategic Plan: Setting Direction for the next five years; and Strategic Plan overview.

Council Comments

The Council and staff discussed the current Air District Board appointee from the San Francisco Mayor's Office; where the Air District's Hearing Board meetings occur; the current number of Air District inspectors and how many more inspectors may be hired within the next budget cycle; whether the Air District's work may be affected by shifts in federal-level priorities; how penalties fit into the Air District's funding sources; identification of Air District staff in the room that were not listed in the presentation; the manner in which the Air District directs penalty and mitigation funds back into communities impacted by air quality violations; and the distinction between the Air District's role of regulating pollution and the act of preventing it altogether.

c) Role of the Community Advisory Council

Dr. Philip M. Fine, Executive Officer/APCO, gave the staff presentation *Role of the Community Advisory Council*, including: background on the CAC's formation; CAC's role in providing recommendations; and expectations of CAC members.

Council Comments

The Council and staff discussed appreciation for the Air District's advocacy for continued Assembly Bill (AB) 617 funding; the manner in which other regulatory bodies are involved with the Air District; the desire for the Board to receive input from environmental justice advocates to the same extent as it does from industry representatives; the request to agendize the Council Members' goals and recommendations (policies); which entity/agency regulates indoor air quality; whether the Air District has a relationship with the Hunters Point Naval Shipyard; and how to balance the Council Members' local concerns with their role on the Council.

THE COUNCIL RECESSED AT 11:03 A.M, AND RESUMED AT 11:15 A.M.

NOTED PRESENT: Council Member Washington was noted present at 11:06 a.m.

d) Ralph M. Brown Act Training

Heather M. Minner, of Shute, Mihaly & Weinberger LLP, gave the presentation *Presentation on Open Meeting Laws to the Community Advisory Council*, including: my work; Ralph M. Brown Act; the heart of the Brown Act; what is a meeting; impermissible serial meetings; daisy chain serial meetings; hub and spoke serial meetings; contrast: individual briefings; impermissible serial meetings; open and public meetings: noticed agenda; meetings *not* subject to the Brown Act; open and public meetings: written materials and public comment; remote participation (traditional teleconference, just cause, and Americans With Disabilities Act accommodations); and consequences for violations.

Council Comments

The Council and staff discussed whether Air District staff conducting polls of Council Members and sharing the responses violates the Brown Act; concerns about the perception that elected officials (city and county-level) regularly violate the Brown Act; what constitutes a governing body; concerns that the Brown Act operates under restrictions that effectively limit open expression; whether the Air District's Board of Directors is also governed by the Brown Act; concerns about the frequency of CAC meetings, and staff-enforced restrictions on how much Council Members may comment at those meetings; concerns about how to avoid serial meetings, especially pertaining to use of social media; the request for a training on how to effectively accomplish tangible goals under the governance of the Brown Act; remote meeting participation requirements; whether Council Members may comment on public comments that are given at CAC meetings (what constitutes as "brief remarks"); which entity determines the duration that an ad hoc committee of the CAC will operate, and what next steps can be taken when an ad hoc committee wishes to continue its work for a long period of time; concerns regarding the lack of communication (and perceived intentional separation) between the CAC and Board of Directors; and the process for proposing amendments to the Brown Act.

e) Community Advisory Council Operating Procedures & Commitments

Amy Smith, Senior Staff Specialist in the Environmental Justice Division, gave the staff presentation *CAC Operating Procedures and Commitments*, including: Board, committee, and CAC meetings at a glance; CAC meetings and project participation; CAC meeting attendance; CAC meeting compensation; CAC meeting agreements; CAC leadership and Co-Chair elections; CAC agenda and materials procedures; CAC email communication procedures; websites and online resources; stay connected to the Air District; and CAC homepage.

Council Comments

The Council and staff discussed CAC leadership qualifications, requirements, and challenges to eligibility; whether the Air District's "Open Air" interactive data dashboard (forthcoming) work group is accepting more CAC participants, and other ways in which Council members may participate; questions about CAC meeting compensation; the status of currently active CAC ad hoc committees; CAC attendance requirements; the number of CAC ad hoc committees that Air District staff can support at this time; and the number of current working groups created by the Air District.

Public Comments on Item 4

No requests received.

Council Action

No action taken.

THE COUNCIL RECESSED AT 1:00 P.M, AND RESUMED AT 1:47 P.M.

5. UNDERSTANDING AIR QUALITY AND ENVIRONMENTAL JUSTICE APPROACHES TO SERVING ON A COUNCIL

a) Air Pollution Basics

Tim Dye of the Bay Air Center gave the presentation *Community Advisory Council Air Quality Training*, including: agenda; about the Bay Air Center; Coalition for Clean Air; air pollution basics; what's in our air; air quality; air pollution's impact; where does air pollution come from; sources of pollution; emission categories (stationary, mobile, others); outdoor air pollutants; criteria air pollutants; toxic air contaminants (TAC); others: components of pollutants; what happens once pollutants are in the air; pollutants and weather and geography; exposure and health effects; exposure; exposure varies across the Bay Area; health effects; emissions to health effects; understanding air quality in the Bay Area; community lived experience; air monitoring; types of air monitoring; uses for air monitoring data; air monitoring – reporting concentration, data averaging; emission measurements and inventories; air modeling; understanding air quality; education, outreach, alerts, and advisories; Air Quality Index (AQI); AirNow Fire and Smoke map; Bay Area Air District emission inventory data; where do you get your air monitoring data; roles of federal, state, and local agencies in reducing air pollution; what are government agencies doing; and how does the Air District reduce pollution (regulatory actions and voluntary actions).

Council Comments

The Council and staff discussed whether Diesel Particulate Matter (PM) can be detected by monitors that measure PM_{2.5}; whether the CAC or any of its ad hoc committees ever have joint meetings with committees of the California Air Resources Board; which entity regulates indoor air quality, and whether the Bay Air Center gives presentations about reducing pollutants inside homes; the exposure impacts to people who work inside Air District-permitted facilities; whether the Air District has studied correlations between air quality and heat waves (impact of climate change in impacted communities); whether fog can carry or concentrate air pollutants; the accuracy and reliability of air quality monitors; whether permitted facilities are required to install air quality monitors at or adjacent to their operation sites; correlations between fugitive dust particles for earth-moving operations and eyesight; the suggestion of assessing the Air District's existing air quality monitoring equipment and publishing updated, more accurate data (if any) for the public and stakeholders; types of air quality testing that occurs at permitted facilities; details regarding the Air District's Community Air Quality Investigations Mobile Air Monitoring Van (its capabilities and the frequency of its

utilization); concerns about permitted facilities' current ability to self-report air quality data; the desire for increased monitoring stations in overburdened communities; what tool determines the Air Quality Index levels in AirNow; whether resources tied to the Environmental Protection Agency are going to be consistent or defunded; and outreach methods for the Air District's Spare the Air programs.

THE COUNCIL RECESSED AT 3:13 P.M, AND RESUMED AT 3:26 P.M.

b) Making the Most of Serving on the Community Advisory Council

Dr. Joe Lyou of the Coalition for Clean Air gave the presentation *Making the Most of Serving on the Community Advisory Council*, including: what you'll learn; what does success look like; what are the characteristics of effective advisory groups; what are the characteristics of effective recommendations; what are the best ways to work with Air District staff and Board members; and what you learned.

Public Comments

No requests received.

Council Comments

The Council and staff discussed the ways in which the CAC could most effectively and efficiently make recommendations to the Air District's Board of Directors; how the CAC votes on its goals and priorities; desire to empower the communities that the Council Members serve by transferring knowledge that is acquired from being a member of the CAC, and distinctions between advocacy and advising; the request that the CAC reviews the Air District's permitting process and how facilities' emissions thresholds are evaluated; and whether the Air District publishes profiles of each county's emissions.

Council Actions

No action taken

OTHER BUSINESS

6. COUNCIL MEMBER COMMENTS

Council Member Messac requested to agendaize (for the CAC's March 19, 2026, meeting) the consideration of the creation of an ad hoc committee that utilizes case study methodology to study permitting. He said that he would prefer that Neptune Society Crematorium (in East Oakland) be the case study, and the ad hoc committee could look at the community engagement process around permitting, cumulative impacts, Best Available Control Technology requirements, and emission limits and verification.

Council Member Prieto-Diaz recommended elevating social gatherings (community outreach) in impacted communities, utilizing Council Members as ambassadors of the Air

District (tabling at community events and health fairs) with the objective of bringing more members of the public to the CAC's meetings.

Council Member Arriaga asked who, besides Air District staff and the Council Members, attend the CAC's meetings, as observers.

Council Member Szutu requested to agendize the consideration of the creation of an ad hoc committee that would set goals for the CAC, identify community concerns, and target easy, high-return, or readily available opportunities first, to prove that the CAC is useful and a resource for the community. Council Member Babaria, who had requested to agendize the Council Members' goals and priorities earlier in the meeting, confirmed that this request satisfied her request as well.

7. TIME AND PLACE OF NEXT MEETING

Thursday, March 19, 2026, at 6:00 p.m. The meeting will be held in-person at Juntos Fruitvale at 3357 International Boulevard, Oakland, CA 94601. Members of the CAC and the public will be able to either join in-person or via webcast.

Adjournment

The meeting was adjourned at 4:43 p.m.

Attachments

- #3 – Approval of the Draft Minutes of the Community Advisory Council Meeting of November 20, 2025
- #4 – Overview of the Air District; Role of the Community Advisory Council; Ralph M. Brown Act Training; Community Advisory Council Operating Procedures & Commitments
- #5 – Understanding Air Quality And Environmental Justice Approaches to Serving on a Council; air pollution basics; Making the Most of Serving on the Community Advisory Council

BOARD MEETING DATE: March 4, 2026

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee (Committee) held a meeting on Wednesday, February 11, 2026. The following is a summary of the meeting.

RECOMMENDED ACTION:

This item is provided for the Board's information and awareness; no action is requested at this time.

Ken Carlson, Chair
Stationary Source Committee

KC:mh

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

Roll Call:

Present, In-Person (Bay Area Metro Center, 1st Floor Yerba Buena Room, 375 Beale Street, San Francisco, CA 94105): Chairperson Ken Carlson; and Director Tyrone Jue.

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

Present, In-Person Satellite Location: (San Mateo County Board of Supervisors' Office, 5th Floor, 500 County Center, Redwood City, CA 94063): Director Ray Mueller.

Present, In-Person Satellite Location: (City of San Bruno, 567 El Camino Real, Room 138, San Bruno, CA 94066): Director Rico E. Medina.

Present, In-Person Satellite Location: (Pittsburg City Hall, 65 Civic Ave., Room, 301A, Pittsburg, CA 94565): Director Dionne Adams.

Present, In-Person Satellite Location: (Office of Santa Clara County, 70 W. Hedding St, 10th Floor Conference Room, San Jose, CA 95110): Director Otto Lee.

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

Absent: Vice Chairperson John Gioia; and Director Hopkins.

For additional details of the Stationary Source Committee Meeting, please refer to the webcast, which can be found [here](#). Please use the webcast's index to view specific agenda items.

CONSENT CALENDAR

3. APPROVAL OF THE DRAFT MINUTES OF THE STATIONARY SOURCE COMMITTEE MEETING OF DECEMBER 10, 2025

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Haubert made a motion, seconded by Director Lee, to **approve** the Draft Minutes of the Stationary Source Committee meeting of December 10, 2025; and the motion **carried** by the following vote of the Committee:

AYES: Adams, Carlson, Haubert, Jue, Lee, Medina, Quinto, Young.
NOES: None.
ABSTAIN: None.
ABSENT: Gioia, Hopkins, Mueller.

INFORMATIONAL ITEMS

4. UPDATE ON REGULATION 9, RULE 6 - OPTIONS FOR DEFINING LOW-INCOME QUALIFIED FOR AFFORDABILITY AMENDMENTS

Amy Dao, Acting Advanced Projects Advisor, gave the staff presentation *Rule 9-6: Options for Defining Low-Income Qualified for Affordability Amendments*, including: outline; building nitrogen oxides (NOx) emissions overview; health benefits overview; upcoming implementation timelines; overview of Draft Flexibility Concept Paper; low-income definitions; income thresholds for 2, 3, and 4-person households; number of owner-occupied households by 4-person household income thresholds; housing cost burden in the Bay Area; incremental costs and available incentives; incremental costs and incentives need; incentives; February 2026 updated flexibility concepts OPTION A: Income-Qualified Property Owners, and OPTION B: Income-Qualified Property Owners; potential exemptions expected from proposed income-qualified property owners concept; considerations for discussion; and additional steps.

NOTED PRESENT: Director Mueller was noted present at 10:07 a.m.

Public Comments

Public comments were given by Mark Williams Jr., Environmental Justice League (ELJ); Kerry O'Banion; Owen Grimsich, 1-888-HEAT-PUPMS; Chris Fe'Ao, 1-888-HEAT-PUMPS; Jed Holtzman; Gerard Manning, Burlingame resident; Nancy Haber, San Francisco resident; Wendy Chou, Acterra; John McKenna, Menlo Park resident; Fernando Gaytan, Earthjustice; Colleen Corrigan, Oakland resident; Sara Greenwald, San Francisco resident; Dohee K., Local Clean Energy Alliance; Olga Mandrussow; Tony Sirna, Evergreen Action; Daphney Saviotti-Orozco, San Francisco Bay Physicians for Social Responsibility; Julie Lindow, San Francisco Bay Physicians for Social Responsibility; <name inaudible>, Sierra Club; Melissa Yu, San Francisco resident; David Stark, Bay East Association of Realtors; Michael Corbett, Bradford White; Dash Leeds, Sierra Club; Randy Breunling, San Jose resident; Patrick Messac; Kristel Wickham; Angela Evans, Menlo Spark; Dr. Claire Broome, 350 Bay Area; Bruce Hodge, Carbon Free Palo Alto; Kathy Kerridge, Benicia resident; Jan Warren, Interfaith Climate Action Network of Contra Costa County; Lisa Badenfort, North Bay Association of Realtors; Joel Ervice, Regional Asthma Management & Prevention; David Moller, Marin Electrification Council; Mani Bekele, Silicon Valley Youth Climate Action; Mars Keith, Sierra Club; Tom Kunhardt; Dr. Jean Woo; Rebecca Franke; Brian Schmidt, Menlo Spark; Jocelyn Anaya Galvan, Menlo Spark; Meron Lemmi, Rocky Mountain Institute; Robert Mayo, Mountain View resident; Jonny Kocher, Oakland resident; Connie Miller, Santa Clara County resident; Ananda Sweet, Santa Rosa Metro Chamber of Commerce; Sven Thesen, National Charging Access Coalition; Mary Dateo, Mountain View resident; Tom Kabat, Menlo Park resident; Fernando Pena, San Mateo County Association of REALTORS; Joanna Falla, Palo Alto resident; Dennis Murphy, Acterra; Carlene Cullen, Cool the Earth; and Hon. Igor Tregub, City of Berkeley.

Committee Comments

The Committee and Air District staff discussed the Air District's definition of "incremental costs", and whether that includes upgrading electrical panels; the suggestion of considering exemptions based on the costs of projects only; the belief that the Air District's estimated incremental costs for compliant heat pump water heaters are not representative, and the request for the Air District's calculations that resulted in the estimated incremental costs; the anticipated number of Bay Area households that would qualify for low-income qualified exemptions; concerns or desires for pre-emptive self-attestations for exemption, prior to appliance failure, in order to speed up the exemption and purchase process; concerns that the Air District does not have adequate funds to provide the incentives needed, and the concern that the public will perceive that the Air District is now renegeing on absorbing the costs for low-income households; targeted outreach in low-income areas of the Bay Area, and whether there are reactions from low-income communities; the fact that area median income levels vary by jurisdiction, and whether to consider Federal Poverty levels instead; the concern that providing exemptions for low-income households would be inconsistent with the broader goals for advancing environmental quality and public health in disadvantaged communities (reinforce existing inequities and prolong exposure to unhealthy air quality); concerns with Option A (the desire for a low-friction process), and what guard rails would be needed to successfully implement Option B; concerns about data validity and misinterpreting costs;

the desire for the Board to consider this issue prior to May 2026; whether polling the general public would be a valuable use of money and time, as it could potentially affect Board action (delaying implementation); whether the original implementation schedule should remain in place, or be delayed; and the desire for datasets regarding incentive gaps.

Committee Action

No action taken.

5. UPDATE ON POLICY DEVELOPMENT FOR SOCIOECONOMIC ANALYSES IN AIR DISTRICT RULEMAKING

Leonid Bak, Economist/Senior Advanced Projects Advisor, gave the staff presentation *Update on Policy Development for Socioeconomic Analyses in Air District Rulemaking*, including: background and purpose; areas and topics of alignment; areas and topics for further discussion; and next steps.

Public Comments

Public comments were given by Tim Sbranti, Contra Costa Building and Construction Trades Council; Mark Williams Jr., EJL; Randy Breunling, San Jose resident; and Jed Holtzman.

Committee Comments

The Committee and Air District staff discussed how the Air District plans to continue to work with the building trades and EJ activists on this policy; whether the Air District plans to include an analysis of impacts by income and ethnicity; the anticipated timeline of policy adoption and implementation; whether there are pre-defined methodologies that already exist; and examples of (any) air district regulations that have resulted in gender-differentiated impacts.

NOTED PRESENT: Director Gioia was noted present at 12:50 p.m.

Committee Action

No action taken.

OTHER BUSINESS

6. PUBLIC COMMENT ON NON-AGENDA MATTERS

Public comments were given by Katrina Tomas, Earthjustice; and Colleen Fitzgerrell, Earthjustice.

7. COMMITTEE MEMBER COMMENTS

None.

8. TIME AND PLACE OF NEXT MEETING

Wednesday, March 11, 2026, at 10:00 a.m. The meeting will be held in-person at the Bay Area Metro Center and at satellite locations as may be specified on the meeting agenda using a remote teleconferencing link. Members of the Stationary Source Committee and the public may attend at any of those in-person locations, and members of the public may also attend virtually via webcast.

The meeting was adjourned at 1:02 p.m.

Attachments

- #3 – Approval of the Draft Minutes of the Stationary Source Committee Meeting of December 10, 2025
- #4 – Update on Regulation 9, Rule 6 - Options for Defining Low-Income Qualified for Affordability Amendments
- #5 – Update on Policy Development for Socioeconomic Analyses in Air District Rulemaking

BOARD MEETING DATE: March 4, 2026

REPORT: Community Equity, Health, and Justice Committee

SYNOPSIS: The Community Equity, Health, and Justice Committee (Committee) held a meeting on Wednesday, February 11, 2026. The following is a summary of the meeting.

RECOMMENDED ACTION:

This item is provided for the Board's information and awareness; no action is requested at this time.

John Gioia, Chair
Community Equity, Health, and Justice Committee

JG:mh

Community Equity, Health, and Justice (Committee) Chairperson, John Gioia, called the meeting to order at 1:22 p.m.

Roll Call:

Present, In-Person (Bay Area Metro Center, 375 Beale Street, 1st Yerba Buena Room, San Francisco, CA, 94105): Directors Linda Sell and Shamann Walton.

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

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

Present, In-Person Satellite Location: (Pittsburg City Hall, 65 Civic Ave., Room, 301A, Pittsburg, CA 94565): Vice Chairperson Dionne Adams.

Present, In-Person Satellite Location: (Solano County Administration Building, 675 N. Texas St. Room A168, Fairfield, CA 94533): Director Monica Brown.

Absent: Director Noelia Corozo.

For additional details of the Community Equity, Health, and Justice Committee Meeting, please refer to the webcast, which can be found [here](#). Please use the webcast's index to view specific agenda items.

CONSENT CALENDAR

3. **APPROVAL OF THE DRAFT MINUTES OF THE COMMUNITY EQUITY, HEALTH, AND JUSTICE COMMITTEE MEETING OF NOVEMBER 12, 2025**

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Walton made a motion, seconded by Director Brown, to approve the Draft Minutes of the Community Equity, Health, and Justice Committee Meeting of November 12, 2025; and the motion carried by the following vote of the Committee:

AYES: Adams, Brown, Gioia, Gallagher, Sell, Walton, Young.
NOES: None.
ABSTAIN: None.
ABSENT: Corzo.

INFORMATIONAL ITEMS

4. **UPDATE ON THE EAST OAKLAND AIR MONITORING PROJECT**

Adele Watts, NorCal Program Co-Director for Communities for a Better Environment, and Dan Alrick, Principal Air and Meteorological Monitoring Specialist in the Meteorology and Measurement Division, gave the presentation *Updates on the East Oakland Air Monitoring Project*, including: overview; project motivation; Particulate Matter (PM)_{2.5} Sensor Network – purpose, recruitment, installation, ongoing outreach, and data examples; mobile air monitoring – purpose, capabilities, project design, current status, and using the data; project next steps; and funding acknowledgment.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the manner in which the data from the community-based sensor network and the Air District's air monitoring van are being interpreted and provided to the public, in real-time; next steps after areas that have higher levels of emissions are identified by the Air District; and appreciation for bringing the Air District's monitoring the van to the January 28, 2026 Board Retreat.

Committee Action

No action taken.

5. BAY AREA REGIONAL EVALUATION OF AIR TOXICS AND HEALTH EFFECTS

Dr. Andrea Polidori, Deputy Executive Officer of Science, gave the staff presentation *Study Proposal: Bay Area Regional Evaluation of Air Toxics and Health Effects: B(A)REATHE*, including: criteria pollutants; air toxics pollutants; ambient air monitoring; air toxics efforts in the Bay Area; South Coast Air Quality Management District's Multiple Air Toxics Exposure Study (MATES) Program; MATES V: summary of results; proposed B(A)REATHE Study (site selection, continuous monitoring, emission inventory, modeling, and health effects, proposed Budget (Fiscal Year (FY) 2027), cost breakdown, potential timeline, and strengths and benefits.

Public Comments

Public comments were given by Peter Okurowski, California Council for Environmental and Economic Balance.

Committee Comments

The Committee and staff discussed why the proposed budgetary options sometimes include the San Pablo station; the importance of the placement of air toxics monitoring instruments; the manner in which the Air District models air pollution in areas in which monitoring air quality is not currently feasible; the reasons for the varying budget (option) costs; whether any policy changes occurred as the result from the South Coast Air Quality Management District's Multiple Air Toxics Exposure Study (MATES) Program; and the request or an explanation of future site recommendations.

Committee Action

No action taken.

OTHER BUSINESS

6. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

7. COMMITTEE MEMBER COMMENTS

None.

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

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

- Kimberly Leefatt started on Monday, February 9 as the Air District's Civil Rights Officer. See the press release [here](#).
- In recognition of Black History Month, the Air District is hosting a conversation with Dr. Cornel West on environmental justice, the unequal impacts of air pollution, and their connection to social and economic inequity. This will take place on February 26, 2026, at 3pm, via Zoom. This event is not open to the public.
- Upcoming Assembly Bill 617 Community Steering Committee (CSC) meetings:
 - The East Oakland CSC voted on Thursday, February 5, to approve its Draft Community Emissions Reduction Plan. The draft plan will move to the Board's Community Equity, Health, and Justice Committee in March for consideration, and then to the Board of Directors.
 - The upcoming Bay View Hunters Point CSC meeting is scheduled for February 17, 2026, at 5:00 p.m. Meeting details are available on the Air District Calendar of Events.

9. TIME AND PLACE OF NEXT MEETING

Wednesday, March 11, 2026, at 1:00 p.m. The meeting will be held in-person at the Bay Area Metro Center and at satellite locations as may be specified on the meeting agenda using a remote teleconferencing link. Members of the Community Equity, Health, and Justice Committee and the public may attend at any of those in-person locations, and members of the public may also attend virtually via webcast.

The meeting was adjourned at 2:36 p.m.

Attachments

#3 – Approval of the Draft Minutes of the Community Equity, Health, and Justice Committee Meeting of November 12, 2025

#4 – Update on the East Oakland Air Monitoring Project

#5 – Bay Area Regional Evaluation of Air Toxics and Health Effects

BOARD MEETING DATE: March 4, 2026

REPORT: Policy, Grants, and Technology Committee

SYNOPSIS: The Policy, Grants, and Technology Committee (Committee) held a meeting on Wednesday, February 18, 2026. The following is a summary of the meeting.

RECOMMENDED ACTION:

This item is provided for the Board's information and awareness; no action is requested at this time.

Vicki Veenker, Chair
Policy, Grants, and Technology Committee

VV:mh

Opening Comments: Policy, Grants, and Technology Committee (Committee) Chairperson, Vicki Veenker, called the meeting to order at 10:01 a.m.

Roll Call:

Present, In-Person (Bay Area Metro Center (375 Beale Street, 1st Floor Board Room, San Francisco, California, 94105): Committee Chairperson Vicki Veenker; Vice Chair González; Director Ken Carlson and Noelia Corzo.

Present, In-Person Satellite Location (Office of Santa Clara County, 70 W. Hedding St., 10th Floor Conference Room, San Jose, CA 95110): Director Margaret Abe-Koga.

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

Present, In-Person Satellite Location (San Mateo County Board of Supervisors, 500 County Center, 5th Floor, Redwood City, CA 94063): Director Ray Mueller.

Present, In-Person Satellite Location (City of San Bruno, 567 El Camino Real, Room 138, San Bruno, CA 94066): Director Rico E. Medina.

Absent: Directors Brian Colbert, Joelle Gallagher, and Mark Salinas.

For additional details of the Policy Grants, and Technology Committee Meeting, please refer to the webcast, which can be found [here](#). Please use the webcast's index to view specific agenda items.

CONSENT CALENDAR (ITEMS 3 – 4)

3. **Approval of the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of December 17, 2025**

The Committee considered approving the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of December 17, 2025.

4. **Authorization to Participate in the Climate Heat Impact Response Program**

The Committee considered recommending that the Board of Directors (i) authorize the Air District's acceptance of Climate Heat Impact Response Program funds and participation in the program, and (ii) authorize the Executive Officer/APCO to enter into all necessary agreements to accept, obligate, and expend these funds.

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Carlson made a motion, seconded by Vice Chair González, to **approve** Consent Calendar Items 3 – 4; and the motion **carried** by the following vote of the Committee:

AYES: Abe-Koga, Carlson, Corzo, González, Medina, Mueller, Tam, Veenker.
NOES: None.
ABSTAIN: None.
ABSENT: Colbet, Gallagher, Salinas.

ACTION ITEMS

5. **2026 LEGISLATIVE PLATFORM AND STATE AND FEDERAL LEGISLATIVE UPDATES**

Alan Abbs, Legislative Officer, gave the staff presentation *2026 Legislative Platform and State and Federal Legislative Updates*, including: abbreviations; recommended actions; recommended action #2 (State and Federal legislation); proposed 2026 Legislative Platform – State Budget, State legislation, Federal legislation and regulatory activity; State legislative updates – 2026 Legislative Session, Board-approved-position bills: Senate Bill (SB) 222 (Wiener), Assembly Bill (AB) 907 (Chen), Air District staff recommendations: AB 1777 (Garcia), additional bills for discussion; Federal legislative updates – Air District staff recommendations: House of Representatives (H.R.) 161 (Griffith-R-VA-9), H.R. 4214 (Allen-R-GA-12), H.R. 4218 (Carter-R-GA-1), H.R. 6387

(Evans-R-CO-8) **Note: Mr. Abbs pulled this bill for consideration during his presentation**; H.R. 6409 (Pfluger-R-TC-11), additional bills for discussion; and recap of recommended actions.

Public Comments

Public comments were given by Roger Lin, Center for Biological Diversity.

Committee Comments

The Committee and Air District staff discussed whether any climate superfunds have been introduced during the 2025 California Legislative Session thus far; how environmental regulation is currently being viewed by policymakers at the State: manufacturing facilities; and concerns regarding the US Environmental Protection Agency's recent rescission of the 2009 Greenhouse Gas Endangerment Finding, and the request for a chart that can explain to the full Board the endangerment finding process.

Committee Action

Vice Chair González made a motion, seconded by Director Carlson, to recommend the Board **adopt** the proposed 2026 Legislative Platform, and (ii) **adopt** positions on pending state and federal legislative bills where appropriate, including, but not limited to the following Air District staff recommendations:

State Legislation:

- Support Assembly Bill 1777 (Garcia)

Federal Legislation:

- Oppose House of Representatives Bill 161 (Griffith-R-VA-9)
- Oppose House of Representatives Bill 4214 (Allen-R-GA-12)
- Oppose House of Representatives Bill 4218 (Carter-R-GA-1)
- Oppose House of Representatives Bill 6409 (Pfluger-R-TX-11)

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

AYES: Abe-Koga, Carlson, Corzo, González, Medina, Mueller, Tam, Veenker.
NOES: None.
ABSTAIN: None.
ABSENT: Colbet, Gallagher, Salinas.

6. **REPORT ON TRANSPORTATION FUND FOR CLEAN AIR PROJECTS EXPENDITURES AND EFFECTIVENESS FOR FISCAL YEAR ENDING 2025**

Dr. Minda Berbeco, Manager Strategic Incentives Division Manager, gave the staff presentation *Report on Transportation Fund for Clean Air (TFCA) Projects Expenditures and Effectiveness for Fiscal Year Ending 2025*, including: recommended action; TFCA; cost effectiveness; considerations for cost effectiveness limits; summary of project and

program results; expenditures of project category; effectiveness and emissions reductions; next steps; and recommended action.

Public Comments

No requests received.

Committee Comments

The Committee and Air District staff discussed which criteria pollutants are the most difficult to remove from the air; whether the State has considered raising the \$4 surcharge on motor vehicles; why “commuter benefits and enhanced mobile source inspections” are the smallest expenditure by project category; and the current maximum amount that participants can receive from the Air District’s Vehicle Buy Back Program, and the suggestion of publishing data that shows how many vehicles have been retired by the program.

Committee Action

Director Carlson made a motion, seconded by Director Corzo, to recommend that the Board **adopt** a determination that the Transportation Fund for Clean Air Projects 60% Fund expenditures were effective in improving air quality in Fiscal Year Ending 2025; and the motion **carried** by the following vote of the Committee:

AYES: Abe-Koga, Carlson, Corzo, González, Medina, Mueller, Tam, Veenker.
NOES: None.
ABSTAIN: None.
ABSENT: Colbet, Gallagher, Salinas.

INFORMATIONAL ITEM

7. DATA CENTER OVERVIEW AND CONSIDERATIONS

Jamesine Rogers Gibson, Senior Advanced Projects Advisor, and Alan Abbs, Legislative Officer, gave the staff presentation *Data Center Overview and Considerations*, including: overview of data centers; types of data centers; siting considerations; data centers in the Bay Area; rapid growth in data center power demand; air pollution and back-up generation; infrastructure and ratepayer impacts; permitting and California Environmental Quality Act (CEQA) for data centers; and recent legislative activities.

Dr. Joshua Lappen, Air District Consultant and Postdoctoral Research Associate in the Keough School of Global Affairs at the University of Notre Dame, gave the presentation *Data Center Power - Grid Interactions and Backup Power*, including: outline; data centers and the grid; data center power usage; relevant entities; electric rate impacts; electrification goal impacts; other potential grid impacts; data center backup power; diesel backup impacts; mitigation approaches; backup power technologies; batter backup; and crafting solutions.

Public Comments

Public comments were given by Meya Saenz Zagar, Center for Biological Diversity; Roger Lin, Center for Biological Diversity; Ellina Yin, Dreaming Collaborative; Dr. Stephen Rosenblum, Palo Alto resident; Nina Robertson, Earthjustice; Joey Richardson, San Jose resident; Rich Saunders, San Jose resident; and Masheika Allgood.

Committee Comments

The Committee and Air District staff discussed the challenges regarding predicting power demand, and concerns of overbuilding; benefits of municipally-owned utility companies versus investor-owned utility companies, regarding power demand for data centers; whether policy makers are considered relevant entities (regarding this issue), and what other stakeholders might be considered relevant entities; entities involved in grid-scale battery storage; material variation in electricity consumption at data centers; concerns about and feasibility of battery backup as a revenue source; and how to measure health (short and long-term) impacts, based on the amount of data in data centers.

Committee Action

No action taken.

OTHER BUSINESS

8. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

9. COMMITTEE MEMBER COMMENTS

Vice Chair González thanked the Air District for its social media campaign on the Winter Spare the Air program, saying he appreciated the consistent messaging he has seen.

10. TIME AND PLACE OF NEXT MEETING

Wednesday, March 18, 2026, at 10:00 a.m. The meeting will be held in-person at the Bay Area Metro Center and at satellite locations as may be specified on the meeting agenda using a remote teleconferencing link. Members of the Policy, Grants, and Technology Committee and the public may attend at any of those in-person locations, and members of the public may also attend virtually via webcast.

Adjournment

The meeting was adjourned at 12:19 p.m.

Attachments

- #3 – Approval of the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of December 17, 2025
- #4 – Authorization to Participate in the ClimaHeat Impact Response Program
- #5 – 2026 Legislative Platform and State and Federal Legislative Updates
- #6 – Report on Transportation Fund for Clean Air Projects Expenditures and Effectiveness for Fiscal Year Ending 2025
- #7 – Data Center Overview and Considerations

BOARD MEETING DATE: March 4, 2026

REPORT: Finance and Administration Committee

SYNOPSIS: The Finance and Administration (Committee) held a meeting on Wednesday, February 18, 2026. The following is a summary of the meeting.

RECOMMENDED ACTION:

This item is provided for the Board's information and awareness; no action is requested at this time.

Lynda Hopkins, Chair
Finance and Administration Committee

LH:mh

Opening Comments: Finance and Administration Committee (Committee) Chairperson, Lynda Hopkins, called the meeting to order at 1:01 p.m.

Roll Call:

Present, In-Person (Bay Area Metro Center (375 Beale Street, 1st Floor Board Room, San Francisco, California, 94105): Chairperson Lynda Hopkins; Vice Chair Juan González III; and Director Noelia Corzo.

Present, In-Person Satellite Location (Sunnyvale City Hall, Cedar Conference Room, 456 W Olive Ave., Sunnyvale, CA 94086): Director Linda Sell.

Present, In-Person Satellite Location (Marin County Civic Center, 3501 Civic Center Dr., Room 326, San Rafael, CA 94903): Committee Brian Colbert.

Present, In-Person Satellite Location (Alameda County Supervisor David Haubert, 246A Argonne Ave., Long Beach, CA 90803): Director David Haubert.

Absent: Directors Tyrone Jue and Vicki Veenker.

For additional details of the Finance and Administration Committee Meeting, please refer to the webcast, which can be found [here](#). Please use the webcast's index to view specific agenda items.

CONSENT CALENDAR (ITEMS 3 – 6)

3. **Approval of the Draft Minutes of the Finance and Administration Committee Meeting of December 17, 2025**

The Committee considered approving the Draft Minutes of the Finance and Administration Committee Meeting of December 17, 2025.

4. **Hearing Board Quarterly Report: October through December 2025**

The Committee received the Hearing Board Quarterly Report for the period of October through December 2025.

5. **Fiscal Year 2025-2026 Second Quarter Financial Report, Ending December 31, 2025**

The Committee received the financial report for the second quarter of Fiscal Year 2025-2026, which ended December 31, 2025. The report provides an overview of the General Fund's financial activities for the period from July 1, 2025, to December 31, 2025, including preliminary revenue, expenditures, and cash investment balance results for the period.

6. **Fiscal Year 2025-2026 Second Quarter Reporting of Payments for Routine and Recurring Goods/Services Expenses and Contracts Executed under Delegated Authority**

The Committee received a report of vendor payments for routine and recurring essential services and contracts executed under delegated authority for the second quarter of Fiscal Year 2025-2026, which ended December 31, 2025.

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Vice Chair González made a motion, seconded by Director Corzo, to **approve** Consent Calendar Items 3 – 6; and the motion **carried** by the following vote of the Committee:

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

ACTION ITEM

7. UPDATE ON AIR DISTRICT INFORMATION MANAGEMENT PROJECTS AND RECOMMENDATION OF SOFTWARE DEVELOPMENT AND MAINTENANCE CONTRACTS FOR PERMITTING AND COMPLIANCE SYSTEMS

John Chiladakis, Deputy Executive Officer for Information Management, gave the staff presentation *Update on Air District Information Management Projects and Recommendation of Software Development and Maintenance Contracts for Permitting and Compliance Systems*, including: recommended action; outline; Fiscal Year (FY) 2026 Budget; recent Board actions: modernization and consolidation; prior software development structure; new structure development organizational structure; managed software development; 18-month progress – all items completed; strategic deliverables for this authorization; vendor qualification; funding and budget impact; and recommend action.

Public Comments

No requests received.

Committee Comments

The Committee and Air District staff discussed clarification on the authorization being sought by (allocation per) Fiscal Year.

Committee Action

Director Haubert made a motion, seconded by Director Colbert, to recommend the Board **authorizes** the Executive Officer/Air Pollution Control Officer to amend contracts for software development and support services for a total combined amended authorization not to exceed \$5.8 million over the 24-month period beginning March 2026:

Vendor	Procurement Method	Service Description	Not to Exceed for this Authorization	Total Amount Contracted
ClearSparc	Request for Proposal #2024-009	Software Design, Development, and DevOps Services	\$2,400,000	\$3,915,000
DVBE	Request for Proposal #2024-009	Software Development Supporting Services	\$3,400,000	\$5,632,000
			\$5,800,000	

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

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

INFORMATIONAL ITEM

8. OVERVIEW OF THE AIR DISTRICT'S FLEET GREENING STRATEGY

Karen Schkolnick, Director of Administrative Resources, gave the staff presentation *Overview of the Air District's Fleet Greening Strategy*, including: background; fleet composition; greening the fleet; benefits; vision and timeline; stakeholder engagement; suitability criteria for pilot and full rollout; infrastructure, workforce & risk management; and reporting, metrics & next steps.

Public Comments

No requests received.

Committee Comments

The Committee and Air District staff discussed whether the Air District is considering hydrogen vehicles for its fleet; concerns regarding the inability to charge electric vehicles during power outages, and battery storage; whether other California air districts are greening their fleets, and the suggestion of documenting lessons learned; what kind of energy charges the Air District's fleet; the Air District's history of having a fleet versus reimbursing field staff for using in their personal vehicles; whether Air District staff drives fleet vehicles to their homes and is permitted to use the fleet vehicles during non-work hours/for personal use; and whether the Air District's fleet is branded.

Committee Action

No action taken.

OTHER BUSINESS

9. PUBLIC COMMENTS ON NON-AGENDA MATTERS

No requests received.

10. COMMITTEE MEMBER COMMENTS

None.

11. TIME AND PLACE OF NEXT MEETING

Wednesday, March 18, 2026, at 1:00 p.m. The meeting will be held in-person at the Bay Area Metro Center and at satellite locations as may be specified on the meeting agenda using a remote teleconferencing link. Members of the Finance and Administration Committee and the public may attend at any of those in-person locations, and members of the public may also attend virtually via webcast.

Adjournment

The meeting was adjourned at 1:40 p.m.

Attachments

- #3 – Approval of the Draft Minutes of the Finance and Administration Committee Meeting of December 17, 2025
- #4 – Hearing Board Quarterly Report: October through December 2025
- #5 – Fiscal Year 25-26 Second Quarter Financial Report, Ending December 31, 2025
- #6 – Fiscal Year 2025-2026 Second Quarter Reporting of Payments for Routine and Recurring Goods/Services Expenses and Contracts Executed under Delegated Authority
- #7 – Update on Air District Information Management Projects and Recommendation of Software Development and Maintenance Contracts for Permitting and Compliance Systems
- #8 – Overview of the Air District's Fleet Greening Strategy

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: Community Priorities for Rule Development

RECOMMENDED ACTION

None; the Board of Directors will discuss this item, but no action is requested at this time.

BACKGROUND

Historically, Air District rule development is driven by various clean air objectives: statutory mandates; meeting ambient air quality standards / Clean Air Plans; local concerns such as air toxics hotspots; and global issues such as climate change. Over the last two decades, the Air District has received more input on community-level issues, such as odors, metal melting and shredding, refinery flaring, toxic emissions, fugitive dust, and Portland cement manufacturing. The Air District has been responsive to this increased interest from the community level. First of their kind programs such as the Community Air Risk Evaluation Program were initiated in 2006 to better characterize air quality at the community level and engage and inform community advocates and residents. This program mapped levels of toxic risk through the Bay Area by Zip Code and provided this information on our website.

More recently, Assembly Bill (AB) 617 was signed into law; AB 617 is the Community Air Protection Program. This included a requirement for air districts to review the emissions control technology installed on pollution sources located at industrial facilities subject to the Cap-and-Trade program and development of the AB 617 Expedited Best Available Retrofit Control Technology (BARCT) Schedule which listed proposed rules for reducing criteria pollutants from these industrial sources. AB 617 also established the Community Health Protection Program. Air District staff works closely with the California Air Resources Board, other local air districts, community groups, community members, environmental organizations, regulated industries, and other key stakeholders to reduce harmful air pollutants. Under this program, four communities were designated for the development of Community Emissions Reduction Plans (CERPs). These communities included West Oakland, Richmond-North Richmond-San Pablo, East Oakland, and the Bayview-Hunters Point area of San Francisco.

In recent years, the Air District, in recognition of disproportionate local impacts from air pollution in Overburdened Communities, has passed important community-focused rules. For example, the Air Districts toxic new source review rule, Rule 2-5, has a toxic risk threshold of six per million people exposed for permitting a new project in an Overburdened Community. These more stringent limits were largely the result of concerns raised by community advocates regarding our permitting processes and that we should consider stricter limits when a community has a large number of toxic sources that created cumulative impacts in these communities.

In 2021, the Community Advisory Council was formed to provide guidance to the Board of Directors and the Executive Office on equity and environmental justice to improve air quality programs and policies that impact all communities, including overburdened communities. Further, during the May 2025 Community Advisory Council retreat, council members prioritized rule development efforts aimed at further reducing toxic and pollutants' impacts on Overburdened communities. These efforts are included in the Strategic Plan Rule Development Schedule.

DISCUSSION

This presentation highlights the Air District's history of community engagement on multiple levels and the Air District's ongoing commitment to improving air quality of the communities most impacted by air pollution. This commitment is underpinned by our collaboration and partnership with communities and their representatives, including the Community Advisory Council. Improving this process is essential to furthering this commitment.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Bradley Cole
Reviewed by: Victor Douglas

ATTACHMENT(S):

1. Community Priorities for Rule Development Presentation



Community Priorities for Rule Development

Board of Directors Meeting

March 4, 2026

Bradley Cole

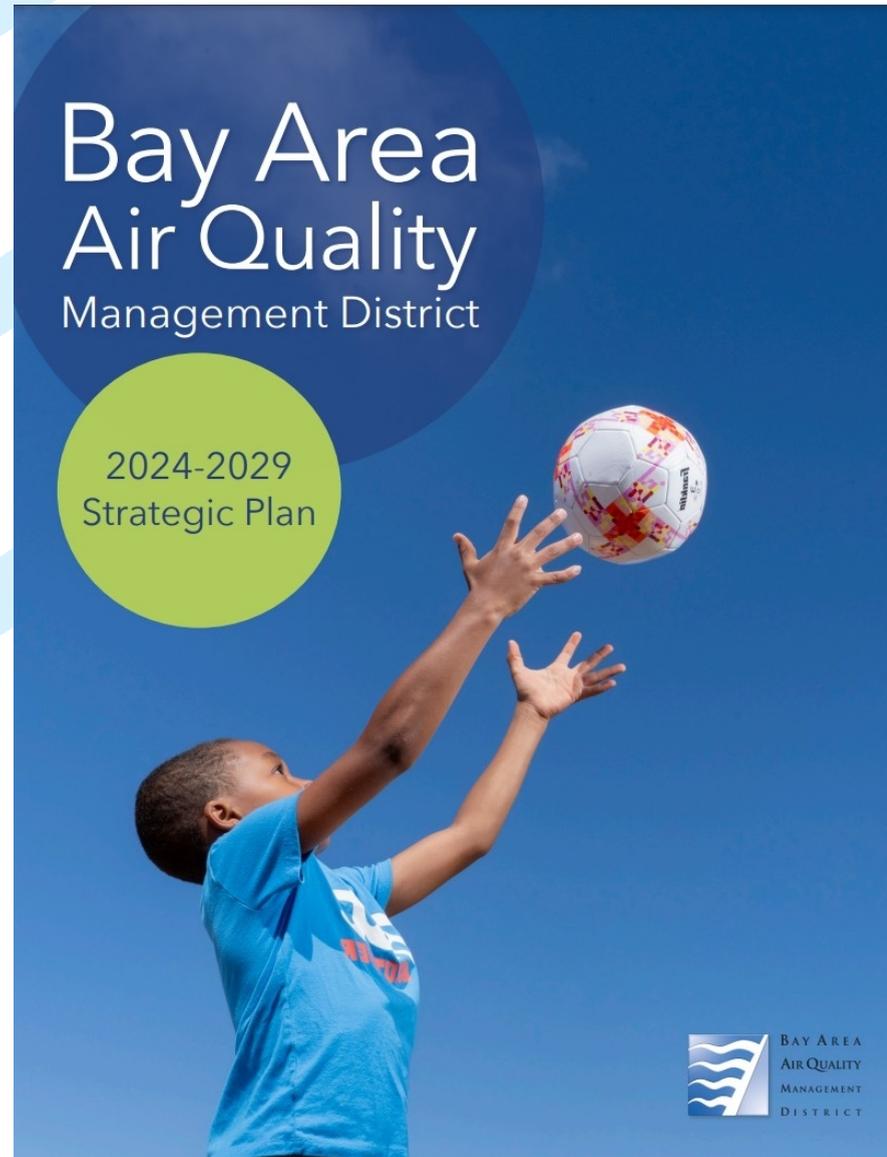
Manager

Regulatory Development Division

Overview

- Rules as a powerful tool
- Community-focused rule development
- Ensuring community experiences and priorities are considered moving forward

Strategic Plan Goals



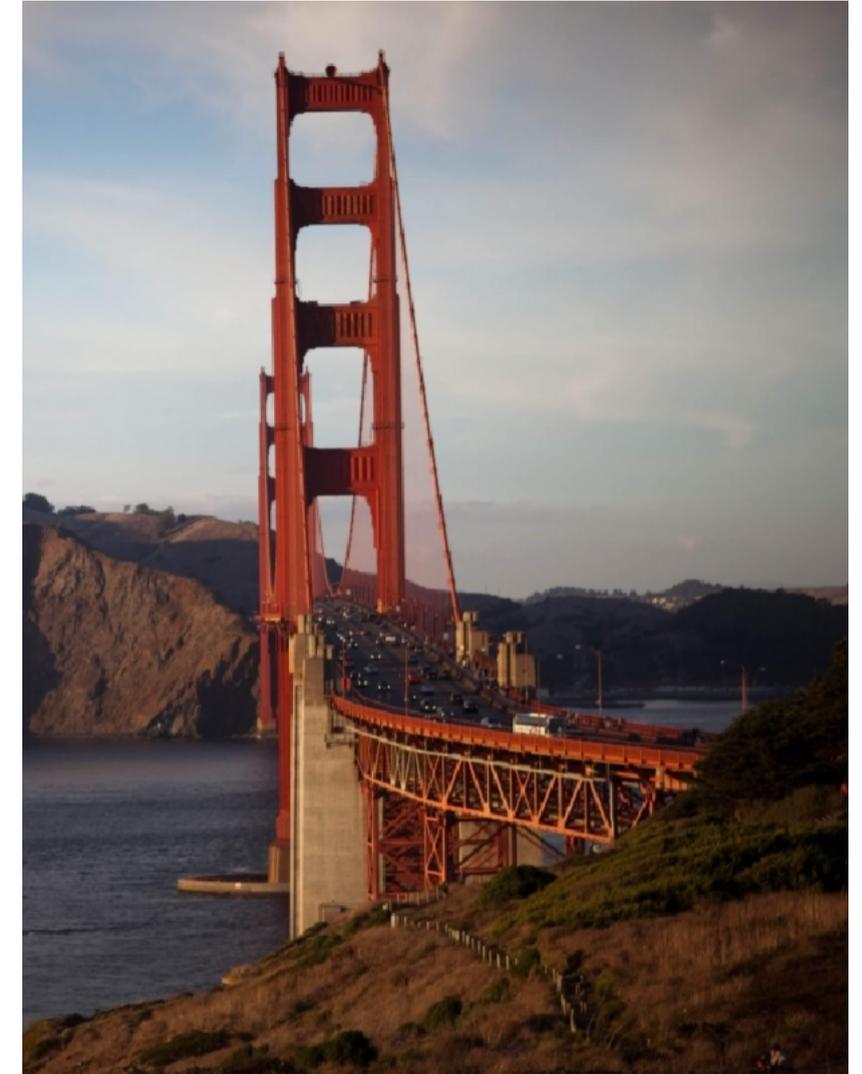
Four Primary Goals:

- Achieve Impact
- Advance Environmental Justice
- Foster Cohesion and Inclusion
- Maintain an Effective, Accountable, and Customer-Oriented Organization

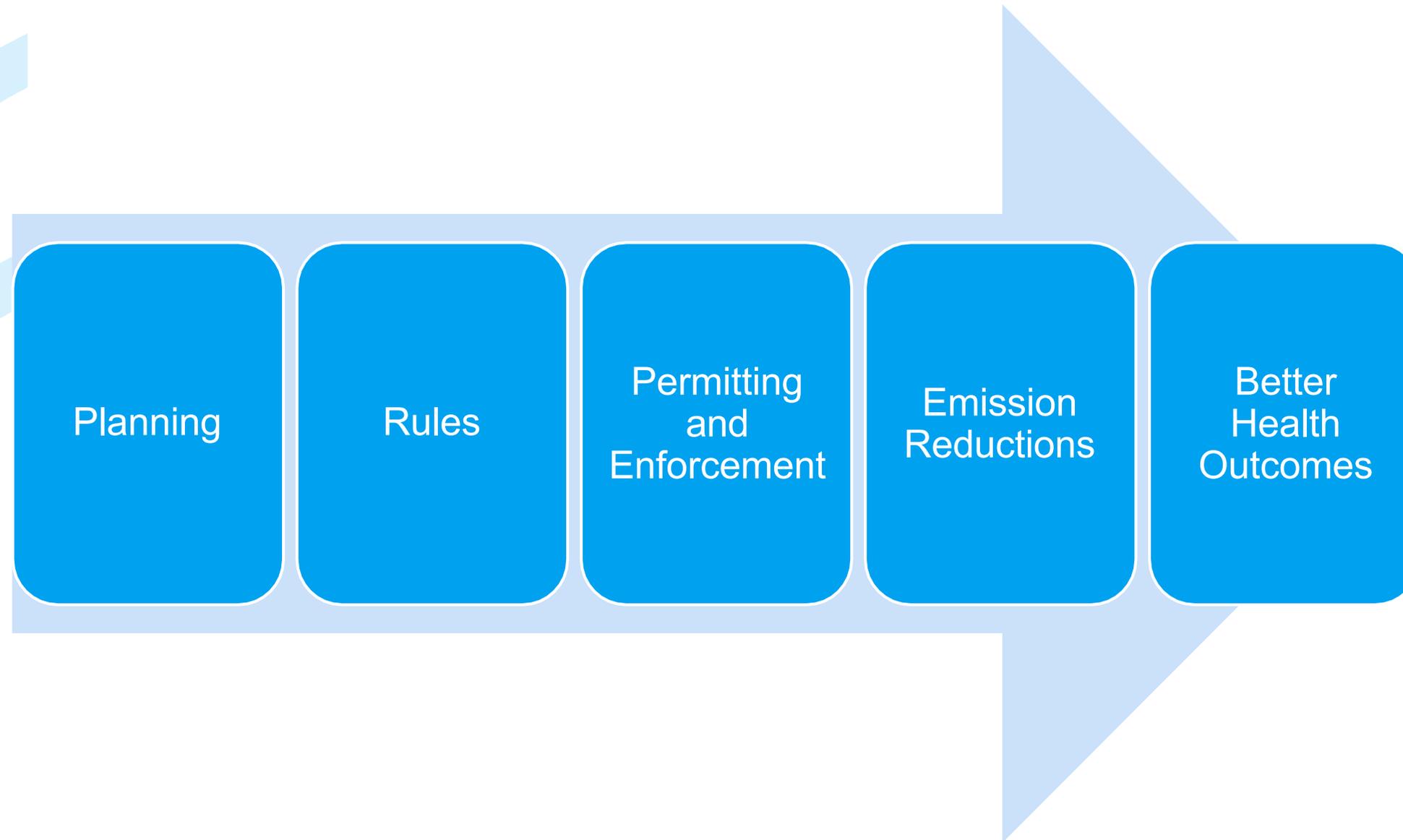
Strategic Plan Goals and Strategies

Effective rules are critical to achieving Goals 1, 2, and 3

Our rules and regulatory development efforts are powerful tools that will help achieve beneficial impacts and further address environmental justice concerns.



How Rules Fit In



Prioritization Criteria

- Board Direction
- Air Quality Benefits & Impacts
- Identification of unregulated sources of air pollution
- Air Quality Mandates (e.g., SIP, legislation)
- **Community Concerns / Stakeholder Input**
- Community Emissions Reduction Plans
- Strategic Plan Alignment
- Air District Resource Constraints



Note: SIP: State Implementation Plan

Community-Focused Rule Development

Project	Community Impetus
Minimize Flaring (Rules 12-11 & 12-12)	AB 617 CERP / Community Concerns / CBOs
Fugitive Dust (Rules 6-1 & 6-6)	AB 617 CERPs / Community Concerns
Toxic Risk at Existing Facilities Phase I (Rule 11-18)	Community Concerns / CBOs / CAC Priority
Metal Recycling and Shredding Operations (Rule 6-4)	Community Concerns / CBOs
Refinery Fenceline Monitoring (Rule 12-15)	Community Concerns / CBOs
Indirect Source Rule (new)	Community Concerns / CBOs

Note:

- **CERPs:** Community Emission Reduction Plan
- **CBO:** Community Based Organization
- **CAC:** Community Advisory Council
- **AB:** Assembly Bill

Planned Community-Focused Rule Development

Project	Community Impetus
Toxic Risk at Existing Facilities Phase II (Rule 11-18)	Community Concerns / CBOs / CAC Priority
Backup Generators / Data Centers (new)	Community Concerns / CBOs / CAC Priority
Toxic New Source Review / Cumulative Impacts (Rule 2-5)	Community Concerns
Health-Based Particulate Matter (PM) Rules (new)	Community Concerns / CBOs / CAC Priority
Permitting in Overburdened Communities (Rule 2-1 & 2-5)	Community Concerns / CBOs

Minimize Flaring (Rules 12-11 & 12-12)

Originally adopted in 2003 and 2004 respectively

- Refinery Community concerns about excessive flaring
- Formed Refinery Technical Working Group (RTWG)
- Workshops and meetings
- Community concerns remain [two decades later]
 - Path to Clean Air – Richmond-North Richmond-San Pablo
 - Strategic Plan Rule Development Schedule
 - CAC Priority

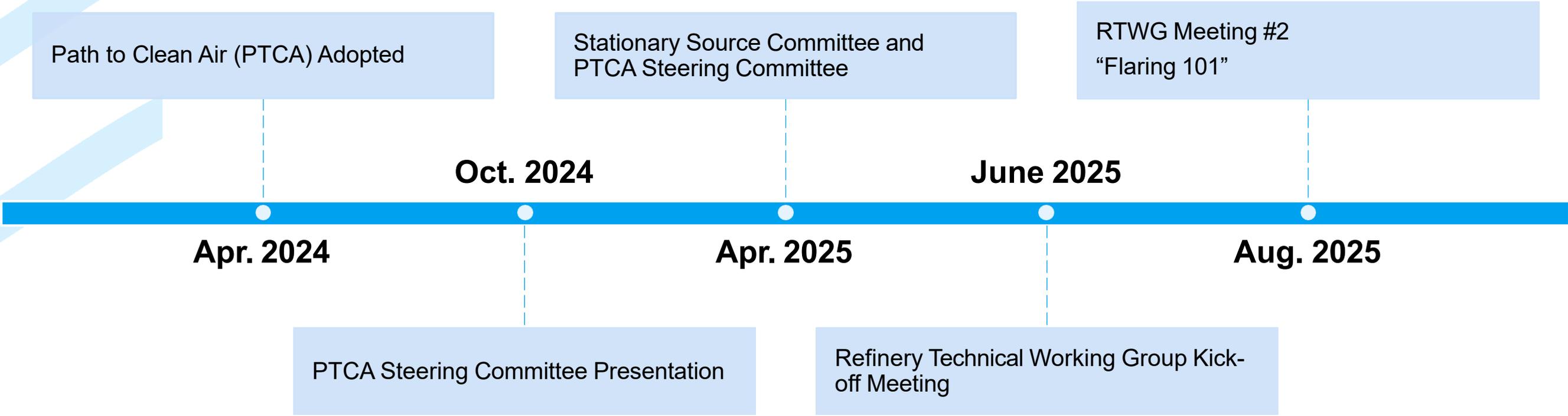
Rule Development initiated with RTWG formation

Potential Flaring Amendment Concepts

Goal: Reduce Flaring Emissions and Frequency

- Potential rule concepts include:
 - Sulfur dioxide limits for non-hydrogen flares
 - Nitrogen oxide limits for hydrogen flares
 - Incorporate key requirements from Federal Regulations
 - Improved monitoring of flare emissions
 - Streamlined process for reporting

Current Flaring Public Engagement



Note:

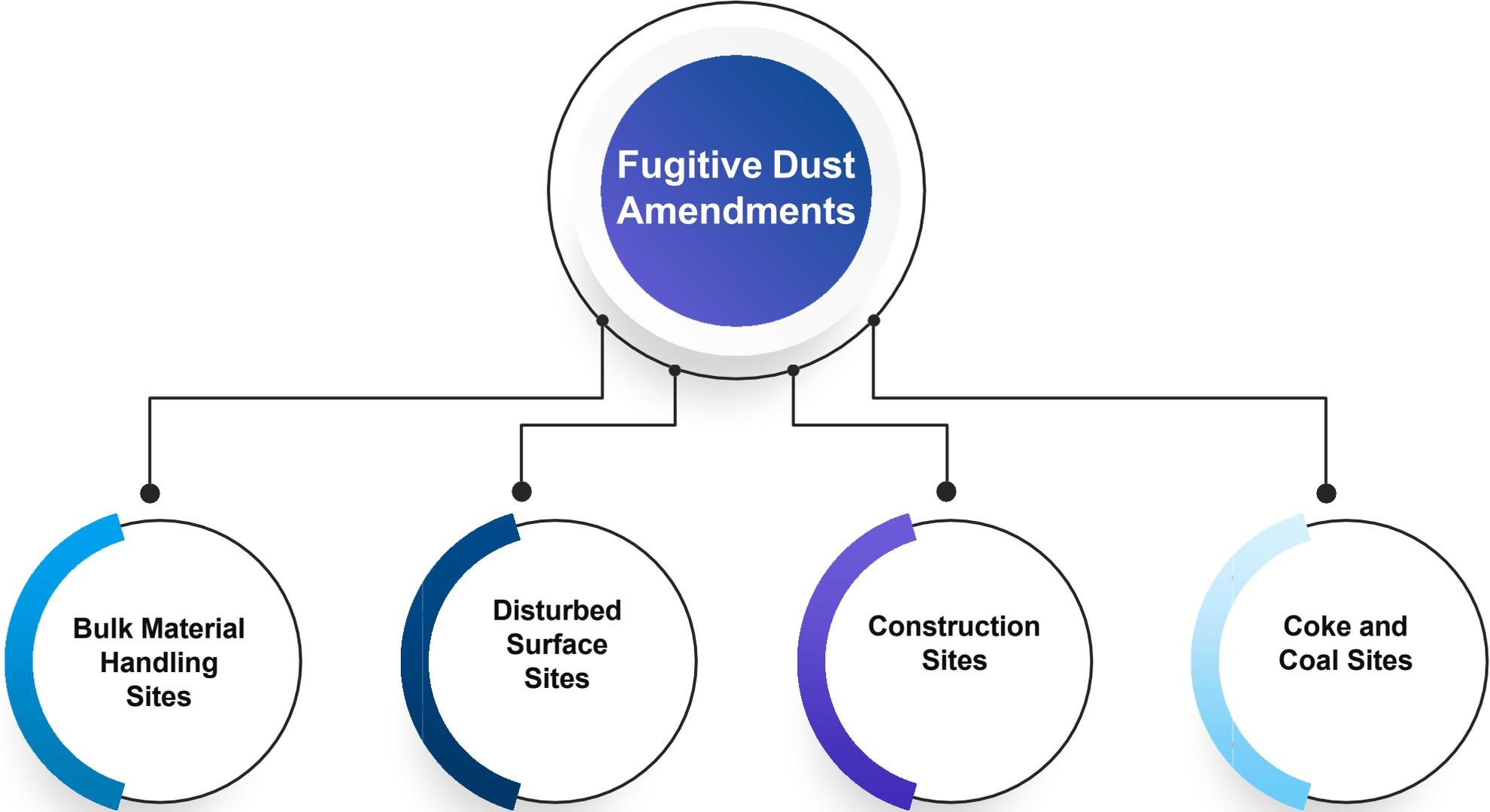
- **PTCA:** Richmond-North Richmond-San Pablo Path to Clean Air

Fugitive Dust (Rules 6-1 & 6-6)

Current Rules were amended in 2018

- Bay Area Communities concerned with fugitive dust from many sources
- 2010 and 2017 Clean Air Plan commitments
- Workshops and meetings toward 2018 adoption
- Community Concerns remain
 - Owning Our Air – West Oakland Community Action Plan
 - Path to Clean Air – Richmond-North Richmond-San Pablo
 - Draft Right to Breathe: East Oakland Community Air Quality Justice Plan
 - Bayview Hunters Point/Southeast San Francisco CERP (under development)
 - Community Meetings – Crownhill Community and Vallejo
 - CAC Priority

Fugitive Dust Targeted Sites



Current Dust Effort Public Engagement



Ensuring Rule Development Reflects Community Concerns and Input

Soliciting input from:

- AB 617 Communities
- Targeted groups like the RTWG
- Community Based Organizations
- Responding to Community complaints and concerns

Utilizing CAC connections across the communities within the Air District as a pipeline for community concerns and priorities.

Questions & Discussion

For more information:

Bradley Cole | Regulatory Development Division | bcole@baaqmd.gov

BAY AREA AIR DISTRICT
Memorandum

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

From: Philip M. Fine
Executive Officer/APCO

Date: March 4, 2026

Re: 2026 Legislative Platform and Consideration of State and Federal Legislation

RECOMMENDED ACTION

1. Adopt the proposed 2026 Legislative Platform
2. Adopt positions on pending state and federal legislative bills where appropriate, including, but not limited to the following Policy, Grants, and Technology Committee recommendations:

State Legislation:

- Support Assembly Bill 1777 (Garcia)

Federal Legislation:

- Oppose House of Representatives Bill 161 (Griffith-R-VA-9)
- Oppose House of Representatives Bill 4214 (Allen-R-GA-12)
- Oppose House of Representatives Bill 4218 (Carter-R-GA-1)
- Oppose House of Representatives Bill 6409 (Pfluger-R-TX-11)

These actions were recommended by the Policy, Grants, and Technology Committee at its meeting on February 18, 2026.

BACKGROUND

Legislative Platform

The Legislative Platform provides overall advocacy principles to the Board of Directors and its Policy, Grants, and Technology Committee, and provides guidance to Air District staff for the upcoming year.

The Legislative Platform is divided into three sections – state budget, state legislation, and federal legislation and regulatory activity. The Legislative Platform does not commit

the Air District to positions on every legislative proposal in the listed categories, but it does provide a metric for use in bringing proposals to the Committee for discussion and recommendations to the Board for the Board’s consideration.

The 2025 Policy, Grants, and Technology Committee discussed the proposed 2026 Legislative Platform at their meeting on November 17, 2025, and the 2026 Committee voted to recommend the proposed 2026 Legislative Platform to the full Board for consideration on February 18, 2026.

State Legislative Updates

Upcoming key bill dates and deadlines for Members are listed below, and the 2026 Tentative Legislative Calendar is attached.

May 29, 2026	Last day for each house to pass bills introduced in that house
August 31, 2026	Last day for each house to pass bills
September 30, 2026	Last day for the Governor to sign or veto bills passed by the Legislature before September 1 and in the Governor’s possession on or after September 1
November 3, 2026	General Election
November 30, 2026	Adjournment <i>sine die</i> at midnight
December 7, 2026	12 Noon convening of the 2027-28 Regular Session
January 1, 2027	Statutes take effect

DISCUSSION

2026 Legislative Platform

The Board will consider adopting the attached proposed 2026 Legislative Platform.

Consideration of State and Federal Legislation

The Board will consider adopting positions on pending state and federal legislative bills where appropriate, including, but not limited to the following bills as recommended by the Policy, Grants, and Technology Committee at its meeting on February 18, 2026.

State Legislation:

- [AB 1777 \(Garcia\)](#) – Air pollution: indirect sources.

This bill would clarify that the California Air Resources Board (CARB) has authority to adopt indirect source rules by adding the following language to the

Health and Safety Code - “If necessary to carry out its duties under this section, the state board may adopt regulations to reduce or mitigate emissions from indirect sources of pollution.” The bill does not require CARB to adopt specific measures, but it would give them another tool to reduce vehicle emissions at large magnet sources, which is important due to some of their regulatory authority being taken away at the federal level.

Committee Recommendation: Support

Federal Legislation:

- [House of Representatives Bill \(H.R.\) 161 \(Griffith-R-VA-9\)](#) – New Source Review Permitting Improvement Act.

This bill would make changes to the Federal Clean Air Act related to what is defined as a modification for purposes of New Source Review permitting and potentially weakens requirements for such permitting by adding the following language - “For purposes of the preceding sentence, a change increases the amount of any air pollutant emitted by such source only if the maximum hourly emission rate of an air pollutant that is achievable by such source after the change is higher than the maximum hourly emission rate of such air pollutant that was achievable by such source during any hour in the 10-year period immediately preceding the change.” The bill also includes language that seems to allow for emissions increases at facilities as long as there is a pollution decrease “per unit” of production.

Committee Recommendation: Oppose

- [H.R. 4214 \(Allen-R-GA-12\)](#) – Clean Air and Building Infrastructure Improvement Act.

This bill singles out the United States Environmental Protection Agency’s (US EPA’s) annual National Ambient Air Quality Standards (NAAQS) exposure limit for Particulate Matter_{2.5} (PM_{2.5}) that was tightened in 2024. The stricter standard’s future is now in flux after the Trump Administration in November asked a federal appeals court to scrap it. This bill would meanwhile limit the stricter standard’s use for permitting purposes.

Committee Recommendation: Oppose

- [H.R. 4218 \(Carter-R-GA-1\)](#) – Clean Air and Economic Advancement Reform (CLEAR) Act.

The bill would lengthen the review cycle for ozone, PM_{2.5}, and four other pollutants covered by US EPA’s NAAQS from five years to 10. It would also let US EPA take “likely attainability” into account when weighing the possibility of

strengthening any of those standards. Currently, the Agency can only consider public health needs.

Committee Recommendation: Oppose

- [H.R.6409 \(Pfluger-R-TX-11\)](#) – Foreign Emissions and Nonattainment Clarification for Economic Stability (FENCES) Act.

The bill would make it easier for state and local regulators to claim compliance waivers for air pollution from sources outside the United States' borders or otherwise deemed outside of their control, including mobile sources operating under federal emission standards.

Committee Recommendation: Oppose

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Alan Abbs
Reviewed by: Viet Tran

ATTACHMENT(S):

1. Proposed 2026 Legislative Platform
2. 2026 Tentative Legislative Calendar
3. AB 1777 (Garcia) - Bill Text - As Introduced on February 9, 2026
4. H.R. 161 (Griffith-R-VA-09) - Bill Text
5. H.R. 4214 (Allen-R-GA-12) - Bill Text
6. H.R. 4218 (Carter-R-GA-01) - Bill Text
7. H.R. 6409 (Pfluger-R-TX-11) - Bill Text
8. 2026 Legislative Platform and Consideration of State and Federal Legislation Presentation

Legislative Platform (2026)

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 Reduction Fund, and the Air Pollution Control Fund.
2. **Greenhouse Gas Reduction Fund (GGRF):** Advocate for GGRF funding of cost-effective programs that reduce greenhouse gases, short-lived climate pollutants, and related air pollution and exposure both at the state level and in the Bay Area, including funding to support transitioning low-income families to zero-NOx water and space heaters.
3. **Assembly Bill (AB) 617 Community Air Protection Program Implementation and Incentive Funding:** Monitor state budget proposals, and advocate as necessary, to ensure continuous funding to support the Air District's AB 617 Community Air Protection Program. State budgets 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 approved 2025-26 budget included statewide funding in the amount of \$45 million (M) for implementation, \$50M for incentives, and \$5M for community grants. For the 2026-27 budget year and beyond, Senate Bill (SB) 840 (Limón, et al., Chapter 121, Statutes of 2025) includes a continuous appropriation from the GGRF in the amount of \$250M per year for community air protection programs, subject to available funding.
4. **Wildfire Mitigation and Public Health Response:** Support for funding for air districts to support prescribed fire and other forest health activities by land managers, expanded monitoring activities during wildfire events, and public health response activities such as resilience centers and filtration programs.
5. **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.
6. **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. Advocate for allocations that fairly provide funding for the Bay Area region and affected communities.

Legislative Platform (2026)

State Legislation

1. **Address Legal Barriers to Environmental Justice:** This is a key environmental justice strategy approved by the Board as part of the Strategic Plan (Strategy 2.9). There is a specific commitment to "Work with the state legislature on ideas and advocacy for changes to laws that can benefit overburdened communities."
2. **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.
3. **Vehicle Emissions and Reducing Vehicle Miles Traveled:** 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.
4. **Climate Change:** Support legislative proposals that align with the Air District's 2017 Bay Area Clean Air Plan and 2025 Bay Area Regional Climate Action Plan (BARCAP), including limiting fossil fuel combustion, stopping methane leaks, advancing zero-emission vehicle usage, advancing clean fuel adoption, supporting Community Choice Aggregation programs.
5. **Green and Healthy Buildings:** Support legislative proposals that accelerate low carbon buildings, support implementation of Air District Rules 9-4 and 9-6, promote electrification and electrification readiness in both new and existing buildings and protect renters in the transition to green appliances.
6. **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.
7. **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.
8. **Toxic Air Emissions:** Support legislative proposals to reduce emissions and exposure to air toxics. Oppose legislation that would potentially result in increases in exposure to air toxic emissions in the Bay Area Region.
9. **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.
10. **Stationary Source Greenhouse Gas Authority:** Support legislative proposals to provide local air districts expanded authority to establish stationary source greenhouse gas limits.
11. **Land Use:** Monitor legislative proposals that have the potential to directly affect local and regional air quality goals.

Legislative Platform (2026)

Federal Legislation and Regulatory Activity

1. **Federal Funding for Air District Clean Air Programs:** Advocate for continuous and increased funding for Air District programs that reduce emissions and exposures, 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. Advocate as necessary against efforts to rescind previously awarded funding or to reduce total appropriations in existing law, including the Bipartisan Infrastructure Law and the Inflation Reduction Act.
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 any eligible remaining funding for clean transportation infrastructure in the Bay Area in federal transportation bills, the Bipartisan Infrastructure Law, and the Inflation Reduction Act.
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 the United States Environmental Protection Agency's implementation of a more health-protective particulate matter standard consistent with the scientific evidence.
6. **Vehicle Emission Standards:** Support efforts to retain stringent vehicle emission standards that align with current California standards for light-, medium-, 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, supporting Community Choice Aggregation programs.
8. **Green and Healthy Buildings:** Support federal level efforts, including legislative efforts and budget appropriations, that accelerate low carbon buildings, support implementation of Air District Rules 9-4 and 9-6 and promote electrification and electrification readiness in both new and existing buildings.
9. **Leaded Aviation Gas:** Continue to support efforts to adopt additional regulatory and incentive programs to promote use of lower lead and no-lead alternatives at general aviation airports.

2026 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE SECRETARY OF THE SENATE AND THE OFFICE OF THE ASSEMBLY CHIEF CLERK
Revised September 29, 2025

DEADLINES

JANUARY						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

- Jan. 1** Statutes take effect (Art. IV, Sec. 8(c)).
- Jan. 5** **Legislature reconvenes** (J.R. 51(a)(4)).
- Jan. 10** Budget must be submitted by Governor (Art. IV, Sec. 12 (a)).
- Jan. 16** Last day for **policy committees** to hear and report to fiscal committees **fiscal bills** introduced in their house in the odd-numbered year (J.R. 61(b)(1)).
- Jan. 19** Martin Luther King, Jr. Day.
- Jan. 23** Last day for any committee to hear and report to the **Floor** bills introduced in that house in the odd-numbered year (J.R. 61(b)(2)). Last day to **submit bill requests** to the Office of Legislative Counsel.
- Jan. 31** Last day for each house to **pass bills introduced** in that house in the odd-numbered year (Art. IV, Sec. 10(c)), (J.R. 61(b)(3)).

FEBRUARY						
S	M	T	W	TH	F	S
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15	16	17	18	19	20	21
22	23	24	25	26	27	28

- Feb. 16** Presidents' Day.
- Feb. 20** Last day for bills to be **introduced** (J.R. 61(b)(4)), (J.R. 54(a)).

MARCH						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

- Mar. 26** **Spring Recess** begins upon adjournment (J.R. 51(b)(1)).
- Mar. 30** Cesar Chavez Day observed.

APRIL						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

- Apr. 6** Legislature reconvenes from **Spring Recess** (J.R. 51(b)(1)).
- Apr. 24** Last day for **policy committees** to hear and report to fiscal committees **fiscal bills** introduced in their house (J.R. 61(b)(5)).

MAY						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

- May 1** Last day for **policy committees** to hear and report to the Floor **non-fiscal bills** introduced in their house (J.R. 61(b)(6)).
- May 8** Last day for **policy committees** to meet prior to June 1 (J.R. 61(b)(7)).
- May 15** Last day for **fiscal committees** to hear and report to the Floor bills introduced in their house (J.R. 61 (b)(8)). Last day for **fiscal committees** to meet prior to June 1 (J.R. 61 (b)(9)).
- May 25** Memorial Day.
- May 26 – 29 Floor Session only.** No committees, other than conference or Rules committees, may meet for any purpose (J.R. 61(b)(10)).
- May 29** Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).

*Holiday schedule subject to Senate Rules committee approval.

2026 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE SECRETARY OF THE SENATE AND THE OFFICE OF THE ASSEMBLY CHIEF CLERK
Revised September 29, 2025

JUNE						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

- June 1** Committee meetings may resume (J.R. 61(b)(12)).
- June 15** Budget Bill must be passed by **midnight** (Art. IV, Sec. 12(c)(3)).
- June 25** Last day for a legislative measure to qualify for the Nov. 3 General Election ballot (Elections Code Sec. 9040).

JULY						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

- July 2** Last day for **policy committees** to meet and report bills (J.R. 61(b)(13)). **Summer Recess** begins upon adjournment of session, provided Budget Bill has passed (J.R. 51(b)(2)).
- July 3** Independence Day observed.

AUGUST						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

- Aug. 3** Legislature reconvenes from **Summer Recess** (J.R. 51(b)(2)).
- Aug. 14** Last day for **fiscal committees** to meet and report bills to the Floor (J.R. 61(b)(14)).
- Aug. 17 – 31 Floor Session only.** No committee, other than conference and Rules committees, may meet for any purpose (J.R. 61(b)(15)).
- Aug. 21** Last day to **amend** on the Floor (J.R. 61(b)(16)).
- Aug. 31** Last day for **each house to pass bills** (Art. IV, Sec. 10(c)), (J.R. 61(b)(17)). **Final recess** begins upon adjournment. (J.R. 51(b)(3)).

*Holiday schedule subject to Senate Rules committee approval.

IMPORTANT DATES OCCURRING DURING FINAL RECESS

2026

- Sept. 30 Last day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in the Governor’s possession on or after Sept. 1 (Art. IV, Sec. 10(b)(2)).
- Nov. 3 General Election.
- Nov. 30 Adjournment *sine die* at midnight (Art. IV, Sec. 3(a)).
- Dec. 7 12 Noon convening of the 2027-28 Regular Session (Art. IV, Sec. 3(a)).

2027

- Jan. 1 Statutes take effect (Art. IV, Sec. 8(c)).

ASSEMBLY BILL

No. 1777

Introduced by Assembly Member Garcia

February 9, 2026

An act to amend Section 39602.5 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 1777, as introduced, Garcia. Air pollution: indirect sources.

Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution, and air pollution control districts and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Existing law authorizes air districts to adopt and implement regulations to reduce or mitigate emissions from indirect sources of air pollution.

Existing law requires the state board to adopt rules and regulations relating to vehicular emissions standards, as specified, that will achieve the ambient air quality standards required by federal law in conjunction with other measures adopted by the state board, air districts, and the United States Environmental Protection Agency.

This bill would authorize the state board, if necessary to carry out that duty to achieve those ambient air quality standards, to adopt regulations to reduce or mitigate emissions from indirect sources of pollution.

Existing law makes any violation of a rule or regulation of the state board relating to nonvehicular air pollution control a misdemeanor.

Because a violation of these regulations of the state board with respect to nonvehicular sources subject to those regulations would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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 39602.5 of the Health and Safety Code
2 is amended to read:

3 39602.5. (a) The state board shall adopt rules and regulations
4 pursuant to Section 43013 that, in conjunction with other measures
5 adopted by the state board, the districts, and the United States
6 Environmental Protection Agency, will achieve ambient air quality
7 standards required by the federal Clean Air Act (42 U.S.C. Sec.
8 7401 et seq.) in all areas of the state by the applicable attainment
9 date, and to maintain these standards thereafter. The state board
10 shall adopt these measures if they are necessary, technologically
11 feasible, and cost effective, consistent with Section 43013.

12 (b) If necessary to carry out its duties under this section, the
13 state board shall adopt and enforce rules and regulations that
14 anticipate the development of new technologies or the improvement
15 of existing technologies. The rules and regulations shall require
16 standards that the state board finds and determines can likely be
17 achieved by the compliance date set forth in the rule.

18 (c) (1) *If necessary to carry out its duties under this section,*
19 *the state board may adopt regulations to reduce or mitigate*
20 *emissions from indirect sources of pollution.*

21 (2) *The Legislature finds and declares that paragraph (1) is*
22 *declaratory of, and does not constitute a change in, existing law.*

23 (d) *For purposes of this section, “indirect source” has the same*
24 *meaning as set forth in Section 7410(a)(5)(C) of Title 42 of the*
25 *United States Code.*

26 SEC. 2. No reimbursement is required by this act pursuant to
27 Section 6 of Article XIII B of the California Constitution because

1 the only costs that may be incurred by a local agency or school
2 district will be incurred because this act creates a new crime or
3 infraction, eliminates a crime or infraction, or changes the penalty
4 for a crime or infraction, within the meaning of Section 17556 of
5 the Government Code, or changes the definition of a crime within
6 the meaning of Section 6 of Article XIII B of the California
7 Constitution.

O

119TH CONGRESS
1ST SESSION

H. R. 161

To amend sections 111, 169, and 171 of the Clean Air Act to clarify when a physical change in, or change in the method of operation of, a stationary source constitutes a modification or construction, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 2025

Mr. GRIFFITH introduced the following bill; which was referred to the
Committee on Energy and Commerce

A BILL

To amend sections 111, 169, and 171 of the Clean Air Act to clarify when a physical change in, or change in the method of operation of, a stationary source constitutes a modification or construction, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “New Source Review
5 Permitting Improvement Act”.

1 **SEC. 2. CLARIFICATION OF DEFINITION OF A MODIFICA-**
2 **TION: EMISSION RATE INCREASES, POLLU-**
3 **TION CONTROL, EFFICIENCY, SAFETY, AND**
4 **RELIABILITY PROJECTS.**

5 Paragraph (4) of section 111(a) of the Clean Air Act
6 (42 U.S.C. 7411(a)) is amended—

7 (1) by inserting “(A)” before “The term”;

8 (2) by inserting before the period at the end the
9 following: “. For purposes of the preceding sentence,
10 a change increases the amount of any air pollutant
11 emitted by such source only if the maximum hourly
12 emission rate of an air pollutant that is achievable
13 by such source after the change is higher than the
14 maximum hourly emission rate of such air pollutant
15 that was achievable by such source during any hour
16 in the 10-year period immediately preceding the
17 change”; and

18 (3) by adding at the end the following:

19 “(B) Notwithstanding subparagraph (A), the
20 term ‘modification’ does not include a change at a
21 stationary source that is designed—

22 “(i) to reduce the amount of any air pol-
23 lutant emitted by the source per unit of produc-
24 tion; or

1 “(ii) to restore, maintain, or improve the
2 reliability of operations at, or the safety of, the
3 source,
4 except, with respect to either clause (i) or (ii), when
5 the change would be a modification as defined in
6 subparagraph (A) and the Administrator determines
7 that the increase in the maximum achievable hourly
8 emission rate of a pollutant from such change would
9 cause an adverse effect on human health or the envi-
10 ronment.”.

11 **SEC. 3. CLARIFICATION OF DEFINITION OF CONSTRUCTION**
12 **FOR PREVENTION OF SIGNIFICANT DETERIO-**
13 **RATION.**

14 Subparagraph (C) of section 169(2) of the Clean Air
15 Act (42 U.S.C. 7479(2)) is amended to read as follows:

16 “(C) The term ‘construction’, when used in con-
17 nection with a major emitting facility, includes a
18 modification (as defined in section 111(a)) at such
19 facility, except that for purposes of this subpara-
20 graph a modification does not include a change at
21 a major emitting facility that does not result in a
22 significant emissions increase, or a significant net
23 emissions increase, in annual actual emissions at
24 such facility.”.

1 **SEC. 4. CLARIFICATION OF DEFINITION OF MODIFICA-**
2 **TIONS AND MODIFIED FOR NONATTAINMENT**
3 **AREAS.**

4 Paragraph (4) of section 171 of the Clean Air Act
5 (42 U.S.C. 7501) is amended to read as follows:

6 “(4) The terms ‘modifications’ and ‘modified’
7 mean a modification as defined in section 111(a)(4),
8 except that such terms do not include a change at
9 a major emitting facility that does not result in a
10 significant emissions increase, or a significant net
11 emissions increase, in annual actual emissions at
12 such facility.”.

13 **SEC. 5. RULE OF CONSTRUCTION.**

14 Nothing in this Act or the amendments made by this
15 Act shall be construed to treat any change as a modifica-
16 tion for purposes of any provision of the Clean Air Act
17 (42 U.S.C. 7401 et seq.) if such change would not have
18 been so treated as of the day before the date of enactment
19 of this Act.

○

119TH CONGRESS
1ST SESSION

H. R. 4214

To require the Administrator of the Environmental Protection Agency to publish, concurrently with any final rule establishing or revising a national ambient air quality standard, regulations and guidance for implementing the standard, including information relating to submission and consideration of a preconstruction permit application under the new or revised standard, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 2025

Mr. ALLEN (for himself, Mr. CARTER of Georgia, Mr. WEBER of Texas, Mr. BALDERSON, Mr. LATTA, Mr. NEWHOUSE, and Mr. GRIFFITH) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To require the Administrator of the Environmental Protection Agency to publish, concurrently with any final rule establishing or revising a national ambient air quality standard, regulations and guidance for implementing the standard, including information relating to submission and consideration of a preconstruction permit application under the new or revised standard, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Clean Air and Building
3 Infrastructure Improvement Act”.

4 **SEC. 2. PRECONSTRUCTION PERMITS.**

5 Section 109 of the Clean Air Act (42 U.S.C. 7409)
6 is amended by adding at the end the following:

7 “(e) **TIMELY ISSUANCE OF IMPLEMENTING REGULA-**
8 **TIONS AND GUIDANCE.—**

9 “(1) **IN GENERAL.—**In publishing any final rule
10 establishing or revising a national ambient air qual-
11 ity standard, the Administrator shall, to assist
12 States, permitting authorities, and permit appli-
13 cants, concurrently publish final regulations and
14 guidance for implementing the standard, including
15 information relating to submission and consideration
16 of a preconstruction permit application under the
17 new or revised standard.

18 “(2) **APPLICABILITY OF STANDARD TO**
19 **PRECONSTRUCTION PERMITTING.—**If the Adminis-
20 trator fails to publish final regulations and guidance
21 under paragraph (1) that include information relat-
22 ing to submission and consideration of a
23 preconstruction permit application under a new or
24 revised national ambient air quality standard con-
25 currently with such standard, then such standard
26 shall not apply to the review and disposition of a

1 preconstruction permit application until the Admin-
2 istrator has published such final regulations and
3 guidance.

4 “(3) RULES OF CONSTRUCTION.—

5 “(A) Nothing in this subsection shall be
6 construed to preclude the Administrator from
7 issuing regulations and guidance to assist
8 States, permitting authorities, and permit appli-
9 cants in implementing a national ambient air
10 quality standard subsequent to publishing regu-
11 lations and guidance for such standard under
12 paragraph (1).

13 “(B) Nothing in this subsection shall be
14 construed to eliminate the obligation of a
15 preconstruction permit applicant to install best
16 available control technology and lowest achiev-
17 able emission rate technology, as applicable.

18 “(C) Nothing in this subsection shall be
19 construed to limit the authority of a State,
20 local, or Tribal permitting authority to impose
21 more stringent emissions requirements pursu-
22 ant to State, local, or Tribal law than national
23 ambient air quality standards.

24 “(4) DEFINITIONS.—In this subsection:

1 “(A) The term ‘best available control tech-
2 nology’ has the meaning given to that term in
3 section 169(3).

4 “(B) The term ‘lowest achievable emission
5 rate’ has the meaning given to that term in sec-
6 tion 171(3).

7 “(C) The term ‘preconstruction permit’—

8 “(i) means a permit that is required
9 under this title for the construction or
10 modification of a stationary source; and

11 “(ii) includes any such permit issued
12 by the Environmental Protection Agency
13 or a State, local, or Tribal permitting au-
14 thority.”.

15 **SEC. 3. CERTAIN PRECONSTRUCTION PERMITS.**

16 (a) IN GENERAL.—The 2024 Primary Annual Partic-
17 ulate Matter_{2.5} Standard shall not apply to the review and
18 disposition of a preconstruction permit application if—

19 (1) the Administrator or the State, local, or
20 Tribal permitting authority, as applicable, deter-
21 mines the application to be complete on or before
22 the date of promulgation of the final designation of
23 the area involved under section 107(d) of the Clean
24 Air Act (42 U.S.C. 7407(d)) with respect to the

1 2024 Primary Annual Particulate Matter_{2.5} Stand-
2 ard; or

3 (2) the Administrator or the State, local, or
4 Tribal permitting authority, as applicable, publishes
5 a public notice of a preliminary determination or
6 draft permit for the application before the date that
7 is 60 days after the date of promulgation of the final
8 designation of the area involved under section
9 107(d) of the Clean Air Act (42 U.S.C. 7407(d))
10 with respect to the 2024 Primary Annual Particu-
11 late Matter_{2.5} Standard.

12 (b) RULES OF CONSTRUCTION.—Nothing in this sec-
13 tion shall be construed to—

14 (1) eliminate the obligation of a preconstruction
15 permit applicant to install best available control
16 technology and lowest achievable emission rate tech-
17 nology, as applicable; or

18 (2) limit the authority of a State, local, or Trib-
19 al permitting authority to impose more stringent
20 emissions requirements pursuant to State, local, or
21 Tribal law than national ambient air quality stand-
22 ards.

23 (c) DEFINITIONS.—In this section:

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

4 (2) BEST AVAILABLE CONTROL TECH-
5 NOLOGY.—The term “best available control tech-
6 nology” has the meaning given to that term in sec-
7 tion 169(3) of the Clean Air Act (42 U.S.C.
8 7479(3)).

9 (3) LOWEST ACHIEVABLE EMISSION RATE.—
10 The term “lowest achievable emission rate” has the
11 meaning given to that term in section 171(3) of the
12 Clean Air Act (42 U.S.C. 7501(3)).

13 (4) NATIONAL AMBIENT AIR QUALITY STAND-
14 ARD.—The term “national ambient air quality
15 standard” means a national ambient air quality
16 standard promulgated under section 109 of the
17 Clean Air Act (42 U.S.C. 7409).

18 (5) PRECONSTRUCTION PERMIT.—The term
19 “preconstruction permit”—

20 (A) means a permit that is required under
21 title I of the Clean Air Act (42 U.S.C. 7401 et
22 seq.) for the construction or modification of a
23 stationary source; and

1 (B) includes any such permit issued by the
2 Environmental Protection Agency or a State,
3 local, or Tribal permitting authority.

4 (6) 2024 PRIMARY ANNUAL PARTICULATE MAT-
5 TER_{2.5} STANDARD.—The term “2024 Primary An-
6 nual Particulate Matter_{2.5} Standard” means the
7 final rule titled “Reconsideration of the National
8 Ambient Air Quality Standards for Particulate Mat-
9 ter” published in the Federal Register on March 6,
10 2024 (89 Fed. Reg. 16202).

○

119TH CONGRESS
1ST SESSION

H. R. 4218

To amend the Clean Air Act to facilitate State implementation of national ambient air quality standards, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 2025

Mr. CARTER of Georgia (for himself, Mr. GRIFFITH, Mr. ALLEN, Mr. BALDERSON, Mr. LATTA, Mr. NEWHOUSE, and Mr. WEBER of Texas) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend the Clean Air Act to facilitate State implementation of national ambient air quality standards, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Clean Air and Eco-
5 nomic Advancement Reform Act” or the “CLEAR Act”.

6 **SEC. 2. FACILITATING STATE IMPLEMENTATION OF NA-**
7 **TIONAL AMBIENT AIR QUALITY STANDARDS.**

8 (a) **TIMELINE FOR REVIEW OF NATIONAL AMBIENT**
9 **AIR QUALITY STANDARDS.**—Paragraphs (1) and (2)(B)

1 of section 109(d) of the Clean Air Act (42 U.S.C.
2 7409(d)) are amended by striking “five-year intervals”
3 each place it appears and inserting “10-year intervals”.

4 (b) CONSIDERATION OF ATTAINABILITY.—Section
5 109(b)(1) of the Clean Air Act (42 U.S.C. 7409(b)(1))
6 is amended by inserting after the first sentence the fol-
7 lowing: “If the Administrator, in consultation with the
8 independent scientific review committee appointed under
9 subsection (d), finds that a range of levels of air quality
10 for an air pollutant are requisite to protect public health
11 with an adequate margin of safety, as described in the
12 preceding sentence, the Administrator may, as a sec-
13 ondary consideration in establishing and revising the na-
14 tional primary ambient air quality standard for such air
15 pollutant, consider likely attainability of the standard.”.

16 (c) OPPORTUNITY FOR STATES TO CORRECT DEFICI-
17 CIENCY PRIOR TO PROMULGATION OF FEDERAL IMPLE-
18 MENTATION PLAN.—Section 110(c)(1) of the Clean Air
19 Act (42 U.S.C. 7410(c)(1)) is amended—

20 (1) by striking “at any time”; and

21 (2) by adding at the end the following: “Before
22 promulgating the Federal implementation plan, the
23 Administrator shall give the State at least one year
24 after such finding or disapproval to submit a plan or
25 plan revision to correct the deficiency. If the State

1 submits a plan or plan revision to correct the defi-
2 ciency, the Administrator may, notwithstanding the
3 2-year deadline under this paragraph to promulgate
4 a Federal implementation plan, take up to 3 years
5 after such finding or disapproval to promulgate a
6 Federal implementation plan.”.

7 (d) CONTINGENCY MEASURES FOR EXTREME OZONE
8 NONATTAINMENT AREAS.—Section 172(c)(9) of the Clean
9 Air Act (42 U.S.C. 7502(c)(9)) is amended by adding at
10 the end the following: “Notwithstanding the preceding
11 sentences and any other provision of this Act, such meas-
12 ures shall not be required for any nonattainment area for
13 ozone classified as an Extreme Area.”.

14 (e) PLAN SUBMISSIONS AND REQUIREMENTS FOR
15 OZONE NONATTAINMENT AREAS.—Section 182 of the
16 Clean Air Act (42 U.S.C. 7511a) is amended—

17 (1) in subsection (b)(1)(A)(ii)(III), by inserting
18 “and economic feasibility” after “technological
19 achievability”;

20 (2) in subsection (c)(2)(B)(ii), by inserting
21 “and economic feasibility” after “technological
22 achievability”;

23 (3) in subsection (e), in the matter preceding
24 paragraph (1)—

1 (A) by striking “The provisions of clause
 2 (ii) of subsection (c)(2)(B) (relating to reduc-
 3 tions of less than 3 percent), the provisions of
 4 paragraphs” and inserting “The provisions of
 5 paragraphs”; and

6 (B) by striking “, and the provisions of
 7 clause (ii) of subsection (b)(1)(A) (relating to
 8 reductions of less than 15 percent)”; and

9 (4) in paragraph (5) of subsection (e), by strik-
 10 ing “, if the State demonstrates to the satisfaction
 11 of the Administrator that—” and all that follows
 12 through the end of the paragraph and inserting a
 13 period.

14 (f) PLAN REVISIONS FOR MILESTONES FOR PARTIC-
 15 ULATE MATTER NONATTAINMENT AREAS.—Section
 16 189(c)(1) of the Clean Air Act (42 U.S.C. 7513a(c)(1))
 17 is amended by inserting “, which take into account techno-
 18 logical achievability and economic feasibility,” before “and
 19 which demonstrate reasonable further progress”.

20 **SEC. 3. EMISSIONS BEYOND CONTROL.**

21 (a) EXCEPTIONAL EVENTS.—Section 319(b) of the
 22 Clean Air Act (42 U.S.C. 7619(b)) is amended—

23 (1) in the subsection heading, by inserting “OR
 24 ACTIONS TO MITIGATE WILDFIRE RISK” after
 25 “EVENTS”;

1 (2) in paragraph (1)—

2 (A) in the paragraph heading, by striking
3 “DEFINITION OF EXCEPTIONAL EVENT” and in-
4 serting “DEFINITIONS”;

5 (B) in subparagraph (A), by redesignating
6 clauses (i) through (iv), as subclauses (I)
7 through (IV), respectively;

8 (C) by striking “(A)” and all that follows
9 through “an event that—” and inserting the
10 following:

11 “(A) EXCEPTIONAL EVENT.—

12 “(i) IN GENERAL.—The term ‘excep-
13 tional event’ means an event that—”;

14 (D) by amending subclause (III) of sub-
15 paragraph (A)(i), as redesignated, to read as
16 follows:

17 “(III) is an event that is—

18 “(aa) a natural event;

19 “(bb) caused by a human
20 activity that is intended to mirror
21 the occurrence or reoccurrence of
22 a natural event; or

23 “(cc) caused by a human ac-
24 tivity that is unlikely to recur;
25 and”;

1 (E) by striking subparagraph (B) and in-
2 serting the following:

3 “(ii) EXCLUSIONS.—In this sub-
4 section, the term ‘exceptional event’ does
5 not include—

6 “(I) ordinarily occurring stagna-
7 tion of air masses;

8 “(II) meteorological inversions;
9 or

10 “(III) air pollution relating to
11 source noncompliance.”; and

12 (F) by adding at the end the following:

13 “(B) ACTION TO MITIGATE WILDFIRE
14 RISK.—The term ‘action to mitigate wildfire
15 risk’ means a prescribed fire or similar meas-
16 ure, undertaken in accordance with State ap-
17 proved practices, to reduce the risk and severity
18 of wildfires.”;

19 (3) in paragraph (2)—

20 (A) in subparagraph (A)—

21 (i) by striking “March 1, 2006” and
22 inserting “18 months after the date of en-
23 actment of the CLEAR Act”;

24 (ii) by inserting “revisions to” before
25 “regulations”; and

1 (iii) by adding “or actions to mitigate
2 wildfire risk” before the period at the end;

3 (B) in subparagraph (B)—

4 (i) by inserting “or action to mitigate
5 wildfire risk” after “an exceptional event”;

6 and

7 (ii) by striking “paragraph (3)” and
8 inserting “this section”; and

9 (C) by adding at the end the following:

10 “(C) REGIONAL ANALYSIS.—When more
11 than one State notifies the Administrator of its
12 intent to submit a petition for an exceptional
13 event or an action to mitigate wildfire risk for
14 the same air quality event, the Administrator
15 shall conduct regional modeling and analysis,
16 upon request by one or more States, to satisfy
17 the analysis required for an exceptional event or
18 an action to mitigate wildfire risk petition for
19 such air quality event.

20 “(D) TRANSPARENCY.—Not later than 12
21 months after the date of enactment of the
22 CLEAR Act, the Administrator shall establish
23 and update monthly a public website describing
24 the status of all submitted petitions for excep-

1 tional events and actions to mitigate wildfire
2 risk.”;

3 (4) in paragraph (3)(A)—

4 (A) by redesignating clauses (ii) through
5 (v) as clauses (iii) through (vi), respectively;
6 and

7 (B) by inserting after clause (i) the fol-
8 lowing:

9 “(ii) the principle that actions to miti-
10 gate wildfire risk can play an important
11 role in reducing the magnitude and fre-
12 quency of wildfires;”;

13 (5) in paragraph (3)(B)—

14 (A) in clause (i), by inserting “or action to
15 mitigate wildfire risk” before “must be”;

16 (B) by amending clause (ii) to read as fol-
17 lows:

18 “(ii) a clear causal relationship must
19 exist, or be reasonably expected to exist,
20 between the measured exceedances of a na-
21 tional ambient air quality standard and the
22 exceptional event or action to mitigate
23 wildfire risk to demonstrate that the excep-
24 tional event or action to mitigate wildfire
25 risk caused a specific air pollution con-

1 centration at a particular air quality moni-
2 toring location;” and

3 (C) by amending clause (iv) to read as fol-
4 lows:

5 “(iv) there are criteria and procedures
6 for the Governor of a State to petition the
7 Administrator to exclude air quality moni-
8 toring data that is directly due to excep-
9 tional events or actions to mitigate wildfire
10 risk from use in determinations by the Ad-
11 ministrators with respect to—

12 “(I) area or source exceedances
13 or violations of the national ambient
14 air quality standards;

15 “(II) the designation, redesigna-
16 tion, classification, or reclassification
17 of an area;

18 “(III) the demonstration by a
19 State of attainment of a national am-
20 bient air quality standard;

21 “(IV) attainment determinations;

22 “(V) attainment date extensions;

23 “(VI) finding a State implemen-
24 tation plan to be inadequate; or

1 “(2) Emissions from an exceptional event (as
2 defined in section 319(b)(1)).

3 “(3) Emissions from mobile sources to the ex-
4 tent the State demonstrates that—

5 “(A) such emissions are beyond the control
6 of the State to reduce or eliminate; and

7 “(B) the State is fully implementing such
8 measures as are within the authority of the
9 State to control emissions from the mobile
10 sources.

11 “(b) NO EFFECT ON UNDERLYING STANDARDS.—
12 The inapplicability of sanctions or fees with respect to a
13 State (or an area or source therein) pursuant to sub-
14 section (a) does not affect the obligation of a State, area,
15 source, or other entity under other provisions of this Act
16 to establish and implement measures to attain a national
17 ambient air quality standard for ozone or particulate mat-
18 ter.

19 “(c) PERIODIC RENEWAL OF DEMONSTRATION.—
20 For subsection (a) to continue to apply with respect to
21 a State (or an area or source therein), the State involved
22 shall renew the demonstration required by subsection (a)
23 at least once every 5 years.”.

1 **SEC. 4. CLEAN AIR SCIENTIFIC ADVISORY COMMITTEE.**

2 (a) COMPOSITION OF INDEPENDENT SCIENTIFIC RE-
3 VIEW COMMITTEE.—Section 109(d)(2)(A) of the Clean
4 Air Act (42 U.S.C. 7409(d)(2)(A)) is amended—

5 (1) by striking “one person representing State
6 air pollution control agencies” and inserting “three
7 persons representing State air pollution control
8 agencies”; and

9 (2) by adding at the end the following: “The
10 persons representing State air pollution control
11 agencies shall be from geographically diverse areas
12 with at least one person representing a State located
13 in Region 1, 2, 3, or 5 of the Environmental Protec-
14 tion Agency, one person representing a State located
15 in Region 4, 6, or 7 of the Environmental Protection
16 Agency, and one person representing a State located
17 in Region 8, 9, or 10 of the Environmental Protec-
18 tion Agency.”.

19 (b) CONSIDERATION OF ADVERSE PUBLIC HEALTH,
20 WELFARE, SOCIAL, ECONOMIC, OR ENERGY EFFECTS.—
21 Section 109(d)(2) of the Clean Air Act (42 U.S.C.
22 7409(d)(2)) is amended by adding at the end the fol-
23 lowing:

24 “(D) Prior to establishing or revising a national am-
25 bient air quality standard, the Administrator shall re-
26 quest, and such committee, after receiving public com-

1 ments, shall assess and provide advice under subpara-
2 graph (C)(iv) regarding any adverse public health, welfare,
3 social, economic, or energy effects which may result from
4 various strategies for attainment and maintenance of such
5 national ambient air quality standard.”.

○

119TH CONGRESS
1ST SESSION

H. R. 6409

To amend the Clean Air Act to clarify standards for emissions emanating from outside of the United States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 3, 2025

Mr. PFLUGER introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend the Clean Air Act to clarify standards for emissions emanating from outside of the United States, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Foreign Emissions and
5 Nonattainment Clarification for Economic Stability Act”
6 or the “FENCES Act”.

7 **SEC. 2. EMISSIONS BEYOND CONTROL.**

8 (a) CLARIFICATION OF EMISSIONS COVERED.—Sec-
9 tion 179B of the Clean Air Act (42 U.S.C. 7509a) is
10 amended—

1 (1) by inserting “(regardless of whether such
2 emissions result from human activity)” after “but
3 for emissions emanating from outside of the United
4 States” each place it appears; and

5 (2) in subsection (d), by inserting “(regardless
6 of whether such emissions result from human activ-
7 ity)” after “but for emissions emanating from out-
8 side the United States”.

9 (b) DESIGNATIONS.—Section 179B of the Clean Air
10 Act (42 U.S.C. 7509a) is further amended by adding at
11 the end the following:

12 “(e) DESIGNATIONS.—Notwithstanding any other
13 provision of law, an area within a State may not be des-
14 ignated as a nonattainment area with respect to any new
15 or revised primary or secondary national ambient air qual-
16 ity standard for a pollutant if such State establishes to
17 the satisfaction of the Administrator that such area would
18 be in attainment with such national ambient air quality
19 standard for such pollutant but for emissions emanating
20 from outside of the United States (regardless of whether
21 such emissions result from human activity).”.

22 (c) APPLICABILITY OF SANCTIONS AND FEES IF
23 EMISSIONS BEYOND CONTROL.—The Clean Air Act (42
24 U.S.C. 7401 et seq.) is amended by inserting after section
25 179B the following new section:

1 **“SEC. 179C. APPLICABILITY OF SANCTIONS AND FEES IF**
2 **EMISSIONS BEYOND CONTROL.**

3 “(a) IN GENERAL.—Notwithstanding any other pro-
4 vision of this Act, with respect to any nonattainment area
5 that is classified under section 181 as a Severe Area or
6 an Extreme Area for ozone or under section 188 as a Seri-
7 ous Area for particulate matter, no sanction or fee under
8 section 179 or 185 shall apply with respect to a State (or
9 an area or source therein) on the basis of a deficiency de-
10 scribed in section 179(a), or the failure to attain a na-
11 tional ambient air quality standard for ozone or particu-
12 late matter by the applicable attainment date, if the State
13 demonstrates that the State would have avoided such defi-
14 ciency, or such standard would have been attained, but
15 for one or more of the following:

16 “(1) Emissions emanating from outside the
17 nonattainment area.

18 “(2) Emissions from an exceptional event (as
19 defined in section 319(b)(1)).

20 “(3) Emissions from mobile sources to the ex-
21 tent the State demonstrates that—

22 “(A) such emissions are beyond the control
23 of the State to reduce or eliminate; and

24 “(B) the State is fully implementing such
25 measures as are within the authority of the

1 State to control emissions from the mobile
2 sources.

3 “(b) NO EFFECT ON UNDERLYING STANDARDS.—

4 The inapplicability of sanctions or fees with respect to a
5 State (or an area or source therein) pursuant to sub-
6 section (a) does not affect the obligation of a State, area,
7 source, or other entity under other provisions of this Act
8 to establish and implement measures to attain a national
9 ambient air quality standard for ozone or particulate mat-
10 ter.

11 “(c) PERIODIC RENEWAL OF DEMONSTRATION.—

12 For subsection (a) to continue to apply with respect to
13 a State (or an area or source therein), the State involved
14 shall renew the demonstration required by subsection (a)
15 at least once every 5 years.”.

○



2026 Legislative Platform and Consideration of State and Federal Legislation

Board of Directors

March 4, 2026

Alan Abbs
Legislative Officer
Legislative and Government Affairs Division

Abbreviations

- Assembly Bill (AB)
- Senate Bill (SB)
- House of Representatives Bill (H.R.)
- California Air Resources Board (CARB)
- National Ambient Air Quality Standards (NAAQS)
- United States Environmental Protection Agency (US EPA)
- Particulate Matter_{2.5} (PM_{2.5})

Recommended Actions

1. Adopt the proposed 2026 Legislative Platform
2. Adopt positions on pending state and federal legislative bills where appropriate, including, but not limited to the following Air District staff recommendations:
 - State Legislation (See Slide 4)
 - Federal Legislation (See Slide 5)

Recommended Action #2 (State Legislation)

SUPPORT

- **AB 1777 (Garcia)** – Air pollution: indirect sources

Recommended Action #2 (Federal Legislation)

OPPOSE

- **H.R. 161 (Griffith-R-VA-9)** – New Source Review Permitting Improvement Act
- **H.R. 4214 (Allen-R-GA-12)** – Clean Air and Building Infrastructure Improvement Act
- **H.R. 4218 (Carter-R-GA-1)** – Clean Air and Economic Advancement Reform (CLEAR) Act
- **H.R. 6409 (Pfluger-R-TX-11)** – Foreign Emissions and Nonattainment Clarification for Economic Stability (FENCES) Act

Proposed 2026 Legislative Platform

State Budget | State Legislation |
Federal Legislation and Regulatory Activities

State Budget

1. State Funding for Clean Air Projects
2. Greenhouse Gas Reduction Fund
3. AB 617 Community Air Protection Program Implementation and Incentive Funding
4. Wildfire Mitigation and Public Health Response
5. Clean Tech Financing
6. Low-Carbon Transportation Incentives

State Legislation

1. Address Legal Barriers to Environmental Justice
2. AB 617 Community Air Protection Program
3. Vehicle Emissions and Reducing Vehicle Miles Traveled
4. Climate Change
5. Green and Healthy Buildings
6. Wildfire Smoke Public Health Response
7. Emergency Backup Generation
8. Toxic Air Emissions
9. Wildfire Smoke Mitigation/Prescribed Fire
10. Stationary Source Greenhouse Gas Authority
11. Land Use

Federal Legislation and Regulatory Activity

1. Federal Funding for Air District Clean Air Programs
2. Wildfire Smoke Public Health Response
3. Clean Transportation Programs
4. Clean Energy Programs
5. Particulate Matter Standards
6. Vehicle Emission Standards
7. Climate Change
8. Green and Healthy Buildings
9. Leaded Aviation Gas

Consideration of State Legislation

AB 1777 (Garcia)

Air pollution: indirect sources

This bill would clarify that CARB has authority to adopt indirect source. The bill does not require CARB to adopt specific measures, but it would give them another tool to reduce vehicle emissions at large magnet sources, which is important due to some of their regulatory authority being taken away at the federal level.

Status: Introduced on February 9, 2026

Committee Recommendation: Support

Consideration of Federal Legislation

H.R. 161 (Griffith-R-VA-9)

New Source Review Permitting Improvement Act

This bill would make changes to the Federal Clean Air Act related to what is defined as a modification for purposes of New Source Review permitting and potentially weakens requirements for such permitting.

The bill also includes language that seems to allow for emissions increases at facilities as long as there is a pollution decrease “per unit” of production.

Committee Recommendation: Oppose

H.R. 4214 (Allen-R-GA-12)

Clean Air and Building Infrastructure Improvement Act

This bill singles out US EPA's annual NAAQS exposure limit for PM_{2.5} that was tightened in 2024. The stricter standard's future is now in flux after the Trump Administration in November asked a federal appeals court to scrap it. This bill would meanwhile limit the stricter standard's use for permitting purposes.

Committee Recommendation: Oppose

H.R. 4218 (Carter-R-GA-1)

Clean Air and Economic Advancement Reform (CLEAR) Act

The bill would lengthen the review cycle for ozone, PM_{2.5}, and four other pollutants covered by US EPA's NAAQS from five years to 10. It would also let US EPA take "likely attainability" into account when weighing the possibility of strengthening any of those standards. Currently, the Agency can only consider public health needs.

Committee Recommendation: Oppose

H.R. 6409 (Pfluger-R-TX-11)

Foreign Emissions and Nonattainment Clarification for Economic Stability (FENCES) Act

The bill would make it easier for state and local regulators to claim compliance waivers for air pollution from sources outside the United States' borders or otherwise deemed outside of their control, including mobile sources operating under federal emission standards.

Committee Recommendation: Oppose

Recap: Recommended Actions

1. Adopt the proposed 2026 Legislative Platform
2. Adopt positions on pending state and federal legislative bills where appropriate, including, but not limited to the following Air District staff recommendations:
 - State Legislation (See Slide 18)
 - Federal Legislation (See Slide 19)

Recommended Action #2 (State Legislation)

SUPPORT

- **AB 1777 (Garcia)** – Air pollution: indirect sources

Recommended Action #2 (Federal Legislation)

OPPOSE

- **H.R. 161 (Griffith-R-VA-9)** – New Source Review Permitting Improvement Act
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- **H.R. 6409 (Pfluger-R-TX-11)** – Foreign Emissions and Nonattainment Clarification for Economic Stability (FENCES) Act

Questions & Discussion

For more information:

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